

**Form ADV Part 2A – Firm Brochure  
Item 1: Cover Page**

**February 2024**

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This brochure provides information about the qualifications and business practices of Integrity Wealth Partners, LLC. If you have any questions about the contents of this brochure, please contact Ryder Brose by telephone at (925) 300-3222 or email at [Ryder@InvestWithIntegrity.com](mailto:Ryder@InvestWithIntegrity.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.

Additional information about Integrity Wealth Partners, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD #167314.

Please note that the use of the term "registered investment adviser" and description of Integrity Wealth Partners, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

## **Item 2: Material Changes**

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Integrity Wealth Partners, LLC is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Since the last annual amendment filed on February 13, 2023, please see the following material changes to report.

- Due to the recent merger, our firm no longer recommends TD Ameritrade, Inc. ("TD Ameritrade") as a qualified custodian. Please reach out to Integrity Wealth Partners for more information.
- Additionally, our firm has closed down our branch office located in Boise, Idaho. For additional questions or information, please reach out to Integrity Wealth Partners.

### Item 3: Table of Contents

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<u>Section:</u>	<u>Page(s):</u>
Form ADV Part 2A – Firm Brochure .....	1
Item 1: Cover Page.....	1
Item 2: Material Changes .....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business .....	4
Item 5: Fees & Compensation .....	5
Item 6: Performance-Based Fees & Side-By-Side Management .....	8
Item 7: Types of Clients & Account Requirements .....	8
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss .....	8
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities & Affiliations.....	11
Item 11: Code of Ethics, .....	11
Item 12: Brokerage Practices .....	12
Item 13: Review of Accounts or Financial Plans .....	15
Item 14: Client Referrals & Other Compensation .....	16
Item 15: Custody .....	16
Item 16: Investment Discretion .....	17
Item 17: Voting Client Securities.....	17
Item 18: Financial Information .....	17

## **Item 4: Advisory Business**

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We provide individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of California and was established in 2013 and has been in business as an investment adviser since that time. Our firm is solely owned by Ryder Brose.

### **Description of the Types of Advisory Services We Offer**

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#### **Asset Management:**

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives.

#### **Pontera:**

We provide an additional service for accounts not directly held in our custody, but where we do have discretion, and may leverage an Order Management System "Pontera" to implement tax-efficient asset allocation and opportunistic rebalancing strategies on behalf of the client. These are primarily 401(k) accounts, HSAs, and other assets we do not custody. We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools as necessary.

"Pontera" is a third party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) are connected to the platform, Adviser will review the current account allocations. When deemed necessary, Adviser will rebalance the account considering client 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. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

#### **Financial Planning & Consulting:**

We provide a variety of financial planning and consulting services to individuals, families, foundations, endowments, and charitable organizations regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement

Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client.

### **Retirement Plan Consulting:**

Our firm provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising may include:

- Establishing an Investment Policy Statement – Our firm will assist in the development of a statement that summarizes the investment goals and objectives along with the broad strategies to be employed to meet the objectives.
- Investment Options – Our firm will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Our firm will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.
- Investment Monitoring – Our firm will monitor the performance of the investments and notify the client in the event of over/underperformance and in times of market volatility.
- Participant Education – Our firm will provide opportunities to educate plan participants about their retirement plan offerings, different investment options, and general guidance on allocation strategies.

In providing services for retirement plan consulting, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, “Excluded Assets”). All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans (“Plan”) governed by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). If the client accounts are part of a Plan, and our firm accepts appointment to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

## **Tailoring of Advisory Services**

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We offer individualized investment advice to our Asset Management clients. General investment advice will be offered to our Financial Planning & Consulting clients. Each Asset Management client may place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

## **Participation in Wrap Fee Programs**

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Our firm does not offer or sponsor a wrap fee program for new clients. We may still offer our Wrap Asset Management service to Legacy Clients.

## **Regulatory Assets under Management**

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As of December 31, 2023, our firm manages \$174,092,538 on a discretionary basis and \$1,303,295 on a non-discretionary basis.

## **Item 5: Fees & Compensation**

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### **How We Are Compensated for Our Advisory Services**

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#### **Asset Management:**

<b>Assets Under Management</b>	<b>Annual Percentage of Assets Charge</b>
\$0 to \$250,000	1.3%—1.5%
\$250,001 to \$1,000,000	1.1%—1.4%
\$1,000,001 to \$2,000,000	0.90%—1.25%
Over \$2,000,000	0.80%—1.15%

Fees to be assessed will be outlined in the advisory agreement to be signed by the client. Our firm bills on cash unless indicated otherwise in writing. Our firm bills on cash unless indicated otherwise in writing. Annualized fees are billed on a pro-rata basis quarterly in advance based on the value of the account(s) on the last day of the previous quarter. Fees are negotiable at the sole discretion of our firm and will be deducted from client account(s). Adjustments will be made for deposits and withdrawals during the quarter. In rare cases, our firm will agree to directly invoice. As part of this process, you understand and acknowledge the following:

- a) The qualified custodian sends statements to you at least quarterly showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms. We will send an invoice directly to the custodian;
- c) If we send a copy of our invoice to you, our invoice includes a legend urging the client to compare information provided in their statements with those from the qualified custodian.

Pontera:

Our firm charges an additional fee for held away assets such as defined contribution plan participant accounts. Pontera charges a 0.30% fee for those assets. Our firm will not charge clients the 0.30% Pontera fee and will cover the additional cost of this service.

### **Financial Planning & Consulting:**

We generally charge a recurring fee on a monthly or quarterly basis for financial planning and consulting services. The ultimate fee that we charge you is based on the scope and complexity of our engagement with you. For purposes of computing partial periods, an hourly fee may be assessed not to exceed \$400. We may also charge on an hourly or flat fee basis for financial planning and consulting services. Our hourly fees are \$400 for financial advisors and \$150 for research and administrative work. Flat fees generally range from \$1,500 to \$10,000.

We require a retainer of fifty percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

### **Retirement Plan Consulting:**

Our Retirement Plan Consulting services are billed on an hourly or flat fee basis or a fee based on the percentage of Plan assets under management. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. The maximum hourly fee to be charged will not exceed \$400. Our flat fees range from \$750 to \$10,000. Fees based on a percentage of managed Plan assets will not exceed 1.00%. The fee-paying arrangements will be determined on a case-by-case basis and will be detailed in the signed consulting agreement.

### **Other Types of Fees & Expenses**

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Non-Wrap Clients may incur transaction charges for trades executed by their custodian via individual transaction charges. These transaction fees are separate from our fees and will be disclosed by the account custodian. Our firm's recommended custodian, Charles Schwab & Co., Inc. ("Schwab") does not charge transaction fees for U.S. listed equities and exchange traded funds. Throughout the rest of the document Schwab will be referred to as ("the custodian").

Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (e.g., fund management fees, distribution fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions). Our firm does not receive a portion of these fees.

Wrap clients will not incur transaction costs for trades by their custodian. More information can be found in our separate Form ADV Part 2A, Appendix 1 ("Wrap Fee Program Brochure").

## **Termination & Refunds**

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In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You must contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

Financial Planning & Consulting clients may terminate their agreement at any time before the delivery of a financial plan by providing written notice. For purposes of calculating refunds, all work performed by us up to the point of termination shall be calculated at the hourly fee currently in effect. Clients will receive a pro-rata refund of unearned fees based on the time and effort expended by our firm.

## **Commissionable Securities Sales**

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We do not sell securities for a commission in our advisory accounts.

## **Item 6: Performance-Based Fees & Side-By-Side Management**

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We do not charge performance fees to our clients.

## **Item 7: Types of Clients & Account Requirements**

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We have the following types of clients:

- Individuals and High Net Worth Individuals
- Trusts, Estates or Charitable Organizations
- Pension and Profit-Sharing Plans
- Corporations, Limited Liability Companies and/or Other Business Types

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We typically require a minimum account balance of \$250,000 to engage us for our Asset Management service. Generally, this account balance would be required throughout the course of the client's relationship with our firm. However, the minimum balance requirement may be negotiable at our sole discretion.
- We generally charge a minimum fee of \$1,500 for written financial plans.

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

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### **Methods of Analysis**

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

- **Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements.



- **Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company or market.

All of the aforementioned methods of analysis present potential risks, and the investments selected may not perform as expected. Be aware that investing in the financial markets and securities involves a certain amount of risk. Although efforts are taken to minimize such risk, there are no guarantees that the selected investments will meet their expected returns, or that these investments will not lose money.

### **Investment Strategies We Use**

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

- **Long-Term Purchases (Securities Held At Least a Year):** When utilizing this strategy, we may purchase securities with the expectation of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically, we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.
- **Option Writing:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires. We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

Inherent risks associated with this strategy include time sensitivity and that options are less tangible than other investments. An options contract is for a short period - generally a few

months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur before the option expires. Options are book entry only investments and do not come with paper certificates of ownership.

- **Real Estate Investment Trusts (“REITs”):** REITs primarily invest in real estate or real estate-related loans. Equity REITs own real estate properties, while mortgage REITs hold construction, development and/or long-term mortgage loans. Changes in the value of the underlying property of the trusts, the creditworthiness of the issuer, property taxes, interest rates, tax laws, and regulatory requirements, such as those relating to the environment all can affect the values of REITs. Both types of REITs are dependent upon management skill, the cash flows generated by their holdings, the real estate market in general, and the possibility of failing to qualify for any applicable pass-through tax treatment or failing to maintain any applicable exempted status afforded under relevant laws.

REITs involve a high degree of risk and can be illiquid due to restrictions on transfer and lack of a secondary trading market. They can be highly leveraged, speculative and volatile, and an investor could lose all or a substantial amount of an investment. Additionally, they may lack transparency as to share price, valuation and portfolio holdings as they are subject to less regulation and often charge higher fees.

- **Margin Transactions:** Our firm may purchase securities for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows us to purchase securities without selling other holdings. Margin accounts and transactions are risky and not necessarily appropriate for every client. The potential risks associated with these transactions are (1) You can lose more funds than are deposited into the margin account; (2) the forced sale of securities or other assets in your account; (3) the sale of securities or other assets without contacting you; (4) you may not be entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call; and (5) custodians charge interest on margin balances which will reduce your returns over time.
- **Short Sales:** A short sale is a transaction in which an investor sells borrowed securities in anticipation of a price decline and is required to return an equal number of shares at some point in the future. These transactions have a number of risks that make it highly unsuitable for the novice investor. This strategy has a slanted payoff ratio in that the maximum gain is limited, but the maximum loss is theoretically infinite. The following risks should be considered: (1) In addition to trading commissions, other costs with short selling include that of borrowing the security to short it, as well as interest payable on the margin account that holds the shorted security. (2) The short seller is responsible for making dividend payments on the shorted stock to the entity from whom the stock has been borrowed. (3) Stocks with very high short interest may occasionally surge in price. This usually happens when there is a positive development in the stock, which forces short sellers to buy the shares back to close their short positions. Heavily shorted stocks are also susceptible to “buy-ins,” which occur when a broker closes out short positions in a difficult-to-borrow stock whose lenders are demanding it back. (4) Regulators may impose bans on short sales in a specific sector or even in the broad market to avoid panic and unwarranted selling pressure. Such actions can cause a spike in stock prices, forcing the short seller to cover short positions at huge losses.

- **Short-Term Purchases:** When utilizing this strategy, we may purchase securities with the expectation of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The risk in this strategy is that the funds invested may decline sharply in value before we make a decision to sell.
- **Trading:** While not our standard practice, we may purchase securities with the expectation of selling them very quickly (within 30 days or less). We would do this in an attempt to take advantage of our predictions of brief price swings. The risk associated with this strategy is that a high volume of trading activity may lead to increased transaction fees, returns are not guaranteed on any transaction and that the market can be volatile.

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### **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. While the financial markets and value of the securities your portfolio is invested in may increase and your account(s) could enjoy a gain, it is also possible that the financial markets and the value of the securities your portfolio is invested in may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the financial markets, that the risks are appropriately diversified in your investments, and that you ask us any questions you may have.

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### **Description of Material, Significant or Unusual Risks**

We generally invest clients' cash balances in FDIC insured bank deposit programs or money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our clients' cash balances through relatively low-risk conservative investments. Some cash will be maintained so that our firm may debit advisory fees for our services related to Asset Management as applicable.

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### **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

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### **Item 10: Other Financial Industry Activities & Affiliations**

Our firm has no other financial industry activities and affiliations to disclose.

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

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes policies and procedures for personal securities transactions and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding, and compliance with our firm's Code of Ethics.

Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or potential client wishes to review our Code of Ethics in its entirety, a copy will be provided upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling securities that will be bought or sold in client accounts unless done so after the client execution or concurrently as a part of a block trade.

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## Item 12: Brokerage Practices

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### Selecting a Brokerage Firm

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While we do not maintain physical custody of client assets, we are deemed to have custody of certain assets if given the authority to withdraw assets from client accounts (see *Item 15 Custody*, below). Client assets must be maintained by a qualified custodian. We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, the following:

- Timeliness of execution

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

With this in consideration, our firm participates in the custodian's Institutional program. The custodian Institutional is a division of the custodian's member FINRA/SIPC. The custodian is an independent [and unaffiliated] SEC-registered broker-dealer. The custodian offers services to independent investment advisers which includes custody of securities, trade execution, clearance and settlement of transactions. The custodian enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The custodian does not charge client accounts separately for custodial services. Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client's custodial account. Transaction fees are negotiated with the custodian and are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise.

The custodian may make certain research and brokerage services available at no additional cost to our firm. These services may be directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by the custodian may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by the custodian to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934.

The custodian does not make client brokerage commissions generated by client transactions available for our firm's use. The aforementioned research and brokerage services are used by our firm to manage accounts for which our firm has investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm's choice of the custodian as the custodial recommendations. Our firm examined this potential conflict of interest when our firm chose to recommend the custodian and have determined that the recommendation is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Our non-wrap fee clients may pay a commission to the custodian that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided to the client as a whole. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

### **Soft Dollars**

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Our firm does not receive soft dollars in excess of what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all of our clients but not necessarily all at any one particular time.

### **Client Brokerage Commissions**

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The custodian does not make client brokerage commissions generated by client transactions available for our firm's use.

### **Procedures to Direct Client Transactions in Return for Soft Dollars**

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We do not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

### **Brokerage for Client Referrals**

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Our firm does not receive brokerage for client referrals.

### **Directed Brokerage**

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In certain instances, clients may seek to limit or restrict our discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Clients may seek to limit our authority in this area by directing that transactions (or some specified percentage of transactions) be executed through specified brokers in return for portfolio evaluation or other services deemed by the client to be of value. Any such client direction must be in writing (often through our advisory agreement), and may contain a representation from the client that the arrangement is permissible under its governing laws and documents, if this is relevant.

We provide appropriate disclosure in writing to clients who direct trades to particular brokers, that with respect to their directed trades, will be treated as if they have retained the investment discretion that we otherwise would have in selecting brokers to effect transactions and in negotiating commissions and that such direction may adversely affect our ability to obtain best price and execution. In addition, we will inform you in writing that your trade orders may not be aggregated with other clients' orders and that direction of brokerage may hinder best execution.



## **Special Considerations for ERISA Clients**

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A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

### **Client-Directed Brokerage**

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Our firm does not allow client-directed brokerage outside our recommendations.

### **Aggregation of Purchase or Sale**

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We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## **Item 13: Review of Accounts or Financial Plans**

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We review accounts on at least a quarterly basis for our Asset Management clients. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Our firm does not provide written reports to clients, unless asked to do so. Verbal reports take place on at least an annual basis when our Asset Management clients are contacted.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately engage our firm for a post-financial plan meeting or update to their initial written financial plan.

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## Item 14: Client Referrals & Other Compensation

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### Schwab

Our firm receives economic benefit from Schwab in the form of the support products and services made available to our firm and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit our firm, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability of Schwab's products and services is not based on our firm giving particular investment advice, such as buying particular securities for our clients.

### Referral Fees

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Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206(4)-3 of the Investment Advisers Act of 1940.

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## Item 15: Custody

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### Deduction of Advisory Fees:

While our firm does not maintain physical custody of client assets (which are maintained by a qualified custodian, as discussed above), we are deemed to have custody of certain client assets if given the authority to withdraw assets from client accounts, as further described below under "Third Party Money Movement." All our clients receive account statements directly from their qualified custodian(s) at least quarterly upon opening an account. We urge our clients to carefully review these statements. Additionally, if we decide to send account statements to clients, such statements will include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

### Third Party Money Movement:

On February 21, 2017, the SEC issued a no-action letter ("Letter") with respect to the Rule 206(4)-2 ("Custody Rule") under the Investment Advisers Act of 1940 ("Advisers Act"). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction ("SLOA") is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodian:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.



- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodian we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

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### **Item 16: Investment Discretion**

Clients must provide our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, our firm is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold.

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### **Item 17: Voting Client Securities**

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

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### **Item 18: Financial Information**

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not take custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.
- Our firm has never been the subject of a bankruptcy proceeding.