

Item 1 – Cover Page



THE WEALTH
CONSERVANCY, INC.

1525 Spruce Street
Suite 300
Boulder, CO 80302
P: 303-444-1919 F: 303-444-1479
twc@twcinc.org
www.TheWealthConservancy.com

Part 2A SEC Form ADV Disclosure Brochure January 2024

This brochure provides information about the qualifications and business practices of The Wealth Conservancy, Inc. (TWC). If you have any questions about the contents of this brochure, please contact us at 303-444-1919 or twc@twcinc.org.

The Wealth Conservancy, Inc. is a Registered Investment Adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training. The verbal and written communications of an investment adviser provide you with information from which you determine to hire or retain the investment adviser. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about The Wealth Conservancy, Inc. is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for The Wealth Conservancy, Inc. is 112024.

Item 2 - Material Changes

This Firm Brochure, dated January 2024, provides you with a summary of The Wealth Conservancy, Inc.'s advisory services and fees, professionals, certain business practices and policies, as well as conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information.

Since the last annual update to this brochure in January 2023, no material changes have been made.

When a material change in our operations occurs, depending on its nature, we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates - any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

Copies of this brochure can be downloaded from the [SEC's website](#) as indicated in Item 1 or you may contact us at 303-444-1919 or by email to twc@twcinc.org.

We encourage you to read this document in its entirety.

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Item 4 - Advisory Business

The Wealth Conservancy, Inc. is an SEC-registered investment advisor with its principal place of business located in Colorado. The Wealth Conservancy, Inc. began conducting business in 1983. Myra Salzer, President, is the firm's principal shareholder.

The Wealth Conservancy, Inc. works with clients as a fiduciary to provide investment solutions, financial planning, and wealth coaching.

Client Relationships: The Wealth Conservancy, Inc. provides discretionary and non-discretionary investment advisory services. We provide continuous and regular supervisory or management services and advice to clients regarding the investment of their funds based on their individual needs. Account supervision is guided by the client's stated objectives (i.e., liquidity needs, tax considerations, etc.) and circumstances. We often develop a personal investment policy and can customize the investment policy and portfolio for individual client circumstances. We determine the client's individual goals and objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

Investment Philosophy: The Wealth Conservancy, Inc.'s investment approach is to assist clients in meeting their investment goals through a long-term investment strategy that is revised only with a change in client circumstances. Short-term tactical asset allocation decisions in response to market movements or outlook are made by the firm to refine a portfolio's long-term strategy.

Our firm has a standard portfolio model that is used as the foundation for all client portfolios. We screen potential clients to ensure that they are comfortable with the investment philosophy at TWC and that there is a fit between their needs and our services.

Investment Platform: The Wealth Conservancy, Inc. provides investment exposure to a full range of asset classes, and our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. We can provide advice regarding the following securities:

- Exchange traded funds (ETFs)
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships and Limited Liability Companies (LLCs)
- Other: We will advise on other types of investments if the client requests us to do so or if we think it is appropriate for the client's circumstances.

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

The Wealth Conservancy, Inc. does not sell any investment products and does not enter into fee sharing arrangements with outside providers. Our approach to investment seeks to mitigate conflicts of interest relating to the selection of managers and asset classes.

Investment Services: The Wealth Conservancy, Inc. works with each client to develop and execute an appropriate investment strategy. This includes establishing an investment objective and asset allocation that is aligned with the client's investment goals and constraints. Clients can impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

A client with a discretionary account can direct The Wealth Conservancy, Inc. to purchase or hold an investment that we do not recommend. Prior to doing so, the client must acknowledge:

- The investment was a directed trade and The Wealth Conservancy, Inc. has no investment discretion with respect to that investment.

- The value of the investment will be included in the client account's market value calculation and will be subject to the same fee as the other investment assets in the client's account.
- The Wealth Conservancy, Inc. will consider the security when making asset allocation decisions on the client's behalf but is not obligated to provide the client with investment advice pertaining to the specific investment.
- The Wealth Conservancy, Inc. will provide administrative services for the investment that include purchasing and selling it at the client's direction.
- Unless or until the client notifies The Wealth Conservancy, Inc. in writing, we will continue to hold the security in the client account.

Cash Management: Assets under management (AUM) refers to the market value of the assets that The Wealth Conservancy, Inc. provides continuous and regular supervision for, either on a discretionary or non-discretionary basis. Sometimes referred to as a management fee, this fee is calculated in total, regardless of different types of funds. The Wealth Conservancy, Inc. considers cash to be an asset class and cash balances held in money market accounts are included in a client's fee calculation. During market downturns, your fee will exceed the money market yield.

Custody Services: All client funds and securities are held with unaffiliated, qualified custodians. In many cases, The Wealth Conservancy, Inc. recommends a qualified custodian to provide custody services that include arranging for safekeeping of assets. The Wealth Conservancy, Inc. typically recommends Charles Schwab as the qualified custodian for client accounts and facilitates the arrangement with them. Clients can choose the qualified custodian where their assets are held. From time to time, The Wealth Conservancy, Inc. facilitates custodial arrangements with Schwab Institutional, a division of Charles Schwab & Co., Inc. (Schwab) for client accounts that do not receive investment advisory services from our firm.

Referral Services: The Wealth Conservancy, Inc. can refer clients to First Affirmative Financial Network LLC, an unaffiliated SEC registered investment adviser firm to serve as a third-party investment adviser or money manager to the client. When utilizing First Affirmative Financial Network LLC, we assist the client with identifying your risk tolerance and investment objectives. The recommendation is made in relation to the client's stated investment objectives and risk tolerance, and the client can select a portfolio or strategy based upon their needs. The client must enter into an agreement directly with First Affirmative Financial Network LLC, who will provide the client with asset management services. The Wealth Conservancy, Inc. is available to answer questions the client has regarding their account(s) and act as a communication conduit between the client and First Affirmative Financial Network LLC. First Affirmative Financial Network LLC will take discretionary authority to determine the securities to be purchased and sold for your account. We do not have any trading authority with respect to your designated account managed by First Affirmative Financial Network LLC. First Affirmative Financial Network LLC is responsible for monitoring client accounts and making trades in client accounts when necessary. The Wealth Conservancy, Inc. does not receive any portion of the fee charged by First Affirmative Financial Network LLC, nor does the firm receive any form of a solicitor or referral fee under this arrangement.

Although we review the performance of numerous third-party investment adviser firms, currently we exclusively use First Affirmative Financial Network LLC as a third-party investment adviser firm. Clients are advised that there are other third-party managed programs not recommended by our firm. These alternatives can be suitable for the client and more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a third-party investment adviser recommended by our firm. Further, no guarantees of performance can ever be offered by our firm.

Retirement Plan Rollover Recommendations: When The Wealth Conservancy, Inc. provides investment advice about a client's retirement plan account or individual retirement account (IRA) including whether to maintain investments and/or proceeds in the retirement plan account, roll over such investment/proceeds from the retirement plan account to an IRA or make a distribution from the retirement plan account, The Wealth Conservancy, Inc. acknowledges that we are a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (ERISA) and/or the Internal Revenue Code (IRC) as applicable, which are laws governing retirement accounts. The way the firm makes money creates a conflict of interest for the client. We can earn increased investment advisory fees by recommending that a client roll over their account at the retirement plan to an IRA managed by our firm. We can earn fewer investment advisory fees if clients do not roll over the funds in the retirement plan to an IRA managed by The Wealth Conservancy, Inc. Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can result in increased earnings.

We have taken steps to manage this conflict of interest. We have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in TWC receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by TWC and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and

refrain from making any materially misleading statements regarding such rollover.

The Wealth Conservancy, Inc. operates under a special rule that requires our firm to act in the client's best interest and not put our interest ahead of theirs. Under this special rule's provisions, The Wealth Conservancy, Inc. must, as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (e.g., give prudent advice);
- Never put the financial interests of The Wealth Conservancy, Inc.'s ahead of the client when making recommendations (e.g., give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that The Wealth Conservancy, Inc. gives advice that is in the client's best interest;
- Charge no more than is reasonable for the services of The Wealth Conservancy Inc.; and
- Give the client basic information about conflicts of interest.

When providing advice to clients regarding a retirement plan account or IRA, our investment advisor representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of The Wealth Conservancy, Inc. or any affiliated personnel.

Financial Planning Services: The Wealth Conservancy, Inc. provides financial planning services for clients who elect for us to do so. Financial planning can be described as helping individuals determine and set their long-term financial goals. The role of a financial planner is to find ways to help the client understand their overall financial situation and help the client set and map out a course to meet financial objectives. Financial planning is an evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. Through the financial planning process, questions, information, and analyses are considered as they impact and are impacted by the financial and life situation of the client. In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income taxes, spending, and planning for current and anticipated future years; then illustrate the impact of the analyses.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **CAPITAL NEEDS/RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her capital needs/retirement goals.
- **DEATH & DISABILITY:** When appropriate, we review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, trusts, wills, estate tax reviews, powers of attorney, asset protection plans and nursing homes.

We gather required information through in-depth personal interviews, including, as appropriate, the client's current financial status, tax status, future goals, and attitudes towards risk. We carefully review documents supplied by the client and all applicable information obtained via interview or questionnaire. Should the client choose to implement our recommendations, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or other advisors. Implementation of financial plan recommendations is entirely at the client's discretion, although we reserve the right to terminate our relationship or reduce the level of service and fees to clients whom we feel are not making progress and therefore not fully utilizing the services we provide.

Wealth coaching is an integral part of the financial planning work The Wealth Conservancy provides. It is a personalized approach to assist the client in understanding their financial position focused on educating the client around the financial decision-making process. We work alongside the client and existing advisers, brokers, accountants, estate planners, attorneys, and other professionals to form an integrated team.

We also provide general non-securities advice on topics including tax and budgetary planning, estate planning, philanthropic, and, occasionally, business planning. Financial planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company.

The financial planning we do with clients is ongoing and not limited to one report unless otherwise requested by the client or decided mutually by the client and the adviser. We present reports and planning ideas on an ad-hoc, as-needed basis and update them as client circumstances change. When we do agree to provide a comprehensive, written report, it

is usually presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Consulting Services: The Wealth Conservancy, Inc. has consulting and other arrangements with certain clients. These arrangements, to the extent applicable, are made on a case-by-case basis. Arrangements can include investment advice on a more focused basis, addressing an isolated area(s) of concern such as estate planning, retirement planning, or specific consultation and administrative services regarding investment and other financial concerns, as well as wealth coaching. Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company.

Many of our clients choose to work with us on a flat-fee basis, which includes not only investment management and financial planning, but other consulting services as needed. Clients are encouraged to utilize our services as much as possible.

Assets Under Management: As of 12/31/2023, we were actively managing \$99,444,376 of clients' assets on a discretionary basis plus \$82,749,521 of clients' assets on a non-discretionary basis. Discretionary assets are those in which we place trades in a client's account without contacting them for approval prior to placing a trade. Non-discretionary assets are those in which we are required to contact the client prior to placing a trade.

The Wealth Conservancy, Inc. also provides advice to clients regarding assets that are not considered to be either discretionary or non-discretionary assets. These assets can be held in trust, at a family office, in a business, in a closely held entity, etc.

Item 5 - Fees and Compensation

Fees for Investment Management Clients: As compensation for investment management services provided by The Wealth Conservancy, Inc., new investment-only clients can enter into an agreement for services based on a fee schedule that is either asset-based or a flat-fee-rate. The client agreement specifies which services will be provided to the client and the fee schedule. Discounts not available to our clients are offered to family members and friends of associated persons of our firm. The Wealth Conservancy, Inc. can negotiate agreed upon adjustment at its discretion.

The Wealth Conservancy, Inc.'s standard asset-based investment management fee is the following:

Annual Fee Based on Market Value of Assets

First \$2,000,000	1.00%
\$2,000,000 - \$3,000,000	0.75%
Over \$3,000,000	0.50%

Minimum quarterly fee.....\$10,000.00

A flat-rate fee schedule is determined on a case-by-case basis and is assessed at a fixed fee. Investment management fees charged by The Wealth Conservancy, Inc. are negotiable and can be different than those set forth in the standard fee schedule noted above. In certain circumstances, The Wealth Conservancy, Inc. charges a flat or fixed fee, discounts or waives fees.

Annual Fee Based on Market Value of Assets (Existing Clients Who Engaged Prior To 1995)

First \$250,000	2%
Next 250,000	1.5%
Over 500,000	0.50%

Minimum quarterly fee.....\$1,350.00

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to The Wealth Conservancy, Inc.'s minimum fee requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum fee requirements will differ among clients.

Fees for Financial Planning Clients: Fees for The Wealth Conservancy's financial planning services are determined on a case-by-case basis and are assessed as a fixed fee. We determine flat-rate or fixed-fee schedules at agreed-upon rates based on client facts, circumstances, and needs. These include the complexity of the client situation, the services being provided, the number of accounts and value of assets under advisement, anticipated future additional assets, related accounts, portfolio style, account composition, and reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client. Discounts not available to our clients are offered to family members and friends of associated persons of our firm. The Wealth Conservancy, Inc. can negotiate discounts at its discretion.

The Wealth Conservancy, Inc. also provides financial planning on a consulting or project basis. Fees are determined on a case-by-case basis subject to the specific arrangement reached with the client and are agreed upon at the start of the advisory relationship. Fees are calculated based on client preference, the nature of the services being provided, and the complexity of each client's circumstances. Historically, project fees range from \$1,000 to \$50,000. If the client is an Asset Management client who is paying TWC for project work, the fees are either added to the client's quarterly billing or billed separately as is appropriate to the project work.

Valuation of Assets: The valuation of marketable securities is made by the qualified custodian holding the assets and the qualified custodian follows its standard valuation procedures. Valuations of limited liability companies or partnerships and private funds are based upon the valuations made by the managing member or general partner or by an independent, third-party accountant or auditor of the private funds or partnership. We group certain related client accounts to determine the minimum fee requirements and annualized fee. The Wealth Conservancy, Inc. takes the valuation of assets and the calculation of its asset-based fees seriously, however, clients are responsible for determining whether the correct fees are being applied to their account(s). The client's statement from the qualified custodian

reflects amounts dispersed from all custodial accounts, including the amount of any management fee paid to The Wealth Conservancy, Inc. for our stated services.

Compensation for Services: The Wealth Conservancy, Inc.'s fees are billed quarterly, in advance, at the beginning of each calendar quarter. Fees are deducted from the client's account in accordance with the authorization in the client agreement unless other arrangements have been made. Adjustments to fees can be made upon mutual agreement between The Wealth Conservancy, Inc. and the client due to changing goals and financial needs. However, no amendment is necessary for clients on a flat-rate schedule if the adjustment does not exceed 5% per year.

The client agreement can be terminated by either The Wealth Conservancy, Inc. or the client at any time by sending written notice to us. Email notification is sufficient if there is an electronic acknowledgement of its receipt. Upon termination, The Wealth Conservancy, Inc. will stop supervising client funds, and a refund will be made on a pro rata basis based on the number of days remaining in the quarter for the unearned portion of any fees paid.

Clients should note that similar advisory services are available from other registered (or unregistered) investment advisers, and fees will vary. Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered.

Additional Fees and Costs: Certain fees or charges are imposed by third parties in connection with investments made on behalf of a client's account, as described below. In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager affects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information. Fees differ depending on the client's custodian, as well as the types of investments and other transactions in the client's account. The Wealth Conservancy Inc.'s fees are exclusive of, and in addition to, any such applicable commissions, fees, or costs, and The Wealth Conservancy, Inc. does not receive any portion of these fees.

Mutual Fund Fees: All fees paid to The Wealth Conservancy, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus and include a management fee, other fund expenses, and a possible distribution fee. A client can invest in a mutual fund directly, without our services. In that case, the client will not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Wrap Fee Programs and Separately Managed Account Fees: Clients participating in separately managed account programs can be charged various program fees in addition to the advisory fee charged by our firm. Such fees include the investment advisory fees of the independent advisers charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage, and custodial services. Client's portfolio transactions can be executed without commission charges in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider whether the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, result in the aggregated cost of the wrap fee exceeding the individual cost of such services if they were to be provided separately. We will review with clients any separate program fees that are charged to clients.

ERISA Accounts: The Wealth Conservancy, Inc. is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, The Wealth Conservancy, Inc. only charges fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees.

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

Performance-Based Fees are fees that include a percentage of the capital gains or capital appreciation of client investments. The Wealth Conservancy, Inc. does not charge performance-based fees.

Side-By-Side Management refers to the management of multiple accounts with similar investment strategies and different fee structures. And Advisor with side-by-side management has an incentive to allocate better performing assets to the performance-based fee accounts rather than fixed or asset-based fee accounts because the Advisor stands to earn

a larger fee. Because The Wealth Conservancy, Inc. does not charge performance-based fees, side-by-side management conflicts do not apply.

Item 7 - Types of Clients

The Wealth Conservancy, Inc. provides advisory services to primarily high net worth individuals. We also provide services to business entities and some individuals who are not considered to be high net worth individuals.

As previously disclosed in Item 5, our firm has established certain initial minimum fee requirements, based on the nature of the service(s) provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

The Wealth Conservancy uses the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict the duration of the trend.

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 can be a good time to buy) or overpriced (indicating it can be time to sell).

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

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

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

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Quantitative Analysis. We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of share price or earnings per share and predict changes to that data.

A risk in using quantitative analysis is that the models used can be based on assumptions that prove to be incorrect.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment can prove incorrect.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that sharp increases in a particular security, industry or market sector can be unrealized by the client. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock

and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look 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 over a period of time and in different economic conditions. We also look 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 the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful can be unable to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client can purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager can deviate from the stated investment mandate or strategy of the fund or ETF, making the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that it is possible he/she will not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager can deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we can be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

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

INVESTMENT STRATEGIES

The Wealth Conservancy, Inc. uses the following strategy(ies) in managing client accounts, depending on current economic and market conditions and provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

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

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

A risk in a long-term purchase strategy is that by holding the security for this length of time, short-term gains profiting the client can be unrealized. Moreover, if our predictions are incorrect, a security can decline sharply in value before we make the decision to sell.

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

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

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

Risk of Loss. Securities investments are not guaranteed, and you can lose money on your investments. We ask that you work with us to help us understand your tolerance for losses.

Item 9 - Disciplinary Information

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

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

Item 10 - Other Financial Industry Activities and Affiliations

Myra Salzer, President of The Wealth Conservancy, Inc., has authored or co-authored four books and presents on the subject of inherited wealth to external groups. Myra spends less than ten hours per month on these activities, and while some of the advice given in the books or made available to her audience is similar to that given to clients of TWC, individuals who purchase the books or attend her presentations are under no obligation, and may possibly not qualify, to be clients of TWC. Also, clients of The Wealth Conservancy, Inc. are under no obligation to purchase them. We provide copies of the books to clients and others at our discretion.

Selection of other Advisors

Depending on each client's individual financial needs and circumstances, TWC can refer clients to First Affirmative Financial Network LLC, a third-party investment advisory firm. When we refer clients to First Affirmative Financial Network LLC, we will not receive a referral or solicitor fee from First Affirmative Financial Network LLC, nor will we receive any portion of the fee charged by First Affirmative Financial Network LLC to the client. Therefore, our recommendation of First Affirmative Financial Network LLC is based solely on our evaluation criteria and each client's individual needs and not based on compensation received.

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

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

The Wealth Conservancy, Inc. and our advisors owe a duty of loyalty, fairness, and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

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

The Wealth Conservancy, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. All employees are trained that such information may not be used in a personal or professional capacity and must acknowledge their obligation to protecting client non-public information.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You can request a copy by email sent to twc@twcinc.org, or by calling us at 303-444-1919.

The Wealth Conservancy, Inc. and individuals associated with our firm are prohibited from engaging in principal transactions.

The Wealth Conservancy, Inc. and individuals associated with our firm are prohibited from engaging in agency

cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm are permitted to buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) can have an interest or position in a certain security(ies) which are also recommended to a client.

It is the expressed policy of our firm that persons employed by us are prohibited from purchasing or selling any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. Principals and employees of our firm will not put his or her own interest above the interest of an advisory client.
2. Principals and employees of our firm will not buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us will purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
8. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
9. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
10. Any individual who violates any of the above restrictions is subject to termination.

Item 12 - Brokerage Practices

The Wealth Conservancy, Inc. does not maintain custody of client assets that we manage, although we may be deemed to have custody of client assets if authority is given to withdraw assets from client accounts (see Item 15 - Custody). Clients must maintain assets in an account at a qualified custodian, generally a broker-dealer or bank. The Wealth Conservancy, Inc. does not request or accept the discretionary authority to determine the broker-dealer to be used for client accounts. Clients must direct us as to the broker-dealer to be used for all client securities transactions. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among various brokers to achieve best execution. Higher transaction costs for clients can result.

The Wealth Conservancy, Inc. recommends that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets in a brokerage account and to buy and sell securities when we instruct them to. Although we recommend that clients establish accounts at Schwab, it is each client's decision to custody assets with Schwab and enter into an account agreement directly with them. We do not open the account for the client but will assist in doing so. The account will always be held in the name of the client and never in The Wealth Conservancy, Inc.'s name. The Wealth Conservancy, Inc. is independently owned and operated and not affiliated with Schwab.

Schwab provides The Wealth Conservancy, Inc. with access to its institutional trading and custody services, which are not available to Schwab retail investors. These services are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit The Wealth Conservancy, Inc. Some products and services do not directly benefit our clients' accounts. Many of these products and services are used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. provide research, pricing and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services include:

- i. technology, compliance, legal, and business consulting;
- ii. publications and conferences on practice management and business succession;
- iii. access to employee benefits providers, human capital consultants and insurance providers;
- iv. educational conferences and events; and
- v. marketing consulting and support

Schwab can arrange and/or pay third-party vendors for the types of services rendered to The Wealth Conservancy, Inc. Schwab Institutional can discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab Institutional can also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, creating a conflict of interest.

The Wealth Conservancy, Inc. will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading allows us to execute equity trades in a more equitable manner, at an average share price. The Wealth Conservancy, Inc. will aggregate trades among clients whose accounts can be traded at a given broker. The Wealth Conservancy, Inc.'s block trading policy and procedures are as follows:

- 1) The portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 2) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable The Wealth Conservancy, Inc. to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 3) Upon entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 4) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation can be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation can be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 5) The Wealth Conservancy, Inc.'s client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 6) Funds and securities for aggregated orders are clearly identified on The Wealth Conservancy, Inc.'s records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 7) No client or account will be favored over another.

The Wealth Conservancy, Inc. believes in and practices its own investment advice. We oversee several accounts for employees and their families in the same way we do for our clients.

Item 13 - Review of Accounts

All clients receive one or more of the following supervisory services depending on the services specified in their individual agreement.

INVESTMENT SUPERVISORY SERVICES ("ISS")

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are periodically monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews are triggered by material changes in variables such as the client's individual circumstances, the market, or political or economic environment.

These accounts are reviewed by Steven Henningsen.

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

FINANCIAL PLANNING SERVICES FOR RETAINER CLIENTS

REVIEWS: While reviews occur at different stages depending on the nature and terms of the specific engagement, our financial planning services are performed on an ongoing and ad-hoc basis. No formal reviews will be conducted for clients unless otherwise contracted for.

FINANCIAL PLANNING SERVICES FOR PROJECT FEE CLIENTS

REVIEWS: While reviews occur at different stages depending on the nature and terms of the specific engagement, no formal reviews will be conducted unless otherwise contracted for. Such reviews, as appropriate, will be conducted by the client's assigned advisor.

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

Item 14 - Client Referrals and Other Compensation

It is The Wealth Conservancy, Inc.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is The Wealth Conservancy, Inc.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 - Custody

Custody, as it applies to investment advisers, has been defined by regulators as holding client funds or securities, directly or indirectly, or having the authority to obtain possession of them. This includes withdrawing funds or securities from client accounts, including directly debiting advisory fees, or to otherwise dispose of a client's assets for any purpose other than authorized trading.

As previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure, our firm directly debits advisory fees from client accounts. Although the SEC deems this as having custody, the activity does not subject us to the Custody Rule, including the annual surprise examination. However, because The Wealth Conservancy, Inc. calculates and advises our custodian (Schwab) of the amount of fees to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. On at least a quarterly basis, Schwab is required to send the client a statement showing all transactions within the account during the reporting period. We urge our clients to carefully review the information provided on these

statements to ensure that all account transactions, holdings, and values are correct and current. Clients should contact us directly if they believe there is an error in their statement.

The Wealth Conservancy, Inc. has standing authority to move money from the Schwab accounts of certain clients (also known as Standing Letters of Authorization or “SLOAs”) to predetermined third-party account(s) via checks journals, MoneyLinks (ACH), and wires. Regulators define these third-party money movements as custody but allow RIAs to avoid the need for the annual surprise examination on these accounts if seven specific conditions are met. The Wealth Conservancy Inc., together with our custodian, meets these seven conditions and has implemented procedures designed to comply with the SEC’s No Action Letter to the Investment Advisor Association.

Item 16 - Investment Discretion

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

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

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

Clients give us discretionary authority when they sign a discretionary agreement with our firm and can limit this authority by giving us written instructions. Clients can also change/amend such limitations by once again providing us with written instructions. The Wealth Conservancy, Inc. can terminate a client relationship if we determine the restrictions interfere with the investment objectives.

Item 17 - Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm provides investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, or other types of events pertaining to the client’s investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client’s investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 - Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts and is deemed to have custody, we are required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. The Wealth Conservancy, Inc. has no additional financial circumstances to report.

The Wealth Conservancy, Inc. has not been the subject of a bankruptcy petition at any time during the past ten years.