

Item 1 – Cover Page

Werlinich Asset Management, LLC

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1/02/2024

This Brochure provides information about the qualifications and business practices of Werlinich Asset Management, LLC. (Hereafter referred to as “WAM” or “Adviser”) If you have any questions about the contents of this Brochure, please contact us at 914-260-3230 or greg@waminvest.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.

WAM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about WAM also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This item of the Brochure will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. The most recent update of our Brochure is January 2, 2024 and contained the following material changes:

- All client accounts at TD Ameritrade, Inc. have been transitioned to Charles Schwab & Company, Inc. effective September 4, 2023 as a result of the merger between TD Ameritrade, Inc. and Charles Schwab & Company, Inc. Any references to TD Ameritrade, Inc. in this Brochure have been removed.
- Item 12-Brokerage Practices has been updated to reflect Schwab's trade error policies.

We will further provide other ongoing disclosure information about material changes as necessary.

Currently, our Brochure may be requested by contacting Greg Werlinich, President & Managing Member, at (914) 260-3230 at or greg@waminvest.com. Our Brochure is also available on our web site www.waminvest.com, also free of charge.

Additional information about WAM is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with WAM who are registered, or are required to be registered, as investment adviser representatives of WAM.

Date of Brochure: 1/02/2024

Date of most recent annual updating amendment: 1/02/2024

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Item 4 – Advisory Business

WAM was founded in 1997 by Greg Werlinich, who is the principal owner of the firm. As of 12/31/2023, WAM has approximately \$140 million in discretionary assets under management.

Investment Management Services:

WAM currently manages discretionary investment advisory accounts for individuals, personal trusts and charitable foundations, but may in the future manage accounts for pension plans, estates and corporations.

WAM provides continuous advice to its clients regarding the investment of their funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, WAM develops a client's personal investment policy and creates and manages a portfolio based on that policy. Account supervision is guided by the stated objectives of the client.

WAM may create a portfolio consisting of one or all of the following: individual equities, bonds, other investment products, private placements, no-load and load-waived mutual funds and exchange traded funds. Generally, WAM primarily creates and manages portfolios of individual equities and a limited number of ETFs.

WAM will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. WAM does not generally utilize mutual funds, however, in the event mutual funds are utilized, funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf. Clients will retain individual ownership of all securities.

As detailed below, Clients are charged hourly fees, a variable fee based on the percentage of assets managed or a fixed monthly fee according to an Investment Management Agreement.

In addition to managing the client's investment portfolio, WAM may consult with clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things.

Item 5 – Fees and Compensation

In certain circumstances, some of Adviser's fees, account minimums and their applications to family circumstances may be negotiable. Minimum account sizes may also be waived when a person demonstrates an ability to meet the minimum account size in a reasonable period of time through additional contributions.

The specific manner in which fees are charged by WAM is established in a client's written agreement with WAM. WAM will generally bill its fees on a quarterly basis. Investment Management clients will be billed in arrears at the beginning of each new calendar quarter based upon the market value of the client's account at the end of the previous quarter. Clients may elect to be billed directly for fees or authorize WAM to directly debit fees from client accounts. New accounts are charged a prorated fee for the remainder of the quarter in which the account is opened (date assets transferred in). Advisory fees shall apply to accrued interest and shall apply to cash balances unless negotiated or agreed upon otherwise.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 10 days prior written notice. In the event of withdrawal of funds or the termination of any account, any fees, or other expenses associated with rebalancing or liquidating the account holdings may be assessed to the client's account. Termination of an agreement will not affect (a) the validity of any action previously taken by WAM under the agreement; (b) liabilities or obligations of the parties from transactions initiated before termination of the agreement; or (c) the client's obligation to pay advisor fees. On the termination of the agreement, WAM will have no obligation to recommend or take any action with regard to the securities, cash or other investments in a client's account.

WAM's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. All fees paid to WAM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. A client could invest in a mutual fund or ETF directly, without the services of Adviser. In that case, the client would not receive the services provided by Adviser 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 the fees charged by Adviser to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Such charges, fees and commissions are exclusive of and in addition to WAM's fee, and WAM shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that WAM considers in recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Advisory Fees

Investment Management Services:

Clients are charged either hourly fees, a variable fee based on the percentage of assets managed or a fixed monthly fee according to an Investment Management Agreement. The fees are calculated based on the prices of securities on the last trading day of each quarter, i.e. March 31, June 30, September 30 and December 31.

Accounts are billed as follows:

Investment Management Services:

- Level I: Up to \$50,000 in balances. Fixed fee of \$50.00 per month, billed quarterly.
- Level II: \$50,001 to \$100,000 in balances. Fixed fee of \$100.00 per month, billed quarterly.
- Level III: \$100,001 to \$150,000 in balances. Fixed fee of \$150.00 per month, billed quarterly.
- Level IV: \$150,001 to \$200,000 in balances. Fixed fee of \$200.00 per month, billed quarterly.
- Level V: \$200,001 to \$250,000 in balances. Fixed fee of \$250 per month, billed quarterly.
- Silver Level: \$250,001 to \$1,000,000 in balances. Annual fee of 1.125% of account value, with a minimum monthly fee of \$250.00 per month, billed quarterly.
- Gold Level: \$1,000,001 to \$5,000,000 in balances. Annual fee of 1.00% of account value, with a minimum monthly fee of \$950.00 per month, billed quarterly.
- For balances in excess of \$5,000,000 the fee schedule is available upon request.

WAM generally requires a minimum account size of \$1,000,000 for new Investment Management clients. This account size may be negotiable under certain circumstances.

From time-to-time WAM may be hired to work on an hourly basis. In such cases, the standard consultation fee is \$150 per hour.

WAM is a fiduciary under ERISA with respect to investment management services and investment advice provided to any ERISA Clients, including ERISA plan participants. WAM is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, IRA owners and IRAs. As such, WAM is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit

fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption.

A conflict of interest arises when WAM makes recommendations about ERISA plan distributions and rollovers (“rollover recommendations”) if it results in WAM receiving compensation that it would not have received absent the recommendation, for example, fees for advising a rollover IRA. WAM will manage this conflict through a process designed to develop an informed recommendation in the best interest of the client. No client is under any obligation to roll over ERISA plan or IRA assets to an account advised or managed by WAM. When WAM makes a rollover recommendation, it is fiduciary advice under both the Investment Advisers Act of 1940 and ERISA. In addition to being a conflict of interest, it is also a prohibited transaction under ERISA where WAM receives compensation from the rollover IRA that it would not have received absent the recommendation. In that circumstance, WAM will comply with the conditions of exceptions to the prohibited transaction rules (*e.g.*, an applicable prohibited transaction exemption such as PTE 2020-02 or non-enforcement policy).

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

WAM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

Item 7 – Types of Clients

WAM provides services to individuals, trusts and charitable foundations. WAM also offers services to pension plans, estates and corporations.

WAM generally requires a minimum account size of \$1,000,000 for Investment Management Services. This minimum account size may be negotiable under certain circumstances.

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

Method of Analysis

WAM’s security analysis is based on a number of factors including those derived from commercially available software technology, securities rating services, general market and financial information and specific investment analysis that clients may request. WAM culls research from numerous sources, including newspapers, magazines, newsletters, broker-dealer research, conferences, meetings with management and the internet, to name a few.

Investment Strategies

The principal strategy employed by WAM is one of sector rotation investing. What this means is that WAM uses a “top down” methodology of looking at the global economic, political and investment landscape in order to determine what areas, or sectors, of the market have the greatest opportunity to outperform the overall stock market for a period of time, generally thought to be five to ten years. WAM then invests the majority of its assets in those “core” sectors, while minimizing exposure to those areas it deems to be the weakest sectors. Then, as times and conditions warrant, WAM changes its sector allocations to meet the new circumstances.

Within this sector-based investment strategy, WAM tends to favor established, profitable, market-leading, dividend paying companies, as well as rapidly growing technology stocks, because WAM believes that those types of companies will tend to outperform both in good and bad times. Historical evidence suggests that dividends are a very important component of the overall return generated by stocks.

In addition, WAM believes very strongly in being tax efficient. Whenever possible, WAM seeks to minimize the taxes paid by its clients every year. Therefore, it is part of WAM’s strategy to hold securities for more than one year in order to capture favorable tax status when those securities are sold. In addition, WAM typically trades infrequently on behalf of its clients in order to reduce unfavorable tax consequences.

Risk of Loss

All investments are subject to risk. Investing in securities involves risk of loss that clients should be prepared to bear. All investments present the risk of loss of principal – the risk that the value of securities (equities, mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for them. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment. Clients should carefully consider the investment objectives, risks and expenses of the various securities utilized by WAM. Please contact WAM if you need additional information.

The various securities utilized by WAM may include domestic and international stocks, Real Estate Investment Trust (REITs), Exchange Traded Funds (ETFs) and mutual funds, in addition to various fixed income products. The prices of the common or preferred stocks, other securities or commodities, including securities held by mutual funds and ETFs, may decline (and the fund price may in turn decline) in response to certain events taking place around the world, including but not limited to; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; governmental or governmental agency responses to economic conditions; and currency, interest rate and commodity price fluctuations. The return of principal for the bond holdings is not guaranteed. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Equity Securities Risk. Equity securities (common, convertible preferred stocks, ETFs and other securities whose values are tied to the price of stocks, such as rights, warrants and convertible debt securities) could decline in value if the issuer's financial condition declines or in response to overall market and economic conditions. A fund's principal market segment(s) – such as large cap, mid cap or small cap stocks, or growth or value stocks – can underperform other market segments or the equity markets as a whole. Investments in smaller companies and mid-size companies can involve greater risk and price volatility than investments in larger, more mature companies.

Certain securities utilized by WAM may be international securities or certain funds utilized by WAM may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the respective fund's prospectus. These risks may be greater with investments in developing countries.

The Adviser may invest from time to time, on behalf of Clients, in certain private equity and/or debt securities offered by companies seeking to raise venture capital financing. Additional information about the fees and risks associated with any private equity investment is included in the offering documents provided to prospective investors. As these types of investments have higher degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. Clients need to be aware that these types of investments do not afford the same level of liquidity as traditional investments and may be subject to lock-ups and other liquidity restrictions.

Past performance does not guarantee future returns. The risk of loss described herein should not be considered to be an exhaustive list of all risks which clients should consider.

Cybersecurity

The computer systems, networks and devices used by WAM and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of

securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers and other financial institutions and other parties. In addition substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk

WAM is subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events increase short-term market volatility and may have adverse long-term effects on world economics and markets generally. These risks have previously led and may lead in the future to adverse effects on issuers of securities and the value of client's investments. At such times, WAM's exposure to a number of other risks described elsewhere in this section can increase.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that might be material to your evaluation of WAM or the integrity of WAM's management. WAM has never been subject to any legal or disciplinary events since inception.

Item 10 – Other Financial Industry Activities and Affiliations

Currently, Greg Werlinich, in his individual capacity, serves as a Director on the Board of Directors of Hotel Interactive, Inc. Neither Greg, nor any related persons, receive any compensation in relation to private equity investments, but may have a conflict of interest in client investment in a private placement based on this concurrent ownership and/or directorship.

WAM does not have any other financial industry affiliations.

Item 11 – Code of Ethics

WAM has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. WAM's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth WAM's practice of supervising the personal securities transactions of supervised persons with access to client information. Individuals associated with WAM may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is the expressed policy of Adviser that no person employed by Adviser shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, WAM requires that anyone associated with this advisory practice with access to advisory recommendations provide personal brokerage reports

to the firm's Chief Compliance Officer. WAM also requires such access persons to also receive approval from the Chief Compliance Officer prior to investing in any IPOs or private placements (limited offerings).

WAM requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. WAM's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to disciplinary measures.

WAM will provide a complete copy of its Code of Ethics to any client or prospective client upon request to Greg Werlinich at WAM's principal address.

From time to time, WAM may purchase or sell for its actively managed accounts, or recommend to its advisory accounts, a security in a company that is concurrently owned by Greg Werlinich or another family member. Such purchases or sales are based on the Greg's analysis of the risk/reward opportunity of the particular security measured against the investment parameters stipulated by the client in question. Such purchases or sales for a client of a particular security either precede, or are concurrent with (via a block trade), new transactions on behalf of the WAM. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. WAM will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

As disclosed in Item 8, WAM may also recommend investments to its advisory clients in certain private equity and/or debt securities offered by companies seeking to raise venture capital financing. Greg Werlinich, or another family member, may have an interest or serve on the board of directors in a private holding recommended to client. Greg, in his individual capacity, serves as a Director on the Board of Directors of Hotel Interactive, Inc. Neither Greg, nor any related persons, receive any compensation in relation to private equity investments, but may have a conflict of interest in client investment in a private placement based on this concurrent ownership and/or directorship. Advisory clients are under no obligation to participate in such investments. The members of WAM will disclose to clients any affiliations to any such investment(s) at the time of the solicitation. Additional information about such investments is included in the offering documents and will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

It is WAM's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. WAM will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common

control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

As WAM does not have the discretionary authority to determine the broker dealer to be used or the commission rates to be paid, clients must direct WAM as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that WAM will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.

Adviser participates in the Schwab Advisor Services (SAS) program offered to independent investment advisors by Charles Schwab & Company, Inc. (Schwab). Schwab offer services to independent investment advisors that include custody of securities, trade execution, clearance and settlement of transactions. Schwab is an independent unaffiliated SEC-registered and Financial Industry Regulatory Authority (FINRA) member broker-dealer and is a member of SIPC. The Schwab platform is essential to WAM's service arrangements and capabilities, and WAM may not accept clients who direct the use of other brokers. Clients in need of brokerage and custodial services will have Schwab recommended to them. As part of the Schwab program, WAM receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14).

WAM may, from time to time, engage in “block” trading, which occurs when a trade is placed for the benefit of more than one client at a time. WAM will trade in blocks where possible and when advantageous to clients. If such an order is filled, the transaction costs on the trade are shared equally and on a pro-rata basis between all accounts included in any such block. WAM believes that block trades and average pricing results in a more efficient execution at equitable final prices for all accounts than if the trades had been done individually. WAM may aggregate trades for its related persons with client trades. No advisory client or WAM related person will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all WAM's transactions in a given block trade on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction.

From time-to-time WAM may make an error in submitting a trade order on your behalf. When this occurs, WAM may place a correcting trade with the broker-dealer which has custody of the Client account. If an investment gain results from the correcting trade, the gain will remain in the Client account unless the same error involved other client account(s) that should have received the gain, it is not permissible for the Client to retain the gain, or WAM confers with the Client and the Client decides to forego the gain (e.g., due to tax reasons). If the gain does not remain in the Client account and Schwab is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, WAM will pay for the loss. Schwab will

maintain the loss or gain (if such gain is not retained in the Client account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in the Client account, they may be netted.

Item 13 – Review of Accounts

Reviews: Greg Werlinich, President of WAM, is the sole person responsible for the regular review of each Client's account. While the accounts are informally monitored on at least a weekly basis, formal reviews happen every quarter. The performance of each portfolio is measured on a quarterly basis against the expectations of the Clients and against standard market indices including, but not limited to: the Dow Jones Industrial Average, the Standard & Poors 500, the Nasdaq Composite and the Russell 2000. Factors that may trigger a change in the portfolio include, but are not limited to: changes in the fundamentals of the company, company filings, reports from brokerage firms and key industry analysts, corporate press releases, general market, economic and world conditions, and the particular needs of the Client at a given moment in time.

Reports: Clients of WAM receive an original confirmation from the account custodian following execution of a transaction in their account. Clients also receive regular monthly or quarterly statements from the brokerage firm acting as custodian for their account. WAM provides a more detailed statement of the account on a quarterly basis. The Client has access to all information and transactions in their brokerage account via the internet. WAM is available to confer with the Client whenever it is reasonably requested.

Item 14 – Client Referrals and Other Compensation

WAM does not have any arrangements to compensate any person for client referrals.

As indicated under the disclosure for Item 12, WAM utilizes the services of the Schwab SAS program. SAS provides WAM with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them. The services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

While there is no direct linkage between the investment advice given to clients and WAM's participation in the SAS program, economic benefits are received by WAM which would not be received if WAM did not give investment advice to clients. SAS also makes available to WAM other products and services that benefit WAM but might not benefit its clients' accounts. Some of these other products and services assist WAM in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and

other market data; facilitate payment of WAM's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting.

The benefits received by the WAM do not depend on the amount of brokerage transactions directed to Schwab. WAM does not enter into any commitments with the broker for transaction levels in exchange for any services or products from the broker. While as a fiduciary, WAM endeavors to act in its clients' best interests, WAM's requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to WAM of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Item 15 – Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. WAM urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Reports that we may provide to you may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

WAM usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, WAM observes the investment policies, limitations and restrictions of the clients for which it advises.

Investment guidelines and restrictions must be provided to WAM in writing.

Item 17 – Voting Client Securities

Proxy Voting: As a matter of firm policy and practice, WAM does not have any authority to, and does not, vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. WAM may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that WAM will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to,

the filing of “Proofs of Claim” in class action settlements. If desired, clients may direct WAM to transmit copies of class action notices to the client or a third party. Upon such direction, WAM will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about WAM’s financial condition. WAM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.