

# GRAETZ WEALTH

[WWW.GRAETZWEALTH.COM](http://WWW.GRAETZWEALTH.COM)

501 BALDWIN ST., SUITE 207

JENISON, MI 49428

(616) 226-8867

[BRANDON@GRAETZWEALTH.COM](mailto:BRANDON@GRAETZWEALTH.COM)

FORM ADV PART 2A

FIRM BROCHURE

JANUARY 18, 2024

This brochure provides information about the qualifications and business practices of Graetz Wealth, LLC dba Graetz Wealth. If you have any questions about the contents of this brochure, please contact us at (616) 226-8867. 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.

Graetz Wealth is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Graetz Wealth is available on the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Graetz Wealth's CRD number is 317857.

## Item 2 - Material Changes

We have the following material changes to report since our initial inception date on March 10, 2023:

- In January 2024 we applied for registration with the Securities and Exchange Commission.

## Item 3 – Table of Contents

Item 2 - Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	6
Item 6 – Performance-Based Fees and Side by Side Management .....	8
Item 7 – Types of Clients .....	8
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	8
Item 9 – Disciplinary Information .....	10
Item 10 – Other Financial Industry Activities and Affiliations.....	12
Item 11 – Code of Ethics, Participation or Interest in Client Transaction and Personal Trading .....	13
Item 12 – Brokerage Practices.....	13
Item 13 – Review of Accounts .....	14
Item 14 – Client Referrals and Other Compensation.....	14
Item 15 – Custody .....	15
Item 16 – Investment Discretion .....	16
Item 17 – Voting Client Securities .....	16
Item 18 – Financial Information .....	16

## Item 4 – Advisory Business

### OWNERSHIP/ADVISORY HISTORY

Graetz Wealth, LLC dba Graetz Wealth (“We”) is a Michigan Limited Liability Company founded in October 2021. We became registered as an investment adviser in January 2022. Brandon Graetz is our managing member and chief compliance officer.

### ADVISORY SERVICES OFFERED

#### FINANCIAL PLANNING

We offer a complementary comprehensive financial plan that involves a review of your financial situation, goals, and risk tolerance. Through a series of personal interviews and/or the use of questionnaires, we will collect pertinent data, identify goals, objectives, financial problems, and potential solutions. With this information, we tailor your financial plan and advice we give to you. Our advice may cover any of the following topics: net worth statement; cash flow analysis; tax analysis; insurance and long-term care analysis; tax planning; retirement projection; 401k review; or other needs as identified during our meetings with you. Following our meetings, you will receive a written financial plan.

**Please Note:** When we provide financial planning services and you implement the financial plan through one of our representatives, the representative will receive compensation in the form of a commission or fee. This creates a conflict of interest between the representative and the client. Therefore, when providing financial planning services, we would like you to note: (a) a conflict exists between the representative’s interests and your interests, (b) you are under no obligation to act upon the recommendation, and (c) if you elect to act on any of the recommendations, you are under no obligation to effect the transaction through the representative.

#### PORTFOLIO MANAGEMENT SERVICES

Our portfolio management services are offered to assist with the ongoing management of your investment accounts. We work with you to understand your investment objectives, time frame and risk tolerance. With this information we create a customized portfolio. We will request discretionary authority from you in order to select securities and execute transactions without permission from you prior to each transaction. We base our investment recommendations on a variety of factors including, but not limited to, performance risk, fees, tax efficiency of different investment strategies, as well as your input and preferences regarding the strategies.

As part of our portfolio management services, we use services of Advisor 123, LLC (Advisor 123), a signal provider that Mr. Graetz has ownership interest in. We have developed models that may, or may not, be used to construct a portfolio allocation for your account. Advisor 123 provides buy and sell signals for securities that we may, or may not, use when making changes to said models. As such we have full discretionary authority to make all trades in your account but may utilize Advisor 123 for buy/sell signals to aid in the ongoing model management.

#### RECOMMENDATION AND MONITORING OF THIRD-PARTY INVESTMENT ADVISER SERVICES

When deemed appropriate, we recommend the services of a Third-Party Investment Adviser (“Third-Party Adviser”) to manage your account(s). We work with you to select a model portfolio based upon your objectives, time frame, risk parameters and other investment considerations and determine which Third-Party Adviser may be appropriate. You are never obligated to use a recommended Third-Party Adviser.

Prior to our recommendation, we conduct a due diligence review of the recommended Third-Party Adviser. We consider the following factors during our review: fees, reputation, performance, financial strength, management, price, reporting capabilities, and your financial situation, goals, needs, and investment objectives.

If you wish to proceed with the recommendation, we will enter into a solicitor relationship with the recommended Third-Party Adviser. Under this arrangement, the Third-Party Adviser is responsible for portfolio management, best execution, portfolio reporting, trading, trade error resolution, management fee calculation, management fee collection and custodian reconciliations. We regularly monitor your portfolio and adjust it as determined by the stock market and world events. We also conduct a portfolio review at least annually to determine if the Third-Party Adviser and model portfolio continues to be appropriate or if adjustments should be made. We have discretion to establish and/or terminate Third-Party Adviser and reallocate the amount of funds within the account that are in a particular model portfolio. All questions regarding the Third-Party Adviser’s services and performance should be directed to us.

If you are referred to a Third-Party Adviser, you will receive full disclosure, including services rendered and fee schedules, at the time of the referral by delivery of a copy of the relevant Third-Party Adviser’s Form ADV Part 2A or equivalent disclosure document before receiving investment advisory services from the Third-Party Adviser. The Third-Party Adviser offers separate services that are outlined in their ADV Part 2A.

We currently recommend the services of Brookstone Capital Management, LLC—CRD #141413.

#### RETIREMENT PLAN CONSULTING SERVICES FOR QUALIFIED PLAN SERVICES

Our retirement plan consulting for qualified plan services generally includes ERISA 3(21) non-discretionary fiduciary services and ERISA 3(38) discretionary investment management services. The services performed will be acknowledged and disclosed in the ERISA services agreement.

#### TAILORED SERVICES

The goals and objectives for each client are documented before any investing takes place. You may impose restrictions on investing in certain securities or types of securities.

#### WRAP PROGRAM

We do not sponsor a wrap fee program.

#### CLIENT ASSETS MANAGED

As of December 31, 2023, we manage approximately \$107,765,305 in client assets on a discretionary basis.

### Item 5 – Fees and Compensation

#### PORTFOLIO MANAGEMENT SERVICES

Portfolio management services are charged an annual management fee based on the percentage of assets under management as reported by the custodian. Our maximum annual management fee is 2.00%. The fee is negotiable primarily based on, but not limited to, the custodian, the amount of assets being managed, the amount of time and cost to be spent managing and servicing the relationship, as well as the regularity of client review meetings. Accounts are aggregated in a household to achieve a lower management fee.

The management fees are calculated and billed either a) monthly, in arrears, based on the custodian's reported account month-end balance, or b) quarterly, in arrears, based on the custodian's reported average daily balances of the account during the quarters billing period. The initial management fee will be prorated for the number of days the account was managed during the month or quarter. The frequency the fee is billed will be disclosed to you in the investment management agreement. Cash balances and investments in money market funds, demand deposit accounts, or certificates of deposit held in the account are included in the fee calculations.

You will be asked to authorize us with the ability to instruct the custodian to deduct our management fee from your account. You may cancel this authorization at any time. Please see Item 15 for additional details regarding fee deduction.

Our fees are separate and distinct from any other fees or expenses. Other fees and expenses may include brokerage commissions, transaction fees, or other related costs and expenses that are normally incurred by you. You may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, 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. Such charges, fees and commissions are exclusive of and in addition to, our fee and we will not receive any portion of these commissions, fees, and costs. For more information about our brokerage practice please see Item 12.A.

#### RECOMMENDATION AND MONITORING OF THIRD-PARTY INVESTMENT ADVISER SERVICES

We charge a fee based upon the annual percentage of assets under management as reported by the Third-Party Adviser. Our maximum annual management fee is 2.00%. The fee is negotiable. Our fee is in addition to the Third-Party Adviser's fee which ranges between 0.10% to 0.75%. The management fees will be collected by the Third-Party Adviser on a monthly basis, in arrears. The fees are based on the custodian's reported account value as of the last business day of the month.

For example, an account value of \$900,000 multiplied by 1.00% divided by 12 months equals \$750 ( $\$900,000 \times 0.01 / 12 = \$750$ ).

We will ask you to authorize the Third-Party Adviser with the ability to instruct the custodian to withdraw our management fee and Third-Party Adviser's fee directly from your account. You may terminate this authorization at any time. Please see Item 15 for additional details regarding fee deduction.

#### RETIREMENT PLAN CONSULTING FOR QUALIFIED PLANS

Our retirement plan consulting services for qualified plans are charged an annual management fee based on a percentage of assets in the plan. Our maximum annual management fee is 1.00%. The fee is negotiable depending on the size of the plan and the services provided. The annual management fee will be calculated and billed monthly in arrears based on the market value of the plan's assets as reported by the recordkeeper.

We will ask you to authorize the recordkeeper with the ability to directly deduct our management fee from your account. The recordkeeper will be disclosed in our ERISA Services agreement. You will also sign a separate agreement with the recordkeeper.

#### TERMINATION OF SERVICES

You may terminate any of our services for any reason within the first five (5) business days after signing the contract without any cost or penalty for a full refund. Thereafter, the contract may be terminated at any time by giving ten (10) days written notice. All management fees will be prorated through the day of cancellation. To cancel the agreement, you must notify us in writing to Graetz Wealth, 501 Baldwin St., Suite 207, Jenison, MI 49428.

#### COMPARABLE SERVICES DISCLOSURE

You should note that lower fees for comparable services may be available from other sources.

#### OTHER SECURITIES COMPENSATION

We do not receive any additional securities compensation.

#### RETIREMENT ROLLOVER CONFLICTS OF INTEREST

When we recommend you rollover a retirement account for us to manage, this creates a financial incentive because we charge a fee for our services. We attempt to mitigate the conflict of interest by acting in your best interest and applying an impartial conduct standard to all rollovers. Please note that you are not under any obligation to roll over a retirement account to an account managed by us.

As established in Item 10.D – Other Industry Affiliations, earning commissions for the sale of insurance products creates a conflict of interest for the firm. The commissions give a financial incentive to recommend and sell you the insurance products. We attempt to mitigate the conflict of interest to the best of our ability by placing your interests ahead of our own and through the implementation of policies and procedures that address the conflict.

## Item 6 – Performance-Based Fees and Side by Side Management

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or provide side by side management.

## Item 7 – Types of Clients

We offer our services to individuals, high net worth individuals, and corporations and other business entities. We do not require a minimum balance.

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

### METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

When we create your portfolio, we start by identifying the proper asset allocation. Asset allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon. The asset classes typically include US equities, US fixed-income, international equities, international fixed-income, as well as cash and equivalents. The risk associated with asset allocation is that each class has different levels of risk and return, so each will behave differently over time. There is no guarantee that diversification among asset classes will grow a portfolio.

Next, we identify whether we will use a passive investment strategy, tactical investment strategy, or a combination thereof for your account(s). We will also utilize fundamental and technical analysis. A general description of these investment strategies and methods of analysis are described below:

A tactical investment strategy is an active investment management strategy that rebalances the percentage of assets held in various asset classes in order to take advantage of market pricing anomalies or strong market sectors. This strategy is designed to allow portfolio managers to create value by taking advantage of certain situations in the marketplace. A goal of tactical asset management is to limit losses by underweighting asset classes that are underperforming. The risk associated with tactical asset allocation is that overweighting or underweighting certain asset classes may lead to underperformance compared to an even weighted portfolio. There is also no guarantee that overweighting or underweighting certain asset classes will grow a portfolio better than passive investing.

A passive investment strategy is an investment management strategy in which investors buy and hold a diversified mix of assets in an effort to match, not beat, the market. The most common passive investing approach is to buy an index fund, whose holdings mirror a particular or representative segment of the financial market. Passive investing is the opposite of active tactical investing. Additional benefits of passive investment management are that a portfolio typically has good diversification, low turnover (good for keeping down internal transaction costs and potentially capital gains taxes), and possibly lower investment management fees.

Fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factor that affect a company's actual business and its future prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental



analysis on industries or the economy as a whole. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements. The risk associated with fundamental analysis is that despite that appearance that a security is undervalued, it may not rise in value as predicted.

Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. The risk associated with technical analysis is that there is no broad consensus among technical traders on the best method of identifying future price movements.

#### INVESTMENT RISKS

All investment programs have certain risks that are borne by you and **investing in securities involves risk of loss that clients should be prepared to bear**. Our goal is to reduce the risk of loss, but not at the expense of portfolio growth. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. To manage risk, we rebalance model portfolios on an as needed basis to bring the asset allocations back to their intended balances. You should feel free to ask questions about risks that you don't understand; we would be pleased to discuss them.

#### RECOMMENDED SECURITIES

We use several types of securities in client portfolios including, but not limited to, mutual funds, exchange traded funds (ETFs), stocks, bonds, certificate deposits (CDs), and variable annuities. Some of the risk associated with these securities include:

- **Credit Risk:** This is the risk an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet financial obligation.
- **Inflation Risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client's assets.
- **Interest Rate Risk:** The chance that bond prices overall will decline because of rising interest rates.
- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Liquidity Risk:** Liquidity risk exist when particular investments are difficult to purchase or sell, possibly preventing the ability to sell such illiquid securities at an advantageous time or price, or possibly requiring the client to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.

- **Manager Risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Stock Market Risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.
- **Mutual Fund Manager Risk:** the chance that the proportions allocated to the various mutual funds will cause the client's account to underperform relevant to benchmarks or other accounts with similar investment objective.
- **Lower Yields Risk:** Because of the inherent safety and short-term nature of a CD, yields on CDs tend to be lower than other higher risk investments.
- **Interest Rate Fluctuation:** Like all fixed income securities, CD prices are susceptible to fluctuations of interest rates. If interest rates rise, the market price of outstanding CDs will generally decline. However, since changes in interest rates will have the most effect on longer maturities, short-term CDs are generally less susceptible to interest rate movements.
- **Income Risk:** One feature an annuity has is the option for the investor to take a consistent lifetime income based on the cash value of the annuity. This guarantee is backed by the insurance company and not Federal Deposit Insurance Corporation. If the insurance company fails; the investor may lose the ability to get the income he once thought was guaranteed. Annuity companies are graded based on solvency, with "A" company's being investment-grade.
- **Excessive Fees Risk:** A variable annuity is often marketed for the tax-deferral it offers investors. Investors pay an annual fee in an annuity, which is a percentage of the assets held in the account. Money that is already in an IRA or other qualified plans do not need the tax-deferral since qualified assets are inherently tax-deferred. The additional fees paid in a variable annuity can erode earnings over time, risking the ultimate return on investments by charging investors more for similar investment products. The SEC warns investors that variable annuities may not offer any additional benefits that help an investor who already has qualified assets.
- **Principal Fluctuation Risk:** Because the annuity money is invested in the securities market, the value fluctuates on the performance of the mutual funds selected by the investor. The principal assets are not guaranteed, and it is entirely possible for investors to lose money over time investing in a variable annuity with poor performance.

## Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. These include the following:

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the *firm or supervised person*

1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
2. is the named subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
3. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation; or
4. was the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the *supervised person* from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*.

We have no information applicable to this item.

B. An administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which the *firm* or *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority
  - i. denying, suspending, or revoking the authorization of the *supervised person* to act in an *investment-related* business;
  - ii. barring or suspending the *supervised person's* association with an *investment-related* business;
  - iii. otherwise significantly limiting the *supervised person's investment-related* activities; or
  - iv. imposing a civil money penalty of more than \$2,500 on the *supervised person*.

We have no information applicable to this item.

C. A *self-regulatory organization (SRO) proceeding* in which the *firm* or *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
2. was *found* to have been *involved* in a violation of the *SRO's* rules and was: (i) barred or suspended from membership or from association with other members,

or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than \$2,500.

We have no information applicable to this item.

- D. Any other *proceeding* in which a professional attainment, designation, or license of the *supervised person* was revoked or suspended because of a violation of rules relating to professional conduct. If the *supervised person* resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a *proceeding* (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

We have no information applicable to this item.

## Item 10 – Other Financial Industry Activities and Affiliations

### BROKER DEALER AFFILIATION

We are not affiliated with a broker-dealer.

### FUTURES/COMMODITIES FIRM AFFILIATION

We are not affiliated with a futures or commodities broker.

### OTHER INDUSTRY AFFILIATIONS

Our owner, Brandon Graetz, is a licensed insurance agent. He may recommend the sale of insurance products to you. This other business activity pays him commissions that are separate from the fees described in Item 5, above. The commissions give him a financial incentive to recommend and sell you the insurance products. Mr. Graetz attempts to mitigate any conflicts of interest to the best of his ability by placing your interests ahead of his own and through the implementation of policies and procedures that address the conflict. Additionally, you are informed that you always have the right to choose whether to act on the recommendation and you have the right to purchase recommended insurance through any licensed insurance agent.

Mr. Graetz is a member, and part owner, of Advisor 123, LLC, a Michigan registered investment adviser that provides signals to other investment advisers. This other business activity may pay him compensation which gives him a financial incentive to continue to use Advisor 123, LLC as a signal provider, used to aid in portfolio management. Mr. Graetz attempts to mitigate any conflicts of interest to the best of his ability by placing your interests ahead of his own and through the implementation of policies and procedures that address the conflict.

### RECOMMENDATION OF THIRD-PARTY INVESTMENT ADVISER

We may utilize the services of a Third-Party Investment Adviser to manage some or all of your assets on a discretionary basis and in accordance with your investment objectives. We will ensure that the Third-Party Adviser is properly registered or exempt from registration in your state of residence prior to making any recommendations. A detailed description of these services can be found under Items 4 and 5.

## Item 11 – Code of Ethics, Participation or Interest in Client Transaction and Personal Trading

### DESCRIPTION

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

### MATERIAL INTEREST IN SECURITIES

We do not have a material interest in any securities.

### INVESTING IN OR RECOMMENDING THE SAME SECURITIES

Our staff is permitted to engage in personal securities transactions. These transactions create potential conflicts of interest if they were to trade in advance in a security that is owned by you or considered for purchase or sale on your behalf. We have adopted policies and procedures that are reasonably designed to effect transactions for you in a manner consistent with the fiduciary duty owed to each client. Our staff who buy and sell the same securities bought or sold for a you may do so only if they comply with our written policies and procedures.

## Item 12 – Brokerage Practices

### RECOMMENDATION CRITERIA

We do not maintain custody of client assets. Your assets must be maintained in an account at a “qualified custodian,” which is generally a broker-dealer or bank. We recommend that you use Altruist Financial LLC (“Altruist”), Charles Schwab & Co., Inc., and/or American Funds - all SEC registered broker-dealers’ members of FINRA/SIPC.

Please Note: You may be able to obtain lower commissions and fees from other brokers, and the value of products, research and services given to the applicant is not a factor in determining the selection of broker-dealers or the reasonableness of their commissions.

### RESEARCH AND SOFT DOLLARS

“Soft dollars” are defined as a form of payment investment firms can use to pay for goods and services such as news subscriptions or research. When an investment firm gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services. We may receive economic benefits and soft dollars through our relationship with Altruist, please see Item 14 for additional details.

#### BROKERAGE FOR CLIENT REFERRALS

We do not receive client referrals or any other incentive from any broker-dealer or custodian.

#### DIRECTED BROKERAGE

We do not allow directed brokerage.

#### TRADE AGGREGATION

We may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and each client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. We may determine not to aggregate transactions, for example, based on the size of the trades, the number of client's accounts, the timing of the trades, the liquidity of the securities or the discretionary or non-discretionary nature of the trades. If we do not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that the practice of not aggregating may cost clients more money.

### Item 13 – Review of Accounts

#### PERIODIC REVIEWS

Our investment adviser representatives will monitor and conduct periodic reviews of your portfolios. They also attempt to meet with you at least annually either in person, by telephone, or zoom meeting to conduct a review and provide any updates to your financial situation.

#### OTHER REVIEWS

Additional reviews are conducted periodically depending on the market conditions, economic or political events, or by changes in your financial situation (such as retirement, termination of employment, physical move or inheritance).

#### REPORTS

If financial planning services were completed, you will receive a written plan related to our complimentary comprehensive financial planning services. You will also receive monthly account statements from the account's custodian. We urge you to carefully review such statements.

### Item 14 – Client Referrals and Other Compensation

#### OTHER COMPENSATION

We maintain an institutional relationship with Altruist whereby Altruist provides certain benefits to us ("Support Services"). Altruist pays for or reimburses us for the costs of certain technology solutions to help facilitate our practices and to streamline our operations. The payments may be substantial and are based on our clients adding and/or transferring to and maintaining a certain amount in assets on Altruist's platform. The benefits provided to or on our behalf will not directly benefit client accounts. The fees we charge will not be reduced by the value of the Support

Services we receive. The benefits provided to us are compensation in connection with providing advice to clients and therefore should be considered in assessing the reasonableness of the compensation arrangement between us and our clients. Access to such economic benefits creates a financial incentive for us to maintain client accounts through Altruist as the custodian, which results in a conflict of interest.

#### CLIENT REFERRALS

We do not pay for client referrals or use solicitors.

#### Item 15 – Custody

All your funds, securities and accounts are held at a qualified custodian, such Altruist. We do not take possession of your securities. However, you will be asked to authorize us or the Third-Party Adviser with the ability to instruct the custodian to deduct our management fee and the Third-Party Adviser's management fee from your account. This authorization will apply to our management fee only. This is considered a limited form of custody. You may terminate this authorization at any time. You will receive monthly account statements from the custodian that holds and maintains your assets. We urge you to carefully review these account statements.

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

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.

The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

## Item 16 – Investment Discretion

We offer discretionary investment management services. In order to grant us discretionary power over the account you must sign the investment management agreement. Our investment management agreement contains a limited power of attorney that allows us to select the securities to be bought and sold and the amount of securities to be bought and sold in your account(s). It also allows us to place each trade without your prior approval. Your custodian may also request that you sign the custodian's limited power of attorney. This varies with each custodian. We will discuss all limited powers of attorney prior to their execution. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for your account, and any other investment policies, limitation or restrictions.

## Item 17 – Voting Client Securities

We do not vote proxy votes for any client. All proxy materials are mailed or emailed directly to you from the custodian. Any proxy materials received by us will be forwarded to you for response and voting. In the event you have a question about proxy solicitation, you should feel free to contact us.

## Item 18 – Financial Information

### BALANCE SHEET

We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to provide a balance sheet.

### FINANCIAL CONDITION

We are required in this Item to provide you with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service you. We do not have a financial commitment that impairs our ability to service our clients.

### BANKRUPTCY

We have not been the subject of a bankruptcy proceeding.