

**BCO Wealth Management, LLC**

# Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of BCO Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (575) 887-2013 or by email at: [service@bco-wealth.com](mailto:service@bco-wealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about BCO Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). BCO Wealth Management, LLC's CRD number is: 322276.*

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*Registration as an investment adviser does not imply a certain level of skill or training.*

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## Item 2: Material Changes

BCO Wealth has the following material changes to report. Material changes relate to BCO Wealth's policies, practices or conflicts of interests.

- As part of its Portfolio Management Services, BCO Wealth will sometimes manage client portfolios using SEI's Asset Allocation Program. (Item 4)
- BCO Wealth added details related to the Selection of Other Advisers. (Item 5)
- The Investment Adviser Representatives of BCO Wealth are also licensed as registered representatives of Lincoln Investment Planning, LLC. Therefore, BCO Wealth must make available to Lincoln, confidential information about BCO Wealth clients. (Item 10)
- BCO Wealth has entered into soft dollar arrangements through which it may receive research, products, or other services. (Item 12)
- BCO Wealth has access to a variety of economic benefits, services, and products in connection with the use of SEI's and AssetMark's investment adviser platforms. (Item 14)
- BCO Wealth has updated their Assets Under Management (Item 4.E).

## Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes.....	ii
Item 3: Table of Contents.....	iii
Item 4: Advisory Business .....	2
Item 5: Fees and Compensation.....	5
Item 6: Performance-Based Fees and Side-By-Side Management .....	9
Item 7: Types of Clients .....	9
Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss .....	9
Item 9: Disciplinary Information.....	13
Item 10: Other Financial Industry Activities and Affiliations.....	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	16
Item 12: Brokerage Practices .....	17
Item 13: Review of Accounts.....	18
Item 14: Client Referrals and Other Compensation.....	19
Item 15: Custody .....	20
Item 16: Investment Discretion.....	21
Item 17: Voting Client Securities (Proxy Voting) .....	21
Item 18: Financial Information.....	21

## Item 4: Advisory Business

### A. Description of the Advisory Firm

BCO Wealth Management, LLC (hereinafter "BCO Wealth") is a Limited Liability Company organized in the State of New Mexico. The firm was formed in May 2022, and the principal owners are John Milo Overstreet and Lyle Harley Cole.

### B. Types of Advisory Services

#### *Portfolio Management Services*

BCO Wealth offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. BCO Wealth creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

BCO Wealth evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. BCO Wealth will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

BCO Wealth seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of BCO Wealth's economic, investment or other financial interests. To meet its fiduciary obligations, BCO Wealth attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, BCO Wealth's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is BCO Wealth's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

As part of its Portfolio Management Services, BCO Wealth will sometimes manage client portfolios using SEI's Asset Allocation Program, sponsored by SEI Investment Management Corp ("SIMC"). In this program, SIMC provides advisory services to Adviser (but not to the client) involving the structure and design of asset allocation portfolios

comprised solely of mutual funds advised by SIMC. SIMC also advises Adviser with respect to reallocation and rebalancing of investments within such asset allocation programs. BCO Wealth determines the client's investment objectives, investment time horizon, and risk profile by means of an interview process and the completion of a questionnaire. This process will help BCO Wealth review the client's situation and enable BCO Wealth to recommend an initial asset allocation. The client may place reasonable restrictions on the nature of the funds held in the portfolio or the allocation among the various classes, and BCO Wealth will assist the client in understanding and evaluating the potential impact of these restrictions on the model portfolios. SEI Private Trust Company (a subsidiary of SEI Investments Company) acts as the transfer agent and custodian for the client's account.

BCO Wealth may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, BCO Wealth will always ensure those other advisers are properly licensed or registered as an investment adviser. BCO Wealth conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. BCO Wealth then makes investments with a third-party investment adviser by referring the client to the third-party adviser. BCO Wealth will review the ongoing performance of the third-party adviser as a portion of the client's portfolio. Specifically, BCO Wealth generally recommends the three third-party arrangements detailed in Item 5 under *Selection of Other Advisers Fees*.

### ***Pension Consulting Services***

BCO Wealth offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- identifying investment objectives and restrictions
- providing guidance on various assets classes and investment options
- recommending money managers to manage plan assets in ways designed to achieve objectives
- monitoring performance of money managers and investment options and making recommendations for changes
- recommending other service providers, such as custodians, administrators and broker-dealers
- creating a written pension consulting plan

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

### ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### ***Services Limited to Specific Types of Investments***

BCO Wealth generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities. BCO Wealth may use other securities as well to help diversify a portfolio when applicable.

### ***Written Acknowledgement of Fiduciary Status***

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

### **C. Client Tailored Services and Client Imposed Restrictions**

BCO Wealth will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by BCO Wealth on behalf of the client. BCO Wealth may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees and transaction costs. BCO Wealth does not participate in wrap fee programs.

## E. Assets Under Management

BCO Wealth has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$ 267,228,215.00	\$ 0.00	December 2023

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Portfolio Management Fees*

Total Assets Under Management	Annual Fees
\$0 - \$250,000	1.25%
\$250,001 - \$1,000,000	1.00%
\$1,000,001 - \$2,000,000	0.75%
\$2,000,001 - AND UP	0.65%

BCO Wealth uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of BCO Wealth's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 5 days' written notice.

#### *Selection of Other Advisers Fees*

BCO Wealth will receive its standard fee on top of the fee paid to the third party adviser. This relationship will be memorialized in each contract between BCO Wealth and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency. Specifically, BCO Wealth may direct clients to SEI Investment Management Corp (SIMC) and AssetMark. BCO Wealth's portfolio management fees are negotiable.

#### SIMC Mutual Fund Models Program

In the SIMC Mutual Fund Models Program, BCO Wealth may recommend SIMC to act as a third-party adviser. BCO Wealth will establish an asset allocation policy for the client and recommend one of many mutual fund asset allocation models based on the client's risk profile and investment objectives. SIMC will have complete investment authority, with respect to the account, in order to carry out the investment strategy chosen by BCO Wealth on the client's behalf. Client fees are payable quarterly, in arrears, based on assets under management. In addition to BCO Wealth's Portfolio Management Fee, Clients will also pay an additional Platform Fee to SIMC, which will be outlined in the client's agreement with SIMC.

#### SIMC Sub-Advised Program

In the SIMC Sub-Advised Program, BCO Wealth retains SIMC as a sub-advisor in order to provide certain of investment management solutions to BCO Wealth in a sub-advised relationship, including investment strategies of SIMC's portfolio managers and certain SIMC-developed investment strategy models. Client fees are payable quarterly, in arrears, based on assets under management. In addition to BCO Wealth's Portfolio Management Fee, Clients will also pay an additional Platform Fee to SIMC, which will be outlined in the client's agreement with SIMC.

#### AssetMark Platform

Fees and compensation for using the AssetMark Platform, are provided in more detail in the AssetMark Platform Disclosure Brochure and the Client Billing Authorization will also state the fee applicable to the client's account. Client fees are payable quarterly, in advance, based on assets under management. Clients may terminate AssetMark accounts at any time and receive a full pro-rata refund of any unearned fees. The fees applicable to each account on the AssetMark Platform will include:

1. BCO Wealth's Portfolio Management Fee,
2. AssetMark Platform Fee, which includes any Strategist or Manager Fee, as applicable, and most custody fees. Other fees for special services may also be charged. The Client should consider all applicable fees.

### ***Pension Consulting Services Fees***

#### **Asset-Based Fees for Pension Consulting**

Total Assets Under Management	Annual Fee
\$0 - AND UP	1.50%

BCO Wealth uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement.



Clients may terminate the agreement without penalty for a full refund of BCO Wealth's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement generally with 5 days' written notice. BCO Wealth uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

### ***Financial Planning Fees***

#### **Fixed Fees**

The negotiated fixed rate for creating client financial plans is between \$500 and \$5,000.

Clients may terminate the agreement without penalty, for full refund of BCO Wealth's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in arrears.

### ***Payment of Pension Consulting Fees***

Asset-based pension consulting fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in arrears.

### ***Payment of Selection of Other Advisers Fees***

Fees for selection of SEI Investment Management Corp as third-party adviser are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly in arrears.

Fees for selection of AssetMark as third-party adviser are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly in advance.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check.

Fixed financial planning fees are paid 10% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by BCO Wealth. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Prepayment of Fees**

BCO Wealth collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

## **E. Outside Compensation For the Sale of Securities to Clients**

John Milo Overstreet and Lyle Harley Cole are registered representatives of a broker-dealer. John Milo Overstreet and Lyle Harley Cole are also insurance agents. In these roles, they accept compensation for the sale of investment products to BCO Wealth clients.

### ***1. This is a Conflict of Interest***

Supervised persons may accept compensation for the sale of investment products, including asset based sales charges or service fees from the sale of mutual funds to BCO Wealth's clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receives compensation, BCO Wealth will document the conflict of interest in the client file and inform the client of the conflict of interest.

### ***2. Clients Have the Option to Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase BCO Wealth recommended products through other brokers or agents that are not affiliated with BCO Wealth.

### ***3. Commissions are not BCO Wealth's primary source of compensation for advisory services***

Commissions are not BCO Wealth's primary source of compensation for advisory services.

### ***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on investment products recommended to clients.

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

BCO Wealth does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

BCO Wealth generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans
- ❖ Charitable Organizations

There is no account minimum for any of BCO Wealth's services.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

BCO Wealth's methods of analysis include Fundamental analysis, Modern portfolio theory and Quantitative analysis.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

### *Investment Strategies*

BCO Wealth typically uses long term trading as described in Item 8B below.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

**Quantitative analysis** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

### *Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Selection of Other Advisers:** Although BCO Wealth will seek to select only money managers who will invest clients' assets with the highest level of integrity, BCO Wealth's selection process cannot ensure that money managers will perform as desired and BCO Wealth will have no control over the day-to-day operations of any of its selected money managers. BCO Wealth would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100%

loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF’s shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Non-U.S.** securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

As a registered representative of Lincoln Investment, John Milo Overstreet accepts compensation for the sale of securities.

As a registered representative of Lincoln Investment, Lyle Harley Cole accepts compensation for the sale of securities.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither BCO Wealth nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

John Milo Overstreet is a registered representative with another firm and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. BCO Wealth always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of BCO Wealth in such individual's capacity as a registered representative.

John Milo Overstreet is an accountant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. BCO Wealth always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of BCO Wealth in connection with such individual's activities outside of BCO Wealth.

John Milo Overstreet is an independent licensed insurance agent. This activity creates a conflict of interest since there is an incentive to recommend insurance products based on commissions or other benefits received from the insurance company, rather than on the client's needs. Additionally, the offer and sale of insurance products by supervised persons of BCO Wealth are not made in their capacity as a fiduciary, and products are limited to only those offered by certain insurance providers. BCO Wealth addresses this conflict of interest by requiring its supervised persons to act in the best interest of the client at all times, including when acting as an insurance agent. BCO Wealth periodically reviews recommendations by its supervised persons to assess whether they are based on an objective evaluation of each client's risk profile and investment objectives rather than on the receipt of any commissions or other benefits. BCO Wealth will disclose in advance how it or its supervised persons are compensated and will disclose conflicts of interest involving any advice or service provided. At no time will there be tying between business practices and/or services (a condition where a client or prospective client would be required to accept one product or service conditioned upon the selection of a second, distinctive tied product or service). No client is ever under any obligation to purchase any insurance product. Insurance products recommended by BCO Wealth's supervised persons may also be available from other providers on more favorable terms, and clients can purchase insurance products recommended through other unaffiliated insurance agencies.

Lyle Harley Cole is a registered representative with another firm and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. BCO Wealth always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required



to implement the plan through any representative of BCO Wealth in such individual's capacity as a registered representative.

Lyle Harley Cole is an independent licensed insurance agent. This activity creates a conflict of interest since there is an incentive to recommend insurance products based on commissions or other benefits received from the insurance company, rather than on the client's needs. Additionally, the offer and sale of insurance products by supervised persons of BCO Wealth are not made in their capacity as a fiduciary, and products are limited to only those offered by certain insurance providers. BCO Wealth addresses this conflict of interest by requiring its supervised persons to act in the best interest of the client at all times, including when acting as an insurance agent. BCO Wealth periodically reviews recommendations by its supervised persons to assess whether they are based on an objective evaluation of each client's risk profile and investment objectives rather than on the receipt of any commissions or other benefits. BCO Wealth will disclose in advance how it or its supervised persons are compensated and will disclose conflicts of interest involving any advice or service provided. At no time will there be tying between business practices and/or services (a condition where a client or prospective client would be required to accept one product or service conditioned upon the selection of a second, distinctive tied product or service). No client is ever under any obligation to purchase any insurance product. Insurance products recommended by BCO Wealth's supervised persons may also be available from other providers on more favorable terms, and clients can purchase insurance products recommended through other unaffiliated insurance agencies.

The Investment Adviser Representatives (IAR) of BCO Wealth are also licensed as registered representatives of Lincoln Investment Planning, LLC (Lincoln), a dually registered broker-dealer and investment adviser. As such, your IAR may also act as agent and offer to you securities (such as mutual funds, annuities, stocks, or bonds) or insurance, or other advisory services offered by Lincoln Investment or its affiliated companies. If you choose to engage with IAR and acquire these other services or products, the IAR may receive additional compensation. Lincoln and BCO Wealth are not affiliated and each is separately responsible for complying with the rules and regulations of the Investment Advisers Act of 1940 and/or any applicable states' rules and regulations relating to investment advisory activities. Lincoln neither conducts due diligence of the BCO Wealth's advisory services nor endorses any advisory services offered by BCO Wealth.

Your IAR and BCO Wealth must disclose or make available to Lincoln, confidential information about its customers. Lincoln shall only use this information for its broker dealer supervisory purposes. Your IAR and BCO Wealth have entered into a confidentiality agreement with Lincoln to ensure your information is protected.

John Milo Overstreet & Lyle Harley Cole are both solicitors for SEI.

John Milo Overstreet & Lyle Harley Cole, the owners of BCO Wealth, also own Burba, Cole & Overstreet, LLC. Burba, Cole & Overstreet, LLC is an insurance company. Please see information above regarding John and Lyle's roles as independent licensed insurance agents for conflicts of interest this arrangement creates.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

BCO Wealth may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Clients will pay BCO Wealth its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between BCO Wealth and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. BCO Wealth will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. BCO Wealth will ensure that all recommended advisers are licensed or notice filed in the states in which BCO Wealth is recommending them to clients.

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

#### **A. Code of Ethics**

BCO Wealth has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. BCO Wealth's Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

BCO Wealth does not recommend that clients buy or sell any security in which a related person to BCO Wealth or BCO Wealth has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of BCO Wealth may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of BCO Wealth to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. BCO Wealth will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of BCO Wealth may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of BCO Wealth to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, BCO Wealth will never engage in trading that operates to the client's disadvantage if representatives of BCO Wealth buy or sell securities at or around the same time as clients.

### **Item 12: Brokerage Practices**

#### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on BCO Wealth's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and BCO Wealth may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in BCO Wealth's research efforts. BCO Wealth will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

BCO Wealth will require clients to use SEI Private Trust Company and/or AssetMark.

#### ***1. Research and Other Soft-Dollar Benefits***

BCO Wealth has access to research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. BCO Wealth benefits by not having to produce or pay for the research, products or services, and BCO Wealth will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that BCO Wealth's acceptance of soft dollar benefits may result in higher commissions charged to the client.

## **2. Brokerage for Client Referrals**

BCO Wealth receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. Clients Directing Which Broker/Dealer/Custodian to Use**

BCO Wealth will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

BCO Wealth does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

## **Item 13: Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for BCO Wealth's advisory services provided on an ongoing basis are reviewed at least annually by John Overstreet, managing member or Lyle Cole, managing member, with regard to clients' respective investment policies and risk tolerance levels. All accounts at BCO Wealth are assigned to either reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by John Overstreet, managing member. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, BCO Wealth's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of BCO Wealth's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

#### SEI

BCO Wealth has access to a variety of economic benefits, services, and products in connection with BCO Wealth's use of SEI's investment adviser platform. The terms and availability of these benefits vary among advisors on the SEI platform (including BCO Wealth) depending on the business conducted with SEI and other factors. These services generally help BCO Wealth conduct its advisory business, but each specific benefit does not necessarily benefit each client.

Beyond access to SEI investment products, these include conferences, seminars and other educational and networking activities, business entertainment, reimbursement of travel and attendance expenses, research and other investment support services (such as client proposal and other financial planning support), technical and operational solutions (including the SEI Wealth Platform), marketing assistance (including joint marketing designed to promote SEI investment products), compliance services, human resources consulting, risk management/insurance assistance, front office, middle office, back office and other administrative support (including providing clerical staff to assist in the completion of required paperwork), SEI attendance at client meetings, information technology services, continuity and succession planning, access to financing and banking options, trust services, portfolio reporting, automatic rebalancing, tax loss harvesting, waiver or payment of certain fees (including paying account transfer fees or other charges that BCO Wealth or its clients would incur when changing service providers), vendor discounts, discount pricing on SEI services, and broader practice management consulting. These benefits may be provided via SEI, its affiliates, or third parties and may be made available to BCO Wealth at no fee, at a discounted fee, or via financial compensation provided by SEI. Some of these offerings depend on BCO Wealth conducting a minimum amount or type of current or expected future business with SEI, or having a minimum account size or amount of assets under management with SEI or invested in SEI investment products. Certain of these services or products, including those provided by or paid for by SEI, may be used by BCO Wealth in connection with its general business activities, in addition to supporting BCO Wealth's interaction with SEI systems. The benefits, services, products, or payments discussed herein may be significant to BCO

Wealth and create an incentive for the BCO Wealth to utilize SEI services or investment products for its customers rather than other service providers or investment products. However, BCO Wealth strives at all times to put the interests of its clients first, including when selecting custodians or investment products for clients. BCO Wealth is independently owned and operated; it is not affiliated with SEI.

#### AssetMark

With respect to the AssetMark Platform, BCO Wealth, subject to negotiation with AssetMark, receives certain allowances, reimbursements and services from AssetMark in connection with BCO Wealth's investment advisory services to its clients, as described below.

Under AssetMark's Business Development Allowance program, BCO Wealth may receive a quarterly business development allowance for reimbursement of qualified marketing/practice development expenses incurred by the Financial Advisor. These amounts vary depending on the value of the assets on the AssetMark Platform held by Clients of the Financial Advisor.

- **MARKETING SUPPORT:** BCO Wealth may enter into marketing arrangements with AssetMark whereby BCO Wealth receives compensation and/or allowances in amounts based either upon a percentage of the value of new or existing Account assets of Clients referred to AssetMark by BCO Wealth, or a flat dollar amount.
- **DIRECT AND INDIRECT SUPPORT:** AssetMark may sponsor annual conferences for participating Financial Advisory Firms and/or Financial Advisors designed to facilitate and promote the success of the Financial Advisory Firm and/or Financial Advisor and/or AssetMark advisory services.
- **DISCOUNTED FEES:** BCO Wealth may receive discounted pricing from AssetMark for practice management and marketing related tools and services.

BCO Wealth may host or attend third-party company educational programs, events, or conferences where expenses are paid for (in part or in whole) by third parties whose products and services that BCO Wealth utilizes in providing advisory services. This represents a conflict of interest in that BCO Wealth has an incentive to use and promote the products and service of these third parties. To address this conflict, BCO Wealth will always act in the best interest of its clients consistent with its fiduciary duty as an investment adviser.

### **B. Compensation to Non - Advisory Personnel for Client Referrals**

BCO Wealth does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, BCO Wealth will be deemed to have limited custody of client's assets and must have written authorization

from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. BCO Wealth does not act as a qualified custodian and refers clients to the qualified custodians as disclosed in Item 12.

## **Item 16: Investment Discretion**

BCO Wealth provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, BCO Wealth generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, BCO Wealth's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to BCO Wealth).

## **Item 17: Voting Client Securities (Proxy Voting)**

BCO Wealth will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

BCO Wealth neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither BCO Wealth nor its management has any financial condition that is likely to reasonably impair BCO Wealth's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

BCO Wealth has not been the subject of a bankruptcy petition in the last ten years.