

# Form ADV Part 2A Brochure

## **TFO Wealth Partners, LLC**

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**April 15, 2024**

This Brochure provides information about the qualifications and business practices of TFO Wealth Partners, LLC (hereinafter "TFO Wealth Partners"). If you have any questions about the contents of this Brochure, please contact us at (419) 891-9999. 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.

TFO Wealth Partners 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 TFO Wealth Partners also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for TFO Wealth Partners is 124407.

## Item 2 Summary of Material Changes

ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the last annual amendment filing on January 31, 2023, this Disclosure Brochure has been revised to indicate a new Chief Compliance Officer, Brady Fineske.

Since the filing of our last annual updating amendment on January 31, 2023, one material change has been made to our disclosure brochure as follows:

- Item 5 was updated to reflect our annual advisory fee for participation in TFO Now is not to exceed 1.25% of the value of your account

Although not material, TFO Wealth Partners has made disclosure changes, enhancements and additions at Items 4, 5, and 14 below regarding consulting services, other assets, reporting services, cryptocurrency, ESG investing, fee dispersion, and client referrals.

\* \* \*

If you have any questions regarding any of the amendments to this Brochure or any other questions pertaining to this Brochure, TFO Wealth Partners' Chief Compliance Officer, Brady Fineske, is available to address your questions and can be reached at (419) 891-9999.

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## Item 4 Advisory Business

### Introduction:

In this brochure, references to “we,” “us,” “our,” or “our firm” refer to TFO Wealth Partners. Individuals who serve as our directors, officers, employees, and investment adviser representatives are referred to as our “Supervised Persons,” “associated persons,” or “representatives.” Our firm’s clients and prospective clients are referred to as “you,” “your,” or “our clients.”

We offer discretionary and nondiscretionary investment management services, family office services, retirement plan services, consulting services, digital investment management services, and third-party investment managers. Prior to engaging us to provide services, we will require you to enter a written agreement with us setting forth the terms and conditions under which we will provide our services. Our specific services, terms of our compensation, method of payment, and other important information are explained in more detail below.

TFO Wealth Partners has been providing advisory services since 2003. Previous names of the entity have been TFO-TDC, LLC, TDC St. Louis, LLC, and Husch Family Office, LLC. TFO Wealth Partners is headquartered in Maumee, Ohio.

TFO Wealth Partners is owned by TFO Partners, Inc. and the Chief Executive Officer of TFO Wealth Partners is Mr. Christopher Erblich.

As of December 31, 2023, TFO Wealth Partners managed \$3,906,784,008 on a discretionary basis and \$25,712,218 on a non-discretionary basis for a total of \$3,932,496,226 in regulatory assets under management. In addition, TFO Wealth Partners provided retirement plan consulting services to \$721,759,128 of self-directed retirement accounts. In total, as of December 31, 2023, TFO Wealth Partners provided investment advice to \$4,654,255,354 in client assets.

### Investment Management Services:

TFO Wealth Partners manages investment portfolios for a wide variety of Clients, including individuals, high net worth individuals, family offices, qualified retirement plans, trusts, charitable organizations, small businesses, and corporations. TFO Wealth Partners will work with a Client to determine the Client's investment objectives and investor risk profile and will design a written investment policy statement. TFO Wealth Partners uses investment and portfolio allocation software to evaluate alternative portfolio designs. TFO Wealth Partners evaluates the Client's existing investments with respect to the Client's investment policy statement. TFO Wealth Partners works with new Clients to develop a plan to transition from the Client's existing portfolio to the desired portfolio. TFO Wealth Partners will then regularly monitor the Client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the Client regarding the account as necessary.

TFO Wealth Partners will typically create a portfolio which may be based on one or more model portfolios if the models match the Client's investment policy. TFO Wealth Partners will allocate the Client's assets among various investments taking into consideration the overall management style selected by the Client. TFO Wealth Partners primarily creates portfolios consisting of mutual funds, fixed income securities and exchange traded funds. TFO Wealth Partners primarily recommends mutual funds offered by Dimensional Fund Advisors (DFA) and Vanguard. DFA sponsored mutual funds follow a passive asset class investment philosophy with low operating expenses, low holdings turnover, and below-average capital gains distributions. DFA mutual funds generally are available for investment only by Clients of certain authorized registered investment advisers, and all investments are subject to the approval of the adviser. This means that you will generally not be able to make additional investments in DFA mutual funds if you terminate your agreement with TFO Wealth Partners, except through another adviser authorized by DFA. Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the Client specifically requests they be purchased and/or retained for a personal reason. These situations will be

specifically identified in the Client's Investment Policy Statement (IPS) and may be designated as non-managed assets in certain cases.

TFO Wealth Partners manages portfolios on a discretionary basis, and in limited cases, on a non-discretionary basis, according to the investment advisory agreement and investment policy statement selected by the Client. A Client may impose any reasonable restrictions on TFO Wealth Partners' discretionary authority, including restrictions on the types of securities in which TFO Wealth Partners may invest Client's assets and on specific securities, which the Client may believe to be appropriate.

In certain circumstances, including but not limited to, for fixed income portfolio management, TFO Wealth Partners will allocate a portion of a portfolio to an independent third-party investment adviser ("independent manager") to manage a Client's assets on a discretionary basis-based upon individual Client circumstances and objectives, including, but not limited to, Client account size, tax circumstances and type of investments. In other instances, TFO Wealth Partners and a client may enter into a tri-party agreement with one or more independent managers for the management of certain securities or strategies.

TFO Wealth Partners will monitor the performance of the selected independent manager(s). If TFO Wealth Partners determines that a particular selected independent manager is not providing sufficient management services to the Client or is not managing the Client's portfolio in a manner consistent with the Client's personal investment guidelines or asset allocation, TFO Wealth Partners will remove the Client's assets from that selected independent manager and may place the Client's assets with another independent manager at TFO Wealth Partners' discretion (for discretionary accounts). Clients may be required to execute documents to re-allocate assets amongst independent managers. For non-discretionary accounts, TFO Wealth Partners will make recommendations to the Client, as deemed appropriate. Clients that determine to engage TFO Wealth Partners on a non-discretionary investment advisory basis must be willing to accept that TFO Wealth Partners cannot affect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event that TFO Wealth Partners would like to make a transaction for a client's account, and client is unavailable, TFO Wealth Partners will be unable to affect the account transaction (as it would for its discretionary clients) without first obtaining the client's consent.

On an ongoing basis, TFO Wealth Partners will answer Clients' inquiries regarding their accounts and review periodically with Clients the performance of their accounts. TFO Wealth Partners will periodically review Clients' investment policy, risk profile and discuss the re-balancing of each Client's accounts to the extent appropriate. TFO Wealth Partners will provide to independent managers any updated Client financial information or account restrictions necessary for the independent manager to provide advisory services.

In addition to managing the Client's investment portfolio, TFO Wealth Partners may provide additional wealth management services to Clients based on their unique circumstances and needs. Such services may include consulting with Clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance and risk management analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things. TFO Wealth Partners also has access to a suite of various digital powered financial planning technology solutions and provides these services to certain clients based on their circumstances and needs.

For most clients, TFO Wealth Partners agrees to review the adequacy of current life insurance, long-term care and disability coverage, determine future needs, and develop an appropriate insurance strategy. From time to time, we may refer a client to an affiliate of TFO Wealth Partners for developing or implementing an insurance strategy. Please see Item 10 – Other Financial Industry Activities and Affiliations for more information regarding these referrals, including a discussion of conflicts of interest related to these referrals.

Clients have no obligation to purchase an insurance product through a TFO Wealth Partners adviser or any affiliate of TFO Wealth Partners.

Upon client request and in our sole discretion, TFO Wealth Partners may provide advice with respect to your retirement plan assets. If we determine to do so, we will make recommendations based on the investment options available as part of your retirement plan. You are responsible for making all transactions. We will not receive any communications from the plan sponsor or custodian, and it remains your obligation to notify us of any changes in investment choices or restrictions pertaining to your retirement account or plan. Unless expressly indicated by the TFO Wealth Partners to the contrary these clients' 401(k) plan assets shall be included as assets under management for purposes of TFO Wealth Partners calculating its advisory fee.

#### **Family Office Services:**

In addition to investment management services described above, TFO Wealth Partners may also provide Family Office services to select Clients. These services may include some or all of the following: suggesting and maintaining an appropriate asset allocation, evaluation of overall financial situation and investment portfolio, private & alternative investment analysis, coordination among advisers designated by the Client (legal, estate, tax, accounting, insurance and banking), providing administrative support to assist Clients with their financial matters, coordination of cash management services, advice and reporting requested by the Client. Family Office services may not be offered to all TFO Wealth Partners Clients.

#### **Retirement Plan Services:**

TFO Wealth Partners also provides advisory services to retirement plans. TFO Wealth Partners' services include, but may not be limited to, one or more of the following: analysis of the plan's current investment platform, assisting the plan in creating an investment policy statement defining the types of investments to be offered and the restrictions that may be imposed, recommending and periodically reviewing the plan's investment options, constructing model portfolios, discretionary investment management, coordinating with the plan's service providers to implement investment strategies, participant education and performance monitoring. In certain circumstances, TFO Wealth Partners provides discretionary services where it will select and replace the plan's investment options as necessary.

The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor under ERISA Section 408(b)(2), we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide to your Plan may include some or all of those described above and will be outlined in the service agreement with our firm. Our compensation for these services is described below, at Item 5, and in the service agreement. We may, with consent of the Plan, and in accordance with Plan documents, bill out of pocket expenses (such as overnight mailings, messenger, translation fees, etc.) at cost. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants.

In providing services to the Plan and Participants, our status is that of an investment adviser registered under the Investment Advisers Act of 1940, and we are not subject to any disqualifications under Section 411 of ERISA. In performing ERISA fiduciary services, we represent that we are a fiduciary as defined in Section 3(21) of ERISA. We may also act as a discretionary "investment manager" of the Plan as defined in Section 3(38) under ERISA.

### **Consulting Services:**

Clients can also receive investment advice on a more limited basis. This may include advice on an isolated area(s) of concern such as estate planning, retirement planning, reviewing a Client's existing portfolio, or any other specific topic. TFO Wealth Partners also provides specific consultation and administrative services regarding investment and financial concerns of the Client. Dependent on the type of consulting services provided, there will be a conflict of interest due to the potential for the recommendation of our Firm to provide additional services, such as investment advisory services or retirement plan services.

Additionally, TFO Wealth Partners provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice. TFO Wealth Partners **does not** serve as an attorney, accountant, or insurance agent, and no portion of our services should be construed as same. Accordingly, TFO Wealth Partners **does not** prepare legal documents, prepare tax returns, or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for non-investment implementation purpose (i.e., attorneys, accountants, insurance, etc.). The client is not under any obligation to engage any such professional(s). The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from TFO Wealth Partners and/or its representatives. If the client engages any professional (i.e., attorney, accountant, insurance agent, etc.), recommended or otherwise, and a dispute arises thereafter relative to such engagement, the engaged professional shall remain exclusively responsible for resolving any such dispute with the client. At all times, the engaged licensed professional[s] (i.e., attorney, accountant, insurance agent, etc.), and **not** TFO Wealth Partners, shall be responsible for the quality and competency of the services provided.

### **TFO Now - Discretionary Digital Investment Advisory Platform:**

#### **1. Overview**

Clients and prospective clients may determine to engage TFO Wealth Partners to provide them with portfolio management services through TFO Now, an automated investment program. Clients are investing in a range of investment strategies that TFO Wealth Partners has constructed and continues to manage. Each of these portfolios may consist of mutual funds or ETFs and a cash allocation. The client may instruct TFO Wealth Partners to exclude up to three investment positions from their portfolio. The client's portfolio is held in a brokerage account opened by the client at Charles Schwab & Co. ("CS&Co"). TFO Wealth Partners uses the Institutional Intelligent Portfolios® platform ("Platform"), offered by Schwab Performance Technologies ("SPT"), a software provider to independent investment advisors and an affiliate of CS&Co., to operate TFO Now. TFO Wealth Partners is independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, "Schwab"). TFO Wealth Partners, and not Schwab, is the client's investment adviser and primary point of contact with respect to TFO Now. As between TFO Wealth Partners and Schwab, TFO Wealth Partners is solely responsible, and Schwab is not responsible, for determining the appropriateness of TFO Now for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. TFO Wealth Partners has contracted with SPT to provide it with the Platform, which consists of technology and related trading and account management services for TFO Now. The Platform enables TFO Wealth Partners to make TFO Now available to clients online and includes a system that automates certain key parts of our investment process (the "System").

The System includes an online questionnaire that helps TFO Wealth Partners determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Generally new clients will submit data on the System regarding the Client's risk preferences, investment objectives, and account size. Clients will also be assigned a team of representatives to their account. For existing client's transitioning to TFO Now, the personal representative team will review and confirm the client's investment objectives and risk tolerance during the transition process. It is the Client's responsibility to promptly update their account application through the web-based portal or by contacting



the Client's personal representative team if there are ever any changes in the Client's financial situation or investment objectives for the purpose of reallocating and/or re-balancing the Client's account. Clients should note that TFO Wealth Partners will recommend a portfolio via the System in response to the client's answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more, conservative, or aggressive, than the recommended portfolio and the client makes the final decision and selects their portfolio, subject to TFO Wealth Partners' review and approval. In limited instances, TFO Wealth Partners may agree to allow a client to invest in a portfolio that is more conservative or aggressive by working with their personal representative team. In such cases, an additional Investment Policy Statement will be required.

The System also includes an automated investment engine through which TFO Wealth Partners manages the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects). TFO Wealth Partners reserves the right to override the automatic rebalancing and tax-loss harvesting features, in which case, TFO Wealth Partners will notify clients. TFO Wealth Partners will likely only override these features if market conditions become highly unusual.

TFO Wealth Partners charges clients a fee for its services as described below under Item 5, Fees and Compensation. TFO Wealth Partners' fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of TFO Now. Schwab receives other revenues in connection with TFO Now, which are described below under Item 5, Fees and Compensation.

Clients enrolled in TFO Now are limited in the universe of investment options available to them, in that TFO Wealth Partners currently only uses mutual funds and ETFs in TFO Now. In addition, TFO Now has been designed for clients with generally less than \$750,000, although TFO Now is available to all of our clients who may benefit from this type of platform. Clients enrolled exclusively in TFO Now may receive less formal wealth management services than our other clients. However, where a client had a relationship with TFO Wealth Partners prior to offering TFO Now, the client will continue to receive the same level of service. TFO Wealth Partners' fee may be higher (or lower) than those charged by other investment advisers offering similar services.

## **2. Rebalancing**

The System will rebalance a client's account periodically by generating instructions to CS&Co to buy and sell shares of securities and depositing or withdrawing funds through the "Sweep Program", considering the asset allocation for the client's investment strategy. Rebalancing trade instructions can be generated by the System when (i) the percentage allocation of a security varies by a set parameter established by TFO Wealth Partners, (ii) TFO Wealth Partners decides to change the securities or their percentage allocations for an investment strategy or (iii) TFO Wealth Partners decides to change a client's investment strategy, which could occur, for example, when a client makes changes to their investment profile or imposes or modifies restrictions on the management of their account. Accounts below \$5,000 may deviate farther than the set parameters as well as the target allocation of the selected investment profile. Rebalancing below \$5,000 may impact the ability to maintain positions in selected asset classes due to the inability to buy or sell in smaller quantities. For example, withdrawal requests may require entire asset classes to be liquidated to generate and disburse the requested cash.

## **3. Sweep Program**

Each investment strategy involves a cash allocation ("Cash Allocation") that will be held in a sweep program at Charles Schwab Bank (the "Sweep Program"). The Cash Allocation will be a minimum of 4% of an account's value to be held in cash, and may be higher, depending on the investment strategy chosen for a client. The Cash Allocation will be accomplished through enrollment in the Sweep Program, a program sponsored by CS&Co. By enrolling in TFO Now, clients consent to having the free credit



balances in their brokerage accounts at CS&Co swept into deposit accounts ("Deposit Accounts") at Charles Schwab Bank ("Schwab Bank") through the Sweep Program. Schwab Bank is an FDIC-insured depository institution that is a Schwab affiliate. The Sweep Program is a required feature of TFO Now. If the Deposit Account balances exceed the Cash Allocation for a client's investment strategy, the excess over the rebalancing parameter will be used to purchase securities as part of rebalancing. If clients request cash withdrawals from their accounts, this likely will require the sale of securities in their accounts to bring their Cash Allocation in line with the target allocation for their chosen investment strategy. If those clients have taxable accounts, those sales may generate capital gains (or losses) for tax purposes. In accordance with an agreement with CS&Co, Schwab Bank has agreed to pay an interest rate to depositors participating in the Sweep Program that will be determined by reference to an index.

## **Miscellaneous Disclosures Regarding Our Services:**

### **1. Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.**

To the extent specifically requested, TFO Wealth Partners will generally provide planning and consulting services regarding non-investment related matters, such as tax, estate and insurance planning. We may agree to include these services in our fee referenced in Item 5 below or may discuss charging you an additional fee under a separate agreement depending on the nature of the engagement, amount of your assets under management, and the complexity of your planning needs. TFO Wealth Partners does not serve as an attorney, accountant, or insurance agency, and no portion of our services should be construed as legal, accounting or insurance advice requiring licensing. TFO Wealth Partners does not prepare legal documents, tax returns, or sell insurance products. To the extent requested by a client, we will recommend the services of other professionals for certain non-investment implementation purpose (i.e., attorneys, accountants, insurance agencies or agents). Some of these parties may be representatives or affiliates of TFO Wealth Partners in their separate individual capacities as licensed insurance agents, certified public accountants and attorneys. You should review Item 10 below for additional information. You are under no obligation to engage the services of any recommended professional. You retain absolute discretion over all implementation decisions and are free to accept or reject any recommendation from TFO Wealth Partners or its representatives. If you engage any recommended unaffiliated professional, and a dispute arises, the engaged professional shall remain exclusively responsible for resolving any such dispute with the client. The recommendation by a TFO Wealth Partners representative that a client purchase an insurance product, presents a conflict of interest, as the receipt of commissions provides an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any insurance products from a TFO Wealth Partners representative or engage any representative in any other professional capacity. Clients are reminded that they are free to purchase insurance products, accounting, legal or other services through other, non-affiliated parties. TFO Wealth Partners' Chief Compliance Officer, Brady Fineske, remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.

### **2. Other Assets.** A client may:

- hold securities that were purchased at the request of the client or acquired prior to the client's engagement of TFO Wealth Partners. Generally, with potential exceptions, TFO Wealth Partners does not/would not recommend nor follow such securities, and absent mitigating tax consequences or client direction to the contrary, would prefer to liquidate such securities. **Please Note:** If/when liquidated, it should not be assumed that the replacement securities purchased by TFO Wealth will outperform the liquidated positions. To the contrary, different types of investments involve varying degrees of risk, and there can be no assurance that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by TFO Wealth) will be profitable or equal any specific performance level(s). In addition, there may be other securities and/or accounts owned by the client for which the Registrant does not maintain custodian access and/or trading authority; and,

- hold other securities and/or own accounts for which TFO Wealth does not maintain custodian access and/or trading authority.

**Corresponding Services/Fees:** When agreed to by TFO Wealth, TFO Wealth shall: (1) remain available to discuss these securities/accounts on an ongoing basis at the request of the client; (2) monitor these securities/accounts on a regular basis, including, where applicable, rebalancing with client consent; (3) shall generally consider these securities as part of the client's overall asset allocation; and, (4) report on such securities/accounts as part of regular reports that may be provided by TFO Wealth; and, (5) include the market value of all such securities for purposes of calculating advisory fee.

**3. Third-Party Investment Managers.** TFO Wealth Partners may use or recommend using unaffiliated third-party investment managers to manage all or a portion of a client's account in accordance with the client's designated investment objective(s). Most notably, we may rely on third-party investment managers to manage fixed income portfolios for client accounts and may use them to gain exposure to other investment strategies. The third-party manager is responsible for the discretionary management of the allocated assets. Factors that TFO Wealth Partners shall consider in recommending third-party investment manager[s] include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. We will continue to supervise the third-party manager and provide ongoing monitoring and review of your account performance, asset allocation and investment objectives. The fee charged by the third-party manager is in addition to our advisory fee discussed in Item 5 below.

**4. Margin Accounts.** A Client who has a need to borrow money could determine to do so by using margin. Each Client must sign a separate margin agreement before margin is extended to that Client account. Fees for advice and execution on these securities are based on the total asset value of the account, which includes the value of any securities purchased on margin. The use of margin will also result in interest charges, assessed by and paid to the custodian, pursuant to the custodial agreement, in addition to all other fees and expenses associated with the security involved. The use of margin may allow for more favorable interest rates than standard commercial loans. These types of collateralized loans can assist with a pending home purchase, permit the retirement of more expensive debt, or enable borrowing in lieu of liquidating existing account positions and incurring capital gains taxes. However, such loans are not without potential material risk to the client's investment assets. The lender (i.e., custodian, bank, etc.) will have recourse against the client's investment assets in the event of loan default or if the assets fall below a certain level. For this reason, TFO Wealth Partners does not recommend such borrowing unless it is for specific short-term purposes (i.e., a bridge loan to purchase a new residence). TFO Wealth Partners does not recommend such borrowing for investment purposes (i.e., to invest borrowed funds in the market). Regardless, if the client was to determine to utilize margin or a pledged assets loan, the following economic benefits would inure to TFO Wealth Partners:

- by taking the loan rather than liquidating assets in the client's account, TFO Wealth Partners continues to earn a fee on such Account assets; and,
- if the client invests any portion of the loan proceeds in an account to be managed by TFO Wealth Partners, TFO Wealth Partners will receive an advisory fee on the invested amount; and,
- if TFO Wealth Partners' advisory fee is based upon the higher margined account value, TFO Wealth Partners will earn a correspondingly higher advisory fee. This could provide TFO Wealth Partners with a disincentive to encourage the client to discontinue the use of margin.

**Please Note:** The Client must accept the above risks and potential corresponding consequences associated with the use of margin or a pledged assets loan.

**5. Reporting Services.** TFO Wealth Partners can also provide account reporting services, which can incorporate client investment assets that are not part of the assets that TFO Wealth Partners manages (the “Excluded Assets”). Unless agreed to otherwise, in writing, the client and/or his/her/its other advisors that maintain trading authority, and not TFO Wealth Partners, shall be exclusively responsible for the investment performance of the Excluded Assets. Unless also agreed to otherwise, TFO Wealth Partners does not provide investment management, monitoring, or implementation services for the Excluded Assets. If TFO Wealth Partners is asked to make a recommendation as to any Excluded Assets, the client is under absolutely no obligation to accept the recommendation, and TFO Wealth Partners shall not be responsible for any implementation error (timing, trading, etc.) relative to the Excluded Assets. The client can engage TFO Wealth Partners to provide investment management services for the Excluded Assets pursuant to the terms and conditions of the *Investment Advisory Agreement* between TFO Wealth Partners and the client.

- In the event that TFO Wealth provides the client with access to an unaffiliated vendor’s website such as *emoney* or *ByAllAccounts*, and the site provides access to information and/or concepts, including financial planning, the client, should not, in any manner whatsoever, infer that such access is a substitute for services provided by TFO Wealth. Rather, if the client utilizes any such content, the client does so separate and independent of TFO Wealth.

**6. Cybersecurity Risk.** The information technology systems and networks that TFO Wealth Partners and its third-party service providers use to provide services to TFO Wealth Partners’ clients employ various controls, which are designed to prevent cybersecurity incidents stemming from intentional or unintentional actions that could cause significant interruptions in TFO Wealth Partners’ operations and result in the unauthorized acquisition or use of clients’ confidential or non-public personal information. Clients and TFO Wealth Partners are nonetheless subject to the risk of cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost and reputational damage to respond to regulatory obligations, other costs associated with corrective measures, and loss from damage or interruption to systems. Although TFO Wealth Partners has established its systems to reduce the risk of cybersecurity incidents from coming to fruition, there is no guarantee that these efforts will always be successful, especially considering that TFO Wealth Partners does not directly control the cybersecurity measures and policies employed by third-party service providers. Clients could incur similar adverse consequences resulting from cybersecurity incidents that more directly affect issuers of securities in which those clients invest, broker-dealers, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions.

**7. Client Obligations.** In performing our services, we are not required verify any information received from you or your other professionals and is expressly authorized to rely on the information we receive. It remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

**8. Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by TFO Wealth Partners) will be profitable or equal any specific performance level(s).

**9. Disclosure Statement.** A copy of the TFO Wealth Partners’ written Privacy Notice, Disclosure Brochure as set forth on Part 2 of Form ADV and Form CRS (Client Relationship Summary) shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement* or *Financial Planning Agreement*.

## **Item 5 Fees and Compensation**

Our fees, account minimums and their applications to family circumstances are negotiable.

The specific manner in which fees are charged by TFO Wealth Partners is established in a Client's written agreement with TFO Wealth Partners. For Investment Management and Family Office services, Clients will typically be billed in advance at the beginning of each calendar quarter based upon the value of the Client's account including cash and cash equivalents at the end of the previous quarter. New accounts are charged a prorated fee for the remainder of the quarter in which the account is opened and funded). Retirement plan services are typically billed in arrears at the end of the calendar quarter. This is based on the selected record keeper's billing practices and upon the value of the Client's account at the end of the quarter. Based on market value or in the absence thereof, fair market value which may be determined by independent third-party sources; Client account balances on which TFO Wealth Partners calculates fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements.

For Investment Management, Family Office and Retirement Plan services, TFO Wealth Partners will request authority from the Client to receive quarterly payments directly from the Client's account held by an independent custodian. Clients may provide written limited authorization to TFO Wealth Partners or its designated service provider to withdraw fees from the account. Clients will receive custodial statements showing the advisory fees debited from their account(s). Certain third-party administrators will calculate and debit TFO Wealth Partners' fee and remit such fee to TFO Wealth Partners. At the request of a Client, in limited circumstances, TFO Wealth Partners may invoice Clients directly for the payment of advisory fees. TFO Wealth Partners generally discounts advisory fees for employees (including their immediate family members) of TFO Wealth Partners and employees of affiliated entities of TFO Wealth Partners.

### **Termination of Services**

A Client agreement may be terminated at any time, by either party, for any reason upon verbal or written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, based on the number of days in the quarter during which you were a Client. TFO Wealth Partners will not be responsible for future allocations or transactional services (except limited closing transactions) upon receipt of a termination notice. It will also be necessary that we inform the custodian of record that the relationship between TFO Wealth Partners and the client has been terminated. It is important to note that once an account has begun the account transfer process, it then becomes restricted/frozen at the custodian until the transfer is complete with the contra-firm. This means transactions cannot be processed within the account during this time. The transfer process can take several weeks.

TFO Wealth Partners' portfolios may be partially or fully comprised of Dimensional Fund Advisors ("DFA") mutual funds. DFA mutual funds are only offered through certain registered investment advisors, such as TFO Wealth Partners. If a client was to terminate the relationship with TFO Wealth Partners and transfer the account to another firm, the assets may not be accepted by another firm or the assets will transfer, and a client may not be able to buy additional DFA funds. If a client intends to continue to hold or invest in DFA Funds, it is important for the client to confirm with their chosen contra-firm, prior to initiating a transfer, that the firm is approved by DFA to offer DFA funds.

### **Advisory Fees**

#### **Investment Management, Family Office & Retirement Plan Services:**

Typically, the annual fee for Investment Management, Family Office and Retirement Plan services will be charged as a percentage of assets under management/advisement not to exceed 1.5%. TFO Wealth Partners shall generally price its advisory services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the type, amount and market value of their assets, the anticipated complexity of the engagement, the anticipated level and scope of the overall investment advisory, and consulting services to be rendered. Additional factors affecting pricing can include related accounts, our employees and our affiliates' employees, and each of their immediate family member(s)' accounts, competition, and negotiations. TFO Wealth Partners will quote an exact

percentage to each Client based on both the nature and total dollar value of the account(s) and based on the requirements of the Client. All fees are agreed upon prior to entering a contract with any Client.

**Please Note:** As a result of these objective and subjective factors, similarly situated clients could pay diverse fees, and the services to be provided by Registrant to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

**ANY QUESTIONS:** TFO Wealth Partners' Chief Compliance Officer, Brady Fineske, remains available to address any questions regarding advisory fees.

In limited cases, representatives of TFO Wealth Partners may reduce its advisory fee for managing fixed income securities in client's portfolio. In certain instances, when TFO Wealth Partners agrees to reduce its fee for managing fixed income securities, it may also increase its advisory fee for managing equity securities in a client's portfolio. TFO Wealth Partners determines which assets are fixed income and equity securities for this purpose. Generally, mutual funds with limited fixed income exposure are not included as fixed income securities. This arrangement creates a conflict of interest, because TFO Wealth Partners and its representatives have an incentive to (i) recommend asset allocations with higher equity exposure, and (ii) create portfolios that have a higher allocation of equity securities. We seek to mitigate this conflict of interest by (i) disclosing it to clients and prospective clients, (ii) instructing the personnel recommending asset allocations to not consider this factor when providing investment advice, and (iii) our investment committee establishes asset allocations to fixed income and equity securities for our portfolios. Any agreement reached with a client about our advisory fee will be documented in the client's investment advisory agreement or a separate written notice to the client.

If an independent manager is utilized for the separate account management described earlier in Item 4, that adviser will charge fees in addition to TFO Wealth Partners'. All fees and expenses charged by independent managers are separate and distinct from those TFO Wealth Partners charges and are withdrawn from the Client's account by the independent manager. TFO Wealth Partners does not receive any fees or payments from independent managers. TFO Wealth Partners will review the aggregate fee charged by both TFO Wealth Partners and the selected independent manager(s) will be fair and reasonable and will be competitive with those fees customarily charged in the industry for similar services.

In limited circumstances for Retirement Plan Services Clients, TFO Wealth Partners may bundle investment advisory fees with TPA fees into one fee for a Client. TPA services will be provided by an independent Third-Party Administration firm. The specific annual bundled fee will be based on the nature and complexity of each Client's circumstances, and upon mutual agreement with the Client.

#### **Consulting Services:**

TFO Wealth Partners will typically charge an hourly or fixed fee for Consulting Services. Fixed fees will typically range from \$5,000 - \$25,000 or more, depending on the nature and complexity of each Client's circumstances. Hourly fees will typically range from \$150 - \$450 per hour, depending on the nature and complexity of each Client's circumstances, as well as the individual conducting the work.

The different types of fee arrangements may also be combined as appropriate for the different types of services requested by the Client.

#### **TFO Now Discretionary Digital Investment Advisory Platform:**

Our annual advisory fee for participation in TFO Now consists of an asset-based management fee not to exceed 1.25% of the value of your account, which includes the amount payable to the technology partner, if applicable. TFO Wealth Partners will quote an exact percentage to each Client based on both the nature and total dollar value of the account(s) and based on the requirements of the Client and the complexity of the services provided. All fees are agreed upon prior to entering into a contract with any Client.



This advisory fee is payable quarterly, in advance, based on the account value of the last day of the prior quarter. This advisory fee is subject to waiver or reduction by TFO Wealth Partners. The terms and conditions of this program shall be set forth in a written portfolio management agreement executed by the Client and our firm.

If the TFO Now Discretionary Digital Investment Advisory Platform agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro-rata basis, which means that our advisory fee is payable only in proportion to the number of days in the calendar quarter for which you are a Client.

As described above, clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co as part of TFO Now. Schwab receives other revenues in connection with TFO Now. Specifically, Schwab Bank® earns interest revenue on the cash in TFO Now accounts. Also, Schwab affiliates can earn revenue from the underlying assets in TFO Now accounts. This revenue comes from managing Schwab ETFs™ and providing services relating to third-party ETFs and mutual funds that TFO Wealth Partners may select for the portfolios. Finally, Schwab has the ability to receive payments from the trading firms and exchanges where ETF and mutual fund trades are routed for execution.

Our advisory fee will be deducted directly from your account through Schwab. Further, Schwab will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

Our agreement for services will continue in effect until terminated by either party. You may terminate the management agreement upon verbal or written notice to our firm. You will incur a pro-rata charge for services rendered prior to the termination of the agreement, which means you will incur advisory fees only in proportion to the number of days in the calendar quarter during which you were a Client. You have a right to terminate your agreement with our firm within 5 business days of entering into the agreement, without penalty.

### **Additional Fees and Expenses**

TFO Wealth Partners' fees do not include any brokerage commissions, transaction fees, and other related costs and expenses that will 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 and other fund expenses. All fees paid to TFO Wealth Partners for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders.

Such charges, fees and commissions are exclusive of and in addition to TFO Wealth Partners' fee, and TFO Wealth Partners shall not receive any portion of these commissions, fees, and costs. Transaction charges may be in the form of asset-based fees in lieu of per transaction fees. These charges and fees are imposed by the broker-dealer or custodian through whom your account transactions are executed.

### **Margin Accounts Risks**

TFO Wealth Partners **does not** recommend the use of margin for investment purposes. A *margin account* is a brokerage *account* that allows investors to borrow money to buy securities and/or for other non-investment borrowing purposes. The broker/custodian charges the investor interest for the right to borrow money and uses the securities as collateral. By using borrowed funds, the customer is employing leverage that will magnify both account gains and losses. **Please Note:** The use of margin can cause significant adverse financial consequences in the event of a market correction. **ANY QUESTIONS: Our**

**Chief Compliance Officer, Brady Fineske, remains available to address any questions that a client or prospective client may have regarding the use of margin.**

### **IRA Rollover Considerations**

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of: An employee will typically have four options:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan if one is available and rollovers are permitted.
3. Cashing out and taking a taxable distribution from the plan (which could, depending upon the client's age, result in adverse tax consequences).
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If TFO Wealth Partners provides a recommendation as to whether a client should engage in a rollover or not (whether it is from an employer's plan or an existing IRA), TFO Wealth Partners is acting as a fiduciary 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. **No client is under any obligation to roll over retirement plan assets to an account managed by TFO Wealth Partners, whether it is from an employer's plan or an existing IRA.**

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5 (or 72 as of January 1, 2020).
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.



- a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.

Your plan may allow you to hire us as the manager and keep the assets titled in the plan name. It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure. **TFO Wealth Partners's Chief Compliance Officer, Brady Fineske, remains available to address any questions that a Client or prospective Client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

### **Fee Dispersion**

In certain cases, and in our sole discretion, we may reduce, waive, propose or agree to a different fee structure with clients based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, complexity of the engagement, anticipated services to be rendered, grandfathered fee schedules, employees and family members, courtesy accounts, referrals from existing clients, competition, negotiations with client, etc.). As a result, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. The agreed upon fee is identified in the contract between TFO Wealth Partners and each client. TFO Wealth Partners generally discounts advisory fees for our employees and our affiliates' employees and each of their immediate family members.

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

TFO Wealth Partners 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**

TFO Wealth Partners provides services to a wide variety of Clients, including individuals (including high net worth individuals), qualified retirement plans, trusts, charitable organizations, small businesses and corporations. TFO Now is currently only available to individuals, IRAs and revocable living trusts. We impose a \$5,000 balance requirement to participate in TFO Now. The minimum account balance to enroll in the tax-loss harvesting feature is \$50,000. We may, in our sole discretion, reduce, waive, propose or agree to a different fee structure with clients based upon certain criteria. (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, competition, negotiations with client, clients grandfathered under previous fee arrangements). TFO Wealth Partners shall generally price its advisory services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the type, amount and market value of their assets, the anticipated complexity of the engagement, the anticipated level and scope of the overall investment advisory and consulting services to be rendered. Additional factors effecting pricing can include related accounts, our employees and our affiliates' employees and each of their immediate family members accounts, competition, and negotiations. TFO Wealth Partners will

quote an exact percentage to each Client based on both the nature and total dollar value of the account(s) and based on the requirements of the Client. All fees are agreed upon prior to entering into a contract with any Client. **Please Also Note**: As a result of these objective and subjective factors, similarly situated clients could. **Please Note**: As a result of these objective and subjective factors, similarly situated clients could pay diverse fees, and the services to be provided by Registrant to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. **ANY QUESTIONS**: TFO Wealth Partners' Chief Compliance Officer, Brady Fineske, remains available to address any questions regarding advisory fees.

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

### *Investment Committee*

The Investment Committee (IC) includes the President and other members of the investment team. The IC evaluates fund offerings, expense ratios, and scientific advances affecting the investment lineup and mix of funds in relationship to the models. The IC may recommend changes to the underlying structure of TFO Wealth Partners' models to manage the risk and return characteristics of each of the models, based on the review of data available.

### *Methods of Analysis and Investment Strategy*

For Investment Management Services, TFO Wealth Partners' services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. TFO Wealth Partners' investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking.

TFO Wealth Partners recommends portfolios consisting primarily of mutual funds and exchange traded funds. It also recommends managed accounts of individual equities and fixed income securities managed by independent managers.

TFO Wealth Partners believes in using the assessment and understanding of the specific goals, objectives, and time horizon of each client to develop a disciplined, diversified investment approach. We design portfolios with broad asset allocations that are rebalanced systematically. Additionally, as part of our approach, TFO Wealth Partners attempts to design portfolios to be low-cost and tax efficient.

Mutual funds and exchange traded funds (ETFs) are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities.

Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like individual stock securities, and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end." So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

Most mutual funds are available directly to the public, with the exception of many DFA Mutual Funds. You could obtain many of the funds used by us without engaging us as an investment adviser. However, you would not receive our initial and ongoing investment advisory services.

Risks Specific to TFO Now. TFO Now accounts can invest in ETFs. ETFs in which TFO Now may invest involve certain inherent risks generally associated with investments in a portfolio of securities, including the risk that the general level of security prices may decline, thereby adversely affecting the value of each unit of the ETF. Moreover, an ETF may not fully replicate the performance of its benchmark index because of the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of securities held. ETFs in which the strategies invest have their own fees and expenses as set forth in the ETF prospectuses. ETFs may have exposure to derivative instruments, such as futures contracts, forward contracts, options, and swaps. There is a risk that a derivative may not perform as expected. The main risk with derivatives is that some types can amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative, or that the counterparty may fail to honor its contract terms, causing a loss for the ETF. Use of these instruments may also involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk, and the risk that an ETF could not close out a position when it would be most advantageous to do so. Some ETFs available, including Schwab ETFs™, are less than 10 years old. Accordingly, there is limited data available to use when assessing the investment risk of some of these ETFs. As a result, one or more of the following may occur: (i) poor liquidity in or limited availability of the ETFs, or (ii) lack of market depth causing the ETFs to trade at excessive premiums or discounts. Also, accounts managed by TFO Now only have the ability to impose restrictions on three specific securities.

Municipal bonds, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be “called” prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

Corporate bonds are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be “called” prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

A client may authorize the use of margin. Margin entails borrowing money to purchase a security, in which case the security serves as collateral on the loan. The risk of margin is that if the value of the shares drops sufficiently, you will be required to either deposit more cash into the account or sell a portion of the stock in order to maintain the margin requirements of the account. This is known as a “margin call.” Your overall risk includes the amount of money invested plus the amount that was loaned to them.

Although all investments involve risk, TFO Wealth Partners’ investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular Clients, the investment directly in conservative fixed income securities to represent the fixed income class. TFO Wealth Partners’ investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that TFO Wealth Partners’ strategy seeks to minimize.

Clients may hold or retain other types of assets as well, and TFO Wealth Partners may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the Client.

TFO Wealth Partners’ strategies do not utilize securities that TFO Wealth Partners believes would be classified as having any unusual risks, and TFO Wealth Partners does not recommend frequent trading, which can increase brokerage and other costs and taxes.

TFO Wealth Partners receives supporting research from consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). TFO Wealth Partners utilizes DFA mutual funds in many Client portfolios. DFA mutual funds follow a passive asset class investment philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to TFO Wealth Partners.

#### *Analysis of a Client's Financial Situation*

In the development of investment plans for Clients, including the recommendation of an appropriate asset allocation, TFO Wealth Partners relies on an analysis of the Client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, TFO Wealth Partners may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the Client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable Clients, the risk that tax rates will be higher than was assumed in the analysis

#### *Risk of Loss*

##### **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 (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. 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.

The mutual funds, ETFs and separately managed accounts utilized by TFO Wealth Partners may include funds invested in domestic and international equities, including real estate investment trusts (REITs), energy Master Limited Partnerships (MLPs) corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks.

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.

Among the riskiest strategies used in TFO Wealth Partners' investment approach are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, real estate securities (REITS) and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds or separately managed accounts utilized by TFO Wealth Partners contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

We review accounts periodically and as necessary to determine if any changes are necessary based upon various factors, which may include, but are not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, and changes in your investment objectives. For extended periods, we may determine that changes to your portfolio are unnecessary. You are still subject to the fees described in Item 5 above, even during periods of account inactivity.

## **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 TFO Wealth Partners or the integrity of TFO Wealth Partners' management. TFO Wealth Partners has no information applicable to this Item.

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

In addition to investment advisory services, TFO Wealth Partners also provides the following services to Clients. These services may be provided individually or in combination for additional fees as agreed upon with a Client and based upon the TFO Wealth Partners advisory services provided:

- Record keeping and reporting;
- Income tax planning assistance;
- Financial education for family members;
- Family decision-making processes;
- Financial planning;
- Philanthropic consulting (private and public foundations);
- Estate planning;
- Multigenerational wealth planning;
- Coordination of outside professionals;
- Insurance analysis;
- Trustee administration services;
- Business succession planning.

### **Affiliated Insurance Agencies & Licensed Insurance Agents**

The following companies are affiliated with TFO Wealth Partners. From time to time, these entities and their associated persons (some of which are associated with our firm), in their capacity as licensed insurance agents, will recommend and sell insurance products for TFO Wealth Partners Clients. In their separate insurance capacities, these entities and these licensed individuals will receive separate, yet customary commission compensation resulting from implementing insurance product transactions on behalf of advisory Clients. The implementation of any and all recommendations is solely at the discretion of the Client and Clients are not under any obligation to engage these individuals or entities when considering the implementation of insurance recommendations. Clients should be aware that the receipt of additional compensation itself creates a conflict of interest resulting from recommending insurance products for the purposes of generating commissions rather than solely based on your needs which affects the judgment of these individuals and entities when making recommendations. As part of TFO Wealth Partners' fiduciary duty, these individuals and affiliated entities endeavor at all times to act in the best interests of Clients and recommend insurance products only when suitable for the Client. TFO Wealth Partners does not share revenue with any of the listed Affiliated Insurance Agencies.

### **Alliant Insurance Services**

Alliant Insurance Services is a licensed property, casualty and insurance agency providing personal and commercial insurance to individuals and businesses. Certain associated persons of TFO Wealth Partners are independent insurance agents doing business through Alliant Insurance Services. From time to time, associated persons of TFO Wealth Partners will recommend this licensed insurance entity



to certain TFO Wealth Partners' clients. Alliant Insurance Services and its licensed insurance agents stand to receive separate, yet customary commission compensation. Alliant Insurance Services and/or its licensed insurance agents may, from time to time, also earn incentive awards, increased bonus payments or seminars/trips treated as earned compensation for the recommendation/introduction of insurance products. The implementation of all recommendations is solely at the discretion of the client and clients are not under any obligation to engage these individuals or this entity when considering the implementation of recommendations. Clients should be aware that even though TFO Wealth Partners' representatives may refer business to Alliant Insurance Services and receive separate compensation in their individual insurance capacity, TFO Wealth Partners does not receive any compensation for those referrals. There is a conflict of interest where Alliant Insurance Services recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of Alliant Insurance Service in that certain associated persons have an incentive to recommend the affiliated firm over other non-affiliated firms. As part of TFO Wealth Partners' fiduciary duty, these individuals and the affiliated entity endeavor at all times to act in the best interests of clients.

#### Synergy Risk Management, Ltd.

Certain associated persons of TFO Wealth Partners are also the owners Synergy Risk Management, Ltd. (Synergy Risk Management) a licensed insurance agency. Synergy Risk Management offers and sells term and permanent life insurance products, insurance needs analysis, long-term care products, disability insurance, fixed annuity products, and brokers life settlements. Synergy Risk Management and/or its licensed insurance agents may, from time to time, also earn incentive awards, increased bonus payments or seminars/trips treated as earned compensation for the recommendation/introduction of insurance products. There is a conflict of interest where Synergy Risk Management recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of Synergy Risk Management in that certain associated persons have an incentive to recommend the affiliated firm over other non-affiliated firms.

#### Digital Insurance, LLC dba OneDigital

Certain associated persons of TFO Wealth Partners are also the owners of OneDigital a licensed employee benefits health insurance agency (employee benefit alternatives for businesses and individuals). OneDigital and/or its licensed insurance agents may, from time to time, also earn incentive awards, increased bonus payments or seminars/trips treated as earned compensation for the recommendation/introduction of insurance products. There is a conflict of interest where OneDigital recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of OneDigital in that certain associated persons have an incentive to recommend the affiliated firm over other non-affiliated firms.

#### TDC Life, Inc and ReNew Life, LLC.

Certain associated persons of TFO Wealth Partners are independent insurance agents of TDC Life, a licensed insurance agency. TDC Life offers and sells term and permanent life insurance products, long-term care products, disability insurance, fixed annuity products, and brokers life settlements. Additionally, TDC Life consults on insurance products for a fee. TDC Life and/or its licensed insurance agents may, from time to time, also earn incentive awards, increased bonus payments or seminars/trips treated as earned compensation for the recommendation/introduction of insurance products. ReNew Life, LLC is a licensed insurance agency and a wholly owned subsidiary of TDC Life. ReNew Life provides life settlement brokerage services to individuals, businesses, and charitable organizations that may also be clients of TFO Wealth Partners. Certain associated persons of TFO Wealth Partners are also independent insurance agents of ReNew Life. TDC Life and ReNew Life do not share any revenues with TFO Wealth Partners. There is a conflict of interest where TDC Life or ReNew Life recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of TDC Life or ReNew Life in that certain associated persons have an incentive to recommend the affiliated firm over other non-affiliated firms.

#### **Affiliated Accounting Firms**

#### Miller Grossbard Advisors, LLP

Certain associated persons of TFO Wealth Partners are also owners and Directors of the accounting firm Miller Grossbard Advisors, LLP. Additionally, certain individuals associated persons of Miller Grossbard have entered into a promoter's agreement with TFO Wealth Partners whereby TFO Wealth Partners pays individual promoters a percentage of advisory fees charged to clients referred by the associated person(s) of Miller Grossbard Advisors, LLP (see Item 14 – Client Referrals and Other Compensation). Miller Grossbard Advisors, LLP may recommend TFO Wealth Partners to accounting Clients in need of advisory services. TFO Wealth Partners may recommend Miller Grossbard Advisors, LLP to TFO Wealth Partners advisory Clients in need of accounting services. Accounting services provided by Miller Grossbard Advisors, LLP are separate and distinct from the advisory services of TFO Wealth Partners and are provided for separate and typical compensation. No TFO Wealth Partners Client is obligated to use Miller Grossbard Advisors, LLP for any accounting services as no Miller Grossbard Advisors, LLP Client is obligated to use TFO Wealth Partners for advisory services. There is a conflict of interest where Miller Grossbard Advisors, LLP recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of Miller Grossbard Advisors, LLP in that certain associated persons have an incentive to recommend the affiliated firm over other non-affiliated firms.

#### William Vaughan Company

TFO Wealth Partners has entered into a promoter's agreement with William Vaughan Company ("WVC") and its owners whereby TFO Wealth Partners pays WVC or individual promoters a percentage of advisory fees charged to Clients referred by WVC or the individual promoters (see Item 14 – Client Referrals and Other Compensation). In addition, TFO Wealth Partners may recommend WVC to TFO Wealth Partners advisory Clients in need of accounting services and WVC may recommend TFO Wealth Partners to accounting Clients in need of advisory services. The services provided by, and fees charged by WVC for accounting services are separate and apart from the services provided by and fees charged by TFO Wealth Partners for advisory services. WVC also provides professional accounting and tax related services ("services") to TFO Wealth Partners. Given the reciprocal referral arrangements, promoter's arrangements, and services described above, there is a conflict of interest in that both TFO Wealth Partners and WVC have an incentive to recommend the services of each firm to their respective Clients over other non-affiliated firms. No TFO Wealth Partners Client is obligated to use WVC for any accounting services as no WVC Client is obligated to use TFO Wealth Partners for advisory services.

#### **Affiliated Law Firm**

##### Husch Blackwell, LLP

Christopher Erblich, in his individual capacity, is an attorney and partner with the law firm Husch Blackwell, LLP ("Husch"). Husch is a full-service law firm. Husch may recommend TFO Wealth Partners to law firm Clients in need of advisory services, and TFO Wealth Partners may recommend Husch to advisory Clients in need of legal services. Legal services provided by Husch are separate and distinct from the advisory services of TFO Wealth Partners and are provided for separate compensation agreed upon by Husch and the Client. There is a conflict of interest where Husch recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of Husch in that an associated person has an incentive to recommend the affiliated firm over other non-affiliated firms. There are no referral fee arrangements or other financial arrangements between TFO Wealth Partners and Husch for these recommendations. However, in certain circumstances, TFO Wealth Partners will utilize and engage the legal services of Husch particularly estate and retirement planning necessary for various TFO Wealth Partners services. In these cases, TFO Wealth Partners will charge Clients, and compensate Husch based on its assistance. Except as stated above, no TFO Wealth Partners Client is obligated to use Husch for any legal services, and no Husch Client is obligated to use TFO Wealth Partners for advisory services.

#### **Affiliated Investment Adviser**

##### TFO Family Office Partners, Inc.

Christopher Erblich, in his individual capacity, is affiliated with TFO Family Office Partners, Inc., an SEC registered investment adviser (SEC File No: 801-72840 / CRD#159440). Mr. Erblich serves as Chairman



of TFO Family Office Partners, Inc. and as Chief Executive Officer of TFO Wealth Partners. The advisory services provided by TFO Wealth Partners are separate and distinct from the advisory services provided by and the fees charged by TFO Family Office Partners, Inc. Except as stated below, no TFO Family Office Partners, Inc. Client is obligated to use the advisory services of TFO Wealth Partners, as no TFO Wealth Partners advisory Client is obligated to use the advisory services of TFO Family Office Partners, Inc. TFO Wealth Partners, on behalf of its Clients, may engage TFO Family Office Partners, Inc. to advise and assist in matters regarding Family Office Services including but not limited to family governance, family education, and philanthropy; as well as facilitate and organize family meetings. There is a conflict of interest where TFO Family Office Partners, Inc. recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of TFO Family Office Partners, Inc. in that certain associated persons have an incentive to recommend the affiliated firm over other non-affiliated firms. TFO Family Office Partners, Inc. may charge TFO Wealth Partners, for such services. TFO Wealth Partners may provide administrative and consulting services, to TFO Family Office Partners, Inc., and TFO Family Office Partners, Inc. may provide administrative and consulting services to TFO Wealth Partners.

TFO Family Office Partners, Inc. has a consulting agreement with TFO Wealth Partners whereby TFO Family Office Partners, Inc. provides investment related consulting services to TFO Wealth Partners including but not limited to participation on TFO Wealth Partners's investment committee.

In some cases, Investment Adviser Representatives of TFO Wealth Partners are also Investment Adviser Representatives of TFO Family Office Partners, Inc. The possibility exists that TFO Wealth Partners and TFO Family Office Partners, Inc. may independently yet contemporaneously purchase or sell the same securities for their respective Clients. In such cases, orders which are placed first for Clients with each respective firm may receive a better price than those received by Clients for whom orders are placed after those which are traded first. We have addressed this potential conflict by accounting for TFO Family Office Partners, Inc.'s investment policy whereby it does not purchase or sell securities for its Clients on a firm wide basis and investment decisions and recommendations are handled on a Client by Client basis based on individual Client circumstances. In addition, investment decisions and recommendations made by TFO Wealth Partners are separate and distinct from investment decisions and recommendations made by TFO Family Office Partners, Inc. Therefore, we believe better pricing received by any Client of each respective firm would be dictated by market forces and not as a result of any priority placement of orders.

### **Affiliated Trust Company**

#### **TFO Trust Company, LLC**

TFO Trust Company, LLC ("TFO Trust") is a trust company affiliated with TFO Wealth Partners through common control and ownership. TFO Trust is 100% owned by Pando Holdings, LLC a holding company. Pando Holdings, LLC is owned 50% by TFO Wealth Partners and 50% by TFO Family Office Partners, Inc. Certain associated persons of TFO Wealth Partners are Officers, Managers, Directors, and/or Board Members with TFO Trust. TFO Trust provides trust and custody services to individuals, businesses, and charitable organizations that may also be clients of TFO Wealth Partners. TFO Wealth Partners provides investment advisory services to TFO Trust. There is a conflict of interest where TFO Trust recommends the services of TFO Wealth Partners and where TFO Wealth Partners recommends the services of TFO Trust in that the firms have an incentive to recommend the affiliated firm over other non-affiliated firms. TFO Wealth Partners believes this affiliation helps the firm and TFO Trust provide more integrated services to our clients. Clients are under no obligation to use TFO Trust's services.

### **Affiliated Education Companies**

#### **RightTrak LLC**

RightTrak, LLC ("RightTrak") is a financial education services company that is wholly owned by TFO Wealth Partners. RightTrak provides financial education services to individuals, businesses, and charitable organizations that may also be clients of TFO Wealth Partners.. There is a conflict of interest where (i) TFO Wealth Partners recommends the services of RightTrak or(ii) RightTrak recommends the

services of TFO Wealth Partners, because each firm has an incentive to recommend the affiliated firm over other non-affiliated firms. TFO Wealth Partners believes this affiliation helps the firm provide more integrated education services to our clients. Clients are under no obligation to use RightTrak services.

### **General Disclosure Regarding Ability to Implement Through Non-Affiliated Entities**

No client is under any obligation to purchase any insurance products from a TFO Wealth Partners representative or engage any such representative in any other professional capacity (i.e., CPA, attorney, etc.). Clients are reminded that they may purchase insurance products, accounting, legal, trust or other type services through other, non-affiliated individuals and/or entities. If the client engages any professional (i.e., attorney, accountant, insurance agent, etc.), recommended or otherwise, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from the engaged professional. At all times, the engaged licensed professional[s] (i.e., attorney, accountant, insurance agent, etc.), and **not** TFO Wealth Partners, shall be responsible for the quality and competency of the services provided. Our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.

### **Board Affiliation**

Several staff members currently serve on the board of Catching up with Jack, a non-profit charitable foundation. No fees or other compensation are generated to TFO Wealth Partners from this affiliation.

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

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

To supervise compliance with its Code of Ethics, TFO Wealth Partners requires that anyone associated with this advisory practice with access to advisory recommendations provide periodic reports of personal securities transactions to the firm's Chief Compliance Officer or a designee. TFO Wealth Partners also requires such access persons to receive approval from the Chief Compliance Officer or a designee prior to investing in any IPO's or private placements (limited offerings).

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

TFO Wealth Partners will provide a complete copy of its Code of Ethics to any Client or prospective Client upon request.

## **Item 12 Brokerage Practices**

TFO Wealth Partners does not maintain custody of client assets, although we may be deemed to have custody of Client assets if the client gives us authority to withdraw assets from client's account, names an associated person as trustee, or uses TFO Trust as a client's trustee (see *Item 15 – Custody*, below). Client assets must be maintained in an account at a "qualified custodian," generally a broker/dealer or bank.

We primarily recommend that you use the brokerage and custodial services of Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Schwab or any other custodian. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we may recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, while we will not arrange transactions through other brokers for accounts maintained at Schwab, fixed income portfolio managers who have discretion over your account may still use other brokers to execute trades for your account as described below (see "*Brokerage and Custody Costs*").

### **Brokerage and Custody Costs**

For our Clients' accounts that Schwab maintains, Schwab generally does not charge separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that is executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer.

To the extent that a transaction fee is payable, TFO Wealth Partners shall have a duty to obtain best execution for such transaction. However, that does not mean that the client will not pay a transaction fee that is higher than another qualified broker-dealer might charge to affect the same transaction where TFO Wealth Partners determines, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although TFO Wealth Partners will seek competitive rates, it may not necessarily obtain the lowest possible rates for client account transaction.

### **Products and Services Available to Us from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our Clients, both those enrolled in TFO Now and clients not enrolled in TFO Now, with access to its institutional brokerage - trading, custody, reporting, and related services - many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our Clients' accounts, while others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us.

Following is a more detailed description of Schwab's support services:

#### **Services That Benefit You**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our Clients. Schwab's services described in this paragraph generally benefit you and your account.

#### **Services That May Not Directly Benefit You**

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our

Clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our Clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to Client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple Client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our Clients' accounts
- Assist with back-office functions, recordkeeping, and Client reporting services that generally benefit only us.

### **Services That Generally Benefit Only Us**

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

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel. If you did not maintain your account with Schwab, we would be required to pay for those services from our own resources.

Schwab has agreed to pay for occasional fees for the following services and/or cost that TFO Wealth Partners may incur during the transition of accounts to Schwab such as transfer of account exit fees that TFO Wealth Partners' Client accounts may incur when transferring assets to Schwab.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisers whose Clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain size. For example, on occasion, Schwab may provide allowances that may be utilized for the following of which Schwab would direct the payment to the third-party vendor and not directly to TFO Wealth Partners: 1) compliance consulting services; 2) Acquisition of customer relationship software (and data conversion); 3) Technology consulting, technology software, workflow software and consulting and compliance software implementation and training. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. Schwab may pay for expenses related to travel to Schwab facilities for certain TFO Wealth Partners personnel for training and education at the facilities, which may include but is not limited to, account opening, transfer and ongoing account management processes, fee processes, servicing processes and account management for various types of accounts. Additional event subsidies or expenses from Schwab may also include providing speakers and designing educational/informational seminars and conferences for TFO Wealth Partners Clients or preparing white papers on various financial topics.

### **Our Interest in Brokerage Services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We believe that our selection of Schwab as custodian and broker is in the best interests

of our Clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only us.

With respect to 529 plans, TFO Wealth Partners participates in the Ohio Tuition Trust Authority College Advantage 529 Plan and the Hartford Smart 529 Select Plan offered to advisers providing fee-only investment management. TFO Wealth Partners may also recommend after-tax annuities from Transamerica or Teachers Insurance and Annuity Association of America (TIAA-CREF).

We believe that Schwab and other custodians we recommend provide quality services at competitive rates. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage and custodial services provided, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our Clients and our firm. In recognition of the value of research services and additional brokerage products and services we may receive from broker-dealers/custodians, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

TFO Wealth Partners' Chief Compliance Officer, Brady Fineske, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the corresponding conflicts of interest presented by this arrangement.

Certain custodians' transaction charges may be in the form of asset-based fees in lieu of per transaction fees. These charges and fees are imposed by the broker-dealer or custodian through whom your account transactions are executed and are not paid by our firm. The benefits of asset-based in lieu of per transaction pricing generally depends on the number of transactions likely to be generated in your account. For example, asset-based pricing may not be suitable for accounts with little trading activity. In order to evaluate whether asset-based pricing is suitable for you, you should compare the asset-based transaction fee with the amount that would be charged by the custodian on a per transaction basis. As part of its best execution analysis, we will evaluate the transaction activity, and/or anticipated transaction activity to assist you in determining whether asset-based transaction pricing is favorable for your account. See additional disclosure at Item 5 above regarding asset based vs. transaction-based pricing.

### **TFO Now Discretionary Digital Investment Advisory Platform**

Client accounts enrolled in TFO Now are maintained at, and receive the brokerage services of, CS&Co., a broker-dealer registered with the SEC and a member of FINRA and Securities Investor Protection Corporation ("SIPC"). While clients are required to use CS&Co. as custodian/broker to enroll in TFO Now, the client decides whether to do so and opens its account with CS&Co. by entering into a brokerage account agreement directly with CS&Co. If the client does not wish to place their assets with CS&Co., then TFO Wealth Partners cannot manage the client's account through TFO Now. CS&Co. may aggregate purchase and sale orders for ETFs across accounts enrolled in TFO Now, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform.

### **Brokerage for Client Referrals**

TFO Wealth Partners does not have any arrangements to compensate any broker-dealer for Client referrals.

### **Directed Brokerage**

In limited circumstances, and at our discretion, some Clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other Client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement



capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

As indicated above, TFO Wealth Partners generally recommends that its clients utilize the brokerage and custodial services provided by Schwab. TFO Wealth Partners generally does not accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and TFO Wealth Partners will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by TFO Wealth Partners. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In the event that the client directs TFO Wealth Partners to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through TFO Wealth Partners. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Retirement Plan Services:**

TFO Wealth Partners has the ability to arrange for the execution of securities transactions for certain plans custodied with Matrix Trust, MG Trust, and Newport Trust Company. Other transactions are executed directly through employee plan participation.

TFO Wealth Partners may also recommend custodial services through a variety of service providers where plans have an existing relationship. Recommendations are based on many factors including cost, services provider based on demographics of each plan.

**Consulting Services:**

TFO Wealth Partners' consulting services does not include blocking trades, negotiating commissions with broker dealers or obtaining volume discounts, nor necessarily obtaining the best price. Consulting Clients will be required to select their own broker-dealers and insurance companies for the implementation of consulting recommendations. TFO Wealth Partners may recommend any one of several brokers. TFO Wealth Partners Clients must independently evaluate these brokers before opening an account. The factors considered by TFO Wealth Partners when making this recommendation are the broker's ability to provide professional services, TFO Wealth Partners's experience with the broker, the broker's reputation, and the broker's financial strength, among other factors. Consulting Clients may use any broker or dealer or insurance company of their choice.

**Block Trades:**

We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, you may pay different prices for the same securities transactions than other Clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than other Clients.

When we aggregate transactions for TFO Now accounts holding ETFs, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the ETFs involved at the average price obtained. We do not have the ability to aggregate transactions from TFO Now with our other client accounts.

Independent managers, in the management of TFO Wealth Partners Client portfolios, may aggregate transactions among accounts that it manages, in which case a TFO Wealth Partners's Client's orders may be aggregated with an order for another Client of the independent manager who is not a TFO Wealth Partners Client. If an independent manager is utilized, that independent manager may have different brokerage practices and the Client should review the disclosure documents and agreements of the utilized independent manager.

**Trading Errors:**

From time-to-time, TFO Wealth Partners may make an error in submitting a trade order on your behalf. In these situations where the client account experiences a loss, our policy is to make the client whole. TFO Wealth Partners will restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

***Trade Errors Resulting in Profits***

For accounts maintained at Schwab, if a profit results from the correcting trade, the profit will remain in your account unless the same error involved other Client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If the profit does not remain in your account, Schwab donates gains of \$100 or more to charity and if a loss occurs greater than \$100, our firm will pay for the loss. Schwab may retain gains of \$100 or less, if they are not kept in your account, to offset administrative expenses. Generally, if related trade errors result in both gains and losses in your account, they may be netted.

## Item 13 Review of Accounts

**Reviews:****Investment Management Services:**

Account assets are supervised continuously and reviewed by an Investment Adviser Representative of TFO Wealth Partners. The review process contains each of the following elements:

1. assessing Client goals and objectives;
2. evaluating the employed strategy(ies);
3. monitoring the portfolio(s); and
4. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

1. a specific Client request;
2. a change in Client goals and objectives;
3. an imbalance in a portfolio asset allocation;
4. market/economic conditions; and
5. realizing tax losses in an account.

For a majority of our fixed income portfolios, certain account review responsibilities are delegated to a third-party investment manager as described above in Item 4.

Family Office Clients may also receive additional reviews based on Client specific factors and request.

**Retirement Plan Services:**

Retirement plan assets are reviewed regularly, and according to the standards and situations described above for investment management accounts.



**Consulting Services:**

These Client accounts will be reviewed as contracted for at the inception of the advisory relationship.

**Reports:**

Typically, Clients on the investment advisory portal have the ability to view and receive quarterly performance reports, prepared by TFO Wealth Partners, that summarize the Client's account and asset allocation. Clients will also receive statements from their account custodian at least quarterly, which will outline the Client's current positions and current market value.

Family Office Clients may also receive additional reports depending on a Client's particular service arrangement and requirements. TFO Wealth Partners Family Office reporting may include net worth summary (asset/liability summary), taxable income detail and cash flow analysis.

Consulting Clients receive reports as contracted for at the inception of the advisory relationship.

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

**Client Referrals**

We directly compensate non-employee (outside) consultants, individuals, and/or entities (Promoters) for Client referrals. In some cases, Promoters or Business Developers may also be Clients of TFO Wealth Partners. In order to receive a cash referral fee from our firm, Promoters and TFO Wealth must comply with the Investment Advisers Act of 1940, its corresponding Rules, and applicable state regulatory requirements. If you were referred to our firm by a Promoter, you should have received a copy of this brochure along with the Promoter's disclosure statement at the time of the referral. If you become a Client, the Promoter that referred you to our firm will receive referral fees that are outlined in the disclosure statement as long as you are a Client with our firm or until such time as our agreement with the Promoter expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Promoter are contingent upon your entering into an advisory agreement with our firm. Therefore, a Promoter has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

We have entered into contractual arrangements with certain employees, under which the employee receives compensation from our firm for the establishment of new Client relationships and/or asset growth or business revenue growth. Employees who refer Clients to our firm must comply with the requirements of the jurisdictions where they operate. Such employees may be paid a salary which is not contingent on the establishment of any specific number of new Client relationships, asset growth or revenue growth or the compensation to such employees may be equal to a percentage of the advisory fee collected from you for as long as you are a Client with our firm, or until such time as our agreement with the employee expires. Additionally, a portion of the compensation to such employees may be determined by percentage growth year-over-year. You will not be charged additional fees based on these compensation arrangements; however, compensation paid to such employees may be contingent upon you entering into an advisory agreement with our firm. Therefore, our employees have a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

**Other Compensation**

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisers whose Clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain size. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be borne directly by us.

You should consider these conflicts of interest when selecting a custodian. These products and services, how they benefit us, and the related conflicts of interest are described above (see *Item 12 – Brokerage Practices*). The availability of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our Clients.

TFO Wealth Partners also receives software made available by one or more investment management firms, including Dimensional Fund Advisors, which it may use to assist in research and the construction of Client portfolios, asset allocation strategies, and producing performance reports. Dimensional Fund Advisors may also provide TFO Wealth Partners with other benefits, such as providing continuing education and occasional business entertainment of TFO Wealth Partners personnel and assistance towards marketing related expenses. TFO Wealth Partners employees also may occasionally attend conferences made available by investment management firms to enhance the employee's knowledge and allow TFO Wealth Partners to improve its services to Clients.

As disclosed above, affiliated insurance agencies and/or their licensed insurance agents, may, from time to time, earn incentive awards for the recommendation or introduction of insurance products. While these individuals endeavor at all times to put the interest of the Clients first as part of TFO Wealth Partners' fiduciary duty, Clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

TFO Wealth Partners' Chief Compliance Officer, Brady Fineske, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the conflicts of interest presented by these arrangements.

## **Item 15 Custody**

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities.

In addition, certain clients have established asset transfer authorizations that permit the qualified custodian to rely upon instructions from TFO Wealth Partners to transfer client funds or securities to third parties. These arrangements are disclosed at Item 9 of Part 1 of Form ADV. However, in accordance with the guidance provided in the SEC's February 21, 2017 *Investment Adviser Association* No-Action Letter, the affected accounts are not subject to an annual surprise CPA examination.

In addition, TFO Wealth Partners and/or certain of its members engage in other services and/or practices (i.e., trustee service, etc.) requiring disclosure at Item 9 of Part 1 of Form ADV. Additionally, due to our affiliation with TFO Trust, we are considered to have custody over client accounts held with TFO Trust. These services and practices result in TFO Wealth Partners having custody under Rule 206(4)-2 of the Advisers Act. Per the Rule, having such custody requires TFO Wealth Partners to undergo an annual surprise CPA examination, and make a corresponding Form ADV-E filing with the SEC, for as long as TFO Wealth Partners provides such services and/or engages in such practices.

We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian.

You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period.

You should carefully review account statements for accuracy and you should compare any statements we provide to you with statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if

you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure. The account custodian does not verify the accuracy of TFO Wealth Partners' advisory fee calculation.

In addition, certain clients have established asset transfer authorizations that permit the qualified custodian to rely upon instructions from TFO Wealth Partners to transfer client funds or securities to third parties. These arrangements are disclosed at Item 9 of Part 1 of Form ADV. However, in accordance with the guidance provided in the SEC's February 21, 2017 *Investment Adviser Association* No-Action Letter, the affected accounts are not subject to an annual surprise CPA examination.

## **Item 16 Investment Discretion**

TFO Wealth Partners generally, via our investment advisory agreement with you, is retained to manage your accounts on a discretionary basis, and in such capacity, we are authorized to direct execution of portfolio transactions without transaction-by-transaction consultation with you.

Discretion by TFO Wealth Partners is exercised within the constraints and latitude as guided by the Investment Advisory Agreement and Investment Policy Statements.

TFO Wealth Partners requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to retain a third-party money manager for fixed income accounts. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

When selecting securities and determining amounts, TFO Wealth Partners observes the investment policies, limitations and restrictions of the Clients for which it advises. Investment guidelines and restrictions must be provided to TFO Wealth Partners in writing.

TFO Wealth Partners will not exercise authority to arrange Client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by TFO Wealth Partners on Client's behalf by designating the portfolio manager with trading authority over Client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of the portfolio manager.

## **Item 17 Voting Client Securities**

Proxy Voting: As a matter of firm policy and practice, TFO Wealth Partners does not accept the authority to and does not vote proxies on behalf of advisory Client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. Clients will receive applicable proxies directly from their account custodian or the issuer of securities held in Clients' investment portfolios. TFO Wealth Partners, however, may provide advice to Clients regarding the Clients' voting of proxies.

TFO Now clients are required to submit an Issuer Communication and Release Information Form, or similarly named form, to be certain that they receive proxies and corporate actions directly from the issuer of securities. TFO Now generally does not offer any consulting assistance regarding proxy issues to clients in TFO Now.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that TFO Wealth Partners 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 TFO Wealth Partners

to transmit copies of class action notices to the Client or a third party. Upon such direction, TFO Wealth Partners will make commercially reasonable efforts to forward such notices in a timely manner.

**Class Action Lawsuits:**

TFO Wealth Partners has entered into an arrangement with an independent third-party service provider whereby the service provider will file claims and other necessary documents on behalf of clients who hold exchange-listed securities in their investment management accounts which are the subject of class action legal proceedings. The service provider will retain a pre-determined portion of any recovery obtained for the clients. Clients may opt-in to this service if they would like to participate. TFO Wealth Partners does not receive any portion of any recovery or charge any extra fee to clients for this service.

## **Item 18 Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about TFO Wealth Partners' financial condition. TFO Wealth Partners 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.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered