

## **Firm Brochure**

(Part 2A and Part 2B of Form ADV)

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This brochure provides information, *in plain English*, about the qualifications and business practices of Warwick Partners. If you have any questions about the contents of this brochure, please contact us at: 979.260.9777, or by email at: info@warwickpartners.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Warwick Partners is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

December 31, 2023

## Item 2 - Material Changes

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### Annual Update

Form ADV 2 is divided into two parts: Part 2A and Part 2B. Part 2A (the “Disclosure Brochure”) provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. Part 2B (the “Brochure Supplement”) provides information about advisory personnel of Warwick Partners.

Warwick Partners believes that communication and transparency are the foundation of our relationship and continually strives to provide you with complete and accurate information. We encourage all current and prospective investors to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

The Material Changes section of this brochure will be updated when material changes occur since the previous release of the Firm Brochure.

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### Material Changes since the Last Update

Grant M. Stucki, CFP® is a shareholder in the firm as of January 1, 2024. Assets under management have been updated. Please see Item 4.E.

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### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be made available to each Client annually and if a material change occurs in the business practices of Warwick Partners. Additional information about Warwick Partners is also available via the SEC’s website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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### Full Brochure Available

Whenever you would like to receive a printed copy of our Firm Brochure, please contact us by telephone at 979.260.9777 or by email at [info@warwickpartners.net](mailto:info@warwickpartners.net).

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## Item 4 - Advisory Business

### Firm Description

Warwick Partners was founded June 19, 1979.

Warwick Partners provides personalized comprehensive financial planning and investment advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

Warwick Partners is a fee-only comprehensive financial planning and investment advisory firm. The firm does not sell insurance, annuities, stocks, bonds, mutual funds, limited partnerships, or any other commissioned investment products.

Investment advice is an integral part of financial planning. In addition, Warwick Partners advises clients regarding cash flow, college planning, retirement planning, risk management planning, liability management, tax planning and estate planning.

Investment advice is provided, with the client making the final decision on investment selection. Warwick Partners does not act as a custodian of client assets. The client always maintains asset control. Warwick Partners places trades for clients under a limited power of attorney.

A written evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which comprehensive financial planning and investment management may be beneficial to the client.

Firm Ownership: Hays Glover is a 40% shareholder. Bruce Sanders is a 50% shareholder. Grant Stucki is a 10% shareholder.

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## **Types of Advisory Services**

Comprehensive Financial Planning - Warwick Partners provides comprehensive personal financial planning services. Our Investment advisory services, as described elsewhere herein, are part of the implementation process that occurs once the initial planning has been accomplished. The comprehensive planning process involves the following five steps:

1. Clarify the client's present circumstances by collecting and assessing all relevant personal and financial data.
2. Identify the client's goals, challenges, concerns and planning assumptions.
3. Provide customized and specific recommendations regarding any of the following, where applicable:
  - Preparing for financial independence
  - Investment strategies
  - Estate planning
  - Income taxes
  - Stock option analysis and planning
  - Insurance needs analysis
  - Family savings and cash flow planning
  - Education planning
  - Charitable giving
  - Business management
  - Debt management
  - Employee benefit usage
  - Other issues as needed

The gathering of information, the review of alternatives and plan development are all done in close conjunction with the client in a series of meetings typically conducted over several months. Proper planning is not a one-time event. Life's circumstances change, goals change, and opportunities change over time. Any plan needs to be adjusted and updated to reflect these changes or the plan becomes outdated.

Therefore, in our normal planning relationship, we meet regularly with clients to review and update the client's information, to measure progress in key financial areas, and to develop strategies designed to address any changing circumstances. The initial planning should always be seen as the beginning step in a life-long process.

4. As the client's plan is developed, we assist in the implementation of the plan, as requested by the client.

We also follow up, monitor and make changes in the plan as circumstances indicate.

Investment Supervisory Services - Investment supervisory services:  
(Definition: the giving of continuous advice as to the investment of funds on the basis of the individual needs of each client.)

Warwick Partners begins the client relationship by obtaining information necessary to determine suitable recommendations for the client. This information gathering process includes, but is not limited to, the following:

Current Statement of Financial Condition (Balance Sheet)

Current Cash Flow Statement

Investment History

Tolerance for Risk

Time Horizon for Pool of Capital

Other financial data that Warwick Partners and Client may deem critical to the analysis process.

Once data has been gathered, Warwick Partners will develop an investment recommendation which it deems to be appropriate and suitable for the Client, based on the initial data gathering process. Once the Client has approved an investment strategy, Warwick Partners will develop an Investment Policy Statement that will serve as the governing investment strategy document.

Warwick Partners believes that asset allocation is the dominant factor in determining total portfolio return. Studies have shown that investment policy decisions explain more than 90% of the variation of the total return, while security selection and market timing account for only a small residual portion of the variance of total returns. Asset allocation is the central theme of our investment process.

Suitable categories of investments are selected in accordance with the clients' attitudes about risk and their need for capital appreciation or income production. Within each category, investment vehicles are selected whose characteristics are most consistent with the particular objectives for which the category was chosen. Risk factors of the different investments are considered, particularly in light of the clients' willingness to assume risk. Warwick Partners will utilize an asset allocation strategy, rooted in Efficient Market Theory, to implement its investment strategy. Warwick Partners does not make an attempt to "time" the market.

Warwick Partners, on a quarterly basis, will ask the Client for information regarding any material changes in investment strategy or material changes in financial situation.

Client maintains full discretion of the fund group, brokerage firm, custodial plan, trust company or investment plan selection. Thereafter, Warwick Partners will not have discretion in selecting the investment vehicles for

management within the portfolio. Warwick Partners will make its recommendation available to the client and will secure trading consent before executing a securities transaction.

#### Defined Contribution Plan (401K)

##### *Initial Services:*

##### Investment Policy Review and Consulting

Assist the administrator in developing a written investment policy statement for adoption by the Plan Sponsor.

Provide investment option selection consulting with respect to asset class, investment funds, and the diversification of the Plan's investment options.

Conduct fund selection meetings with the investment committee to select appropriate asset classes and underlying investment managers within each asset class.

Conduct employee enrollment/education meetings

Facilitate and assist in recordkeeping provider change, if any

##### *Ongoing Services*

Semi-Annual Plan Investment Review - meet with the Plan Sponsor and Investment Committee to review the investment performance of the overall Plan. The review will focus on the number of asset classes, the performance of the investments as well as the contribution to added value and style consistency of the underlying investment managers. Any needs identified for searches or increased due-diligence will be included in this review.

Quarterly Investment Reports - we provide reports to the investment committee each quarter. The reports will focus on performance of both the investment options and the applicable benchmarks for each investment option. The reports will review the added value of the investment manager and style consistency of the investment option. Any needs identified for searches or increased due-diligence will be noted during this review.

Investment Manager Search – we will conduct an investment manager (mutual fund) search for specific asset class, as needed.

Model Portfolios – We will analyze and present a set of plan model portfolios for use by plan participants, customizing these portfolios to the existing funds and any new funds added to Plan. We will then prepare a report for the investment committee describing the process and analysis used to determine the portfolios along with exhibits on the portfolios asset class and fund detail breakdown.



### IRA Rollover Recommendations

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you. When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

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

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

### Sub-Advisory Agreement

Warwick Partners may engage sub-advisers to assist it with the management of certain client accounts, whereby investment decisions for the account may be made by the sub-adviser in accordance with the terms and conditions of a sub-advisory agreement between the Warwick Partners and the sub-adviser. The fees charged by the designated sub-advisor, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, Warwick Partners' ongoing investment advisory fee. Factors which the Registrant shall consider in engaging sub-advisers include the client's stated investment objective(s), and the sub-adviser's management style, performance, reputation, financial strength, reporting, pricing, and research. The Registrant currently has an

arrangement with PIMCO Investment Management Company, ([www.pimco.com](http://www.pimco.com)) an SEC registered investment advisor specializing in separately managed high grade tax-exempt and taxable fixed income portfolios for high net worth and ultra-high net worth individuals and families. Warwick Partners receives no compensation from Gurtin Fixed Income Management, LLC.

Clients may advise Warwick Partners, in writing, not to allocate any portion of their investment assets among sub-advisers.

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**Tailored Relationships**

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

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**Wrap Fee Programs**

Warwick Partners does not participate in wrap fee programs.

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**Assets Under Management**

As of December 31, 2023 Warwick Partners managed \$1,320,357,088 of client assets on a discretionary basis and \$390,668,342 of client assets on a non-discretionary basis for approximately 233 clients including households, foundations, and corporate retirement plans.

## Item 5 - Fees and Compensation

### How We Are Compensated

The specific services and compensation arrangements appropriate to each client (as well as appropriate disclosures) are documented in the Investment Advisory Agreement signed by the client prior to service being rendered. A client's investment advisory agreement will reflect the fee schedule in effect at the time the agreement was executed and may differ from the current fee schedule described below. Fees and/or minimums may be negotiable under certain circumstances.

For those clients making use of investment management and comprehensive financial planning services provided by Warwick Partners, the amount of the asset management fee is based on the total amount of assets under management and according to the following schedule:

1.00% of the first:	\$500,000
0.75% of the next:	\$500,000
0.50% of amounts above:	\$1,000,000
Minimum initial account size:	\$1,000,000
Minimum Annual Fee:	\$8,750

Warwick Partners will charge its full advisory fee on all client assets under management, including money held in cash and money market funds, with a resulting impact on the client's return on that money. Clients investing in mutual funds will, in effect, be paying double management fees - the fees to Warwick Partners and the expenses paid to the underlying mutual fund.

No fee is charged if the contract is terminated within five days of the contract date. Warwick Partners does not take title or custody of clients' funds at any time.

Certain individuals, employees and family members of employees will not pay a management fee. All management fees are calculated on a quarterly basis, are billed in advance, and are payable to its offices in Bryan, Brazos County, Texas. Within thirty (30) days of proper termination of his or her account, client shall receive from Warwick Partners a refund or credit for any unused fees previously paid or charged. The management contract may be cancelled by either party upon delivery of written notice to the other party.

On-going financial planning services: Financial planning is an ongoing process that should last a lifetime. After the initial analysis is done and

recommendations are presented to and accepted by the client, ongoing planning is a critical service provided by Warwick Partners.

For those clients making use of Warwick Partners' investment advisory services and who maintain the minimum account balance of \$1,000,000 the cost of financial planning services will be incorporated into the investment management fees. For such clients, there will be no additional charge for normal planning services over and above the investment advisory fees. Extraordinary research or analysis may involve additional costs, which will be negotiated on an individual basis prior to beginning such work.

For clients who are seeking on-going financial or business advice, who have less than \$1,000,000 of investments being managed by Warwick Partners, an annual retainer arrangement may be negotiated. The annual retainer fee will reflect the time and effort expected to be required of Warwick Partners in providing the anticipated services to the client. A range of client priorities and needs can be easily accommodated through the annual retainer structure. Retainer fees are billed quarterly, in advance.

Management of investment advisory accounts not involving investment supervisory services:

Warwick Partners also acts as adviser to certain ERISA plans. Warwick Partners, with the assistance of the Plan Investment Committee, will choose what it considers to be prudent investment choices for the Plan participants. The choices are limited to open end mutual funds and pooled guaranteed investment contract (GIC) accounts. The final decision is that of the plan sponsor. Warwick Partners will also develop a strategy to market the plan to the sponsor's employees. This includes, but is not limited to, pre-plan rollover materials, group employee educational meetings, customized educational materials covering 401(k) in general and the investment offerings specifically; the asset allocation process, retirement planning in general, or any number of complementary services agreed to, in advance. Fees typically are negotiated and are dependent on the scope and longevity of the project.

Neither Warwick Partners, nor its related parties, have any compensatory relationship with any of the third-party custodians with which it does business.

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### **Fee Billing**

Investment management fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has begun. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

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## **General Information Regarding Advisory Services and Fees**

The vast majority of Clients pay Warwick's fees based upon a percentage of the assets advised upon. This is a very common form of compensation for registered investment supervisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation (Warwick does not accept commission-based compensation of any nature, nor does Warwick accept 12b-1 fees).

Asset-advised-upon percentage method of compensation can still at times lead to conflicts of interest between our firm and our Client as to the advice we provide. For example, conflicts of interest may arise relating to the following financial decisions in life: incur or pay down debt; gift funds to charities or to individuals; purchases of a (larger) home or cars or other non-investment assets; the purchase of a lifetime immediate annuity; expenditures of funds for travel or other activities; investment in private equity investments (private real estate ventures, closely held businesses, etc.), and the amount of funds to place in non-managed cash reserve accounts.

Warwick's goal is that the firm's advice to the Client remains at all times in the Client's

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## **Other Fees**

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Warwick Partners, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% annually for their services. These fees are in addition to the annual fees paid by you to Warwick Partners.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

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**Past Due Accounts and Termination of Agreement**

Warwick Partners reserves the right to stop work on any account that is more than 30 days overdue. In addition, Warwick Partners reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Warwick Partners' judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 15 days.

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

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### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Warwick Partners does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## **Item 7 - Types of Clients**

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### **Description**

Warwick Partners generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

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### **Account Minimums**

The minimum account size is \$1,000,000 of assets under management, which equates to an annual fee of \$8,750.

When an account falls below \$1,000,000 in value, the minimum annual fee of \$8,750 is charged.

Warwick Partners has the discretion to waive the account minimum.

Accounts of less than \$1,000,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$1,000,000 within a reasonable time. Other exceptions will apply to employees of Warwick Partners and their relatives, or relatives of existing clients.

Clients receiving ongoing asset management services will be assessed a \$8,750 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.



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

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### **Methods of Analysis**

Warwick Partners' analysis methods utilize resources from commercially available software packages (Morningstar, Mutual Fund Expert), general market data and financial publications. Warwick Partners also benefits from the economic expertise and investment knowledge of economists, academics and investment professionals affiliated with institutional funds providers such as Dimensional Fund Advisors (DFA), The Vanguard Group, PIMCO Investment Management, Harris Associates L.P. (Oakmark Funds) among others.

Warwick Partners believes that asset allocation is the dominant factor in determining total portfolio return. Studies have shown that investment policy decisions explain more than 90% of the variation of the total return, while security selection and market timing account for only a small residual portion of the variance of total returns. Asset allocation is the central theme of our investment process.

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### **Investment Strategies**

We use various methods of analysis to form our recommendations to you about investment strategies and to manage assets you entrust to us. Our investment advice begins with gathering information from you to determine your financial goals, needs, and risk tolerance.

We generally seek to develop a recommendation for a written investment policy statement ("IPS") that we believe should govern the management of your investments. An IPS will identify the major classes of investments we believe you should own and the proportions that should be held for each asset class. Asset classes we use in managing your portfolio include, but are not limited to stocks, bonds, and cash/cash equivalents. An IPS will consider your risk tolerance, return goals, liquidity needs, and any special factors that apply to your situation.

We manage portfolios using an asset allocation approach. We generally aim to have our client portfolio resemble one of our asset allocation model portfolios using a diversified mix of passive and active investment solutions. The portfolio is allocated based on your risk profile, and generally aligned with our asset allocation model portfolios with weightings between equity and fixed income securities based on your growth and risk objectives. We also consider other diversification factors such as market capitalization, sector, and geographic regions for equities, and issuer and maturity/duration for fixed income securities. Application of the asset allocation model portfolio to your investment portfolio is based on your IPS.

Depending on your IPS and objectives, the final recommendation of your investment portfolio can include publicly traded equities, mutual funds, exchange traded funds, bonds (corporate, government and municipal), private debt, private equity and cash or cash equivalents.

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## **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9 - Disciplinary Information**

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### **Legal and Disciplinary**

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

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

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### **Affiliations**

Warwick Partners and/or its principles have no other financial industry activities or affiliations.

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

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### **Code of Ethics**

The employees of Warwick Partners have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

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### **Participation or Interest in Client Transactions**

Warwick Partners and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the Warwick Partners *Compliance Manual*.

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### **Personal Trading**

The Chief Compliance Officer of Warwick Partners is Hays Glover. He reviews all employee trades each quarter. His trades are reviewed by Bruce Sanders. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

## Item 12 - Brokerage Practices

### Selecting Brokerage Firms

Warwick Partners does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. Warwick Partners recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

Warwick Partners may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC/NYSE, to maintain custody of clients' assets and to effect trades for their accounts. Schwab Institutional provides Warwick Partners with access to its institutional trading and operations services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors at no charge to them so long as a total of at least \$10 million of the advisor's clients' accounts assets are maintained at Schwab Institutional. Schwab's Institutional services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab Institutional also makes available to Warwick Partners other products and services that benefit Warwick Partners but may not benefit its clients' accounts. Some of these other products and services assist Warwick Partners in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Warwick Partners' fees from its clients' accounts, and assist with back-office support, record keeping and client reporting. Many of these services generally may be used to service all or a substantial number of Warwick Partners' accounts, including accounts not maintained by Schwab Institutional.

Schwab Institutional may also provide Warwick Partners with other services intended to help Warwick Partners manage and further develop its business enterprise. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these type of services to Warwick Partners by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of these fees of a third party providing these services to Warwick Partners. The availability to Advisor of the foregoing products and services is

not contingent upon Advisor committing to Schwab Institutional any specific amount of business (assets in custody or trading)

Neither Warwick Partners nor any related person receives cash compensation from Charles Schwab and Company or any third party custodian.

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**Best Execution**

Warwick Partners reviews the execution of trades at each custodian each quarter. The review is documented in the Warwick Partners *Compliance Manual*. Trading fees charged by the custodians is also reviewed on a quarterly basis. Warwick Partners does not receive any portion of the trading fees.

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**Order Aggregation**

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

## Item 13 - Review of Accounts

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### **Periodic Reviews**

Account reviews are performed quarterly by advisors Hays Glover, Bruce Sanders or Grant Stucki. Account reviews are performed more frequently when market conditions dictate.

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### **Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's personal situation.

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### **Regular Reports**

Account reviewers are members of the firm's Investment Committee. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Clients receive periodic communications on at least an annual basis. *Advisory Service Agreement* clients, *Investment Management* clients, and *Retainer Agreement* clients receive written quarterly updates. The written updates may include a net worth statement, portfolio statement and a summary of objectives and progress towards meeting those objectives.



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

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### **Incoming Referrals**

Warwick Partners has been fortunate to receive many client referrals over the years. These referrals come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

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### **Referrals Out**

Warwick Partners does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

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### **Other Compensation**

None

## **Item 15 - Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings, and values are correct and current.

We do not have physical custody of client assets. We have client passwords to perform investment transactions for some client accounts. We have reviewed those accounts and determined that we do not have the ability to withdraw funds or securities and transfer them to an account not in the client's name – nor do we have the authority to add and/or link additional accounts – and, thus, have determined that they meet the IAA no action letter seven conditions and do not trigger the surprise custody exam.

Clients may have standing letters of authorization (SLOAs) on their accounts. We have reviewed those relationships and determined that they meet the IAA no action letter seven conditions and do not trigger the surprise custody exam.

## **Item 16 - Investment Discretion**

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### **Limited Power of Attorney**

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

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

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

## **Item 17 - Voting Client Securities**

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### **Proxy Votes**

Warwick Partners does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, Warwick Partners will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

## **Item 18 - Financial Information**

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### **Financial Condition**

Warwick Partners does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because Warwick Partners does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

## **Business Continuity Plan**

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### **General**

Warwick Partners has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services, or key people.

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### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, flooding, and pandemics. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

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### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

## Information Security Program

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### Information Security

Warwick Partners maintains an information security program to reduce the risk that your personal and confidential information may be breached.

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### Privacy Notice

Warwick Partners is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.