

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

**725 15TH STREET, NW
WASHINGTON, DC 20005
(202) 626-5220**

www.fnfd.com

March 30, 2024

This brochure (“Brochure”) provides information about the qualifications and business practices of Folger Nolan Fleming Douglas Incorporated (“FNFD” or the “Firm”) private wealth management services. If you have any questions about the content of this Brochure, please contact Christopher Durchanek, Executive Vice President at (202) 626-5326. The information in this brochure has not been approved or verified by the U. S. Securities and Exchange Commission or by any state securities authority.

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

FNFD is a registered investment adviser with the U.S. Securities and Exchange Commission. Registration of an investment adviser does not imply by itself any specific level of skill or training. This Brochure provides information about FNFD to assist you in determining whether to retain FNFD as your investment adviser.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 2 – MATERIAL CHANGES

FNFD is required to summarize any material changes to its Brochure since its last annual amendment on March 31, 2023. There have been no material changes since the last update of the firm's brochure dated March 31, 2023. Non-material changes since that date appear in the remainder of the brochure.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 3 – BROCHURE TABLE OF CONTENTS

ITEM 2 – MATERIAL CHANGES	3
ITEM 3 – BROCHURE TABLE OF CONTENTS.....	4
ITEM 4 – ADVISORY BUSINESS	5
ITEM 5 – FEES AND COMPENSATION.....	7
ITEM 6 – PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT	9
ITEM 7 – TYPES OF CLIENTS	10
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS..	11
ITEM 9 – DISCIPLINARY INFORMATION	13
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	14
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	15
ITEM 12 – BROKERAGE PRACTICES.....	16
ITEM 13 – REVIEW OF ACCOUNTS	18
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION	19
ITEM 15 – CUSTODY.....	20
ITEM 16 – INVESTMENT DISCRETION.....	21
ITEM 17 – VOTING CLIENT SECURITIES.....	22
ITEM 18 – FINANCIAL INFORMATION.....	23
ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS	24

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 4 – ADVISORY BUSINESS

History

FNFD is a dually registered broker-dealer and investment adviser. FNFD was formed as a broker-dealer in 1931, and has a history as an investment firm dating back to 1889. FNFD registered as an investment adviser in 2007 to participate as an investment adviser in wrap fee programs (all-inclusive fee that covers generally, advisory, brokerage, custodial and reporting services). Such wrap fee programs are currently made available by Pershing LLC (“Pershing”). FNFD is principally owned by several trusts of which members of the Folger family are beneficiaries.

Current Advisory Business

FNFD operates a limited private wealth management business that provides non-discretionary, fee-based investment advisory services (“PWM Business”) to a single ultra-high-net-worth family client (“PWM Client” or “Client”). This Brochure provides information on the PWM Business. The PWM Business currently provides advisory services to the PWM Client, through four accounts, each of which are principally owned by the PWM Client. The PWM Business is currently available only to the PWM Client and is not offered to any other clients.

FNFD Account Executive(s) meet with the PWM Client to review the Client’s investment objectives, financial circumstances, risk tolerance, and investment profile information. This assessment is used to customize an investment management strategy consistent with client guidelines. The PWM Client has the ability to impose reasonable restrictions on the management of the account, in some cases including the designation of particular securities or types of securities that are permissible. The PWM Client will not be able to provide instructions that prohibit or restrict the investment adviser of an open-end or closed-end mutual fund or exchange traded funds with respect to the purchase or sale of specific securities or types of securities within the fund.

The services provided typically include investment review, analysis, and recommendations combined with ongoing management for the PWM Client’s assets. Ongoing management, which occurs across key areas of the PWM Client’s personal financial situation, generally includes, but is not limited to: (i) review and analysis of assets and debt positions; (ii) evaluating income and expense cash flow; (iii) optimizing estate and gift planning; and (iv) coordinating with the Client’s other professionals (e.g., accountants and attorneys).

Customers’ Best Interest

As a dually-registered investment adviser and broker-dealer, FNFD must act in the client’s best interest and not put the Firm’s interest ahead of yours. Where in the client’s best interest and where reasonable to do so, securities may be purchased in either a brokerage account with the transaction subject to a commission or transaction-based compensation, or in a fee-based advisory account. Within a fee-based advisory account, a client may either invest through (i) a wrap program that charges an annualized wrap fee (the wrap fee is an all-inclusive fee that covers generally, advisory, brokerage, custodial and reporting services); or (ii) a standard fee-based account that charges an annual advisory fee based on assets under management.

When evaluating the account type for a retail customer, including the suitability of a wrap fee account, the Firm considers the following, as applicable:

- The investment profile of the retail customer;

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

- The types of services that are requested by the retail customer;
- The nature and extent of services and products provided in the account;
- Alternative account types that might be available; and
- The projected cost of providing the requested services to the retail customer of the account.

The PWM Business is not offered to other clients, including clients who currently invest either through FNFD's brokerage account option or wrap fee program. These programs, including an overview of how FNFD's Account Executives evaluate which account type alternatives may be in the client's best interest, are described in a separate Brochure (available from your Account Executive upon request).

As of December 31, 2023, FNFD manages, on a non-discretionary basis, approximately \$569,844,713 on behalf of the PWM Client.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 5 – FEES AND COMPENSATION

Management fees charged to the Client are based on a percentage of assets under management. Currently, the Client is assessed an annual advisory fee equal to 0.30% on equity positions and 0.10% on fixed income positions (and no management fees on cash or cash equivalent positions, including U.S. Treasuries). The Client also maintains in its FNFD accounts, as part of its legacy portfolio, certain low-cost-basis equity positions that are excluded from management fee calculations.

FNFD has an agreement with Pershing, its clearing broker, to serve as custodian for the Client's accounts. Fees may be deducted from the accounts (held at Pershing) or may be billed to the Client, at the Client's option. Investment advisory fees are charged quarterly in advance and are based on the value of the assets under management on the last day of the previous quarter. The quarterly fee is computed at one fourth the annual rate. No intra-period fee adjustments will be made for appreciation or depreciation in the value of account assets during such periods.

The PWM Client has entered into an advisory agreement that continues in full force until either the Client or FNFD gives written notice to the other party of its intention to cancel it, in which event the contract terminates on such date as is specified by the terminating party. When either party terminates the relationship, the "unused" portion of the prepaid management fee is refunded by FNFD. The "used" portion covers the period from the beginning of the quarter in which the contract is cancelled through the specified termination date.

Fees may be negotiable, and may be higher or lower than the current fee depending upon the account size, types of assets under management, extent of account relationships (e.g., maintaining both fee-based advisory accounts and brokerage accounts), nature of the relationship with your Account Executive (e.g., Account Executives have the flexibility to establish fee structures for their accounts), and extent of supplemental services provided.

In addition to advisory fees, the Client will incur brokerage commissions and other transaction costs. The Client has directed that FNFD act as broker in its transactions. As a result, FNFD earns a brokerage commission for security trades effected for the Client. These fees are discussed in more detail below (see [Item 12 – Brokerage Practices](#)).

Trades executed by FNFD are cleared through Pershing. FNFD pays Pershing for the execution, clearance, and other services. Pursuant to the clearing agreement between FNFD and Pershing, Pershing performs for FNFD certain custodial functions customarily performed with respect to securities brokerage accounts, which, among other things, will include crediting of interest and dividends on account assets and crediting of principal on called or matured securities in the account. FNFD compensates Pershing (and the Client may be separately charged such fees) pursuant to a brokerage clearance fee schedule.

Neither the advisory fee or fee paid to Pershing pursuant to the clearing agreement includes certain dealer markups or markdowns, costs attributable to "spreads" between the inter-dealer purchase and sales price, odd lot differentials, transfer taxes, exchange fees (among which SEC fees may be included), and any other fees required by law. Such fees, as well as non-brokerage-related fees (e.g., IRA fees) may also be charged separately.

FNFD Account Executives are compensated solely by FNFD. A portion of the fees received by FNFD for its advisory services is normally paid by FNFD to its Account Executives in connection with the introduction of accounts and/or the provision of client-related services. The portion of the fee paid by FNFD to its Account Executive(s) ranges from 20% to 50% of the fees received by

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

FNFD. The Client, at its request, may purchase investment products recommended by Account Executives through other brokers that are not affiliated with FNFD.

Mutual Funds

To the extent a mutual fund is purchased for the Client's account, the advisory fee is in addition to the fees and expenses charged by the underlying mutual funds or exchange traded funds ("ETFs"), as set forth in the prospectus of such fund. As a shareholder of any mutual funds, in addition to the advisory fee paid to FNFD, the Client will bear a proportionate share of the funds' expenses, including the management fees that are paid to the fund's investment adviser, and will bear any other charges levied by a fund. The Account Executive(s) will not purchase on behalf of the Client's accounts, any mutual fund share classes that charge annual marketing or distribution fees (commonly known as 12b-1 fees, which are typically paid to the Adviser or financial intermediary).

For more information about any mutual fund, and a complete description of its fees, charges and expenses or any of its revenue sharing or expense compensation arrangements, The Client should consult the applicable fund's prospectus.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 6 – PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

FNFD does not charge performance-based fees or manage side-by side accounts with different fee structures.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 7 – TYPES OF CLIENTS

Currently, FNFD operates a limited private wealth management business that provides non-discretionary, fee-based investment advisory services to a single ultra-high-net-worth family client. The PWM Business is currently available only to the PWM Client and is not offered to any other clients.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment strategies and related methods of analysis are developed using information provided by the Client, which forms the basis of the Client's investment profile. FNFD Account Executives use a variety of sources in analyzing and developing investment recommendations. Sources of information include, but are not limited to, research reports prepared by others, financial publications, corporate rating services, company press releases and annual reports, fund prospectuses, and filings with the U.S. Securities and Exchange Commission.

In implementing an investment strategy, the Client's accounts may be invested in equity securities, fixed income securities, open and closed end mutual funds, and both actively-managed and index-tracking exchange-traded funds ETFs. ETFs and mutual funds may be used to gain exposure to fixed income markets, specific equity market sectors and international markets. ETFs represent shares of ownership in either mutual funds or unit investment trusts that hold portfolios of common stocks or bonds, which are designed generally to correspond to the price and yield performance of their underlying indexes, representing either the broad stock market, various market sectors at different capitalization levels, industry sectors, international stock, U.S. bonds, or international bonds..

Any investment in securities involves the risk of loss of principal and the Client should be prepared to bear the risk of such loss. The success of investment activities for the Client accounts may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of client investments. Unexpected volatility or illiquidity could impair profitability of investments or result in losses. There is no guarantee that FNFD will be successful in implementing investment strategies.

Account values could fluctuate over short periods of time due to short-term market movements and over longer periods due to market downturns. Individual securities in the Client's accounts may face trading risks, including the potential lack of an active trading market and the resulting inability to sell the security or sell at favorable times or prices. The value of individual securities in your account may be adversely affected and decline in value as a result of changes to the issuer's financial condition, credit rating or other adverse circumstances.

Specific types of securities may present certain attendant risks. For example:

- Equities generally present the greatest degree of risk of loss to client portfolios (values may fluctuate in response to company specific factors, industry market conditions or the general economic environment);
- International equity investments involve additional risks (risk of capital loss from unfavorable fluctuations in currency values, differences in accounting treatment, or economic or political instability in other nations);
- Fixed-income securities valuations fluctuate inversely with changes in interest rates and also vary according to the relative financial condition of the issuer or of the performance of the fixed income sector of which the security issuer is a part; and
- ETFs may not be able to replicate exactly the performance of the indexes they track (if applicable) because of their expenses, tracking error (discrepancy between the composition of the underlying index and the composition of the ETF), and other

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

factors. An exchange traded sector fund may be adversely affected by the performance of the specific sector or group of industries on which it is based.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 9 – DISCIPLINARY INFORMATION

Neither FNFD nor any of its employees or principals has any disciplinary information to report.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

FNFD is a dually registered broker-dealer and investment adviser and is a member of the New York Stock Exchange and the Financial Industry Regulatory Authority, Inc. (FINRA). Accordingly, management personnel of FNFD are registered representatives and registered principals.

As discussed above, FNFD's Client has agreed to direct their brokerage transactions to FNFD with execution and clearance performed on a fully disclosed basis by Pershing (See discussion in [Item 5 "Fees and Compensation"](#)).

In addition, Folger Nolan Fleming Douglas Capital Management, Inc. ("CMI") is a wholly owned, indirect subsidiary of FNFD and SEC-registered investment adviser. CMI provides discretionary investment management services to its clients. The advisory business of CMI, unlike FNFD (here, as it relates to FNFD's PWM Business), provides discretionary investment advice to clients, in a traditional investment advisory structure. CMI's business is entirely separate from the advisory services provided by FNFD.

CMI and FNFD share certain members of management. Richard S. Foster is President, Chief Executive Officer, Treasurer and Chief Operating Officer of CMI and FNFD and a Registered Principal and Registered Representative of FNFD. John R. Current, an Executive Vice President and Secretary of FNFD and a Registered Principal and Registered Representative of FNFD, is also Secretary of CMI and a director of both FNFD and CMI. Lee M. Folger is a director of both CMI and FNFD. Neil C. Folger is a Senior Portfolio Manager of CMI, Chair of both CMI and FNFD, and also a Registered Principal of FNFD.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

FNFD Account Executives may invest in the same securities recommended to clients and may also buy or sell securities for client accounts at or about the same time that the Account Executives buy or sell the same securities for their own accounts. If an Account Executive buys or sells the same security on the same day as one of their clients, it is FNFD policy to provide the best executed price to the client's account.

FNFD has adopted a Code of Ethics ("Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended ("Advisers Act"). The portion of the Code that governs personal securities transactions is applicable to all "Access Persons" (as defined in the Code), including FNFD Account Executives involved in making securities recommendations to advisory clients, the Chief Executive Officer, supervisory managers and Chief Compliance Officers of FNFD, and members of their households. The Code describes the Firm's high standard of business conduct and fiduciary duty to its clients.

The Code requires all Access Persons to exercise their authority and responsibility for the benefit of clients and to refrain from activities that may conflict with the interests of clients. The Code contains policies and procedures that, among other requirements prohibit Account Executives from taking personal advantage of opportunities belonging to clients, prohibit trading on the basis of material nonpublic information (insider trading), address personal trading by Account Executives and impose reporting requirements with respect to such trading (e.g., including pre-clearance requirements), impose limitations on the giving or receiving of gifts and entertainment and restrict outside business activities.

It is FNFD's policy that it will not trade with FNFD investment advisory clients as principal.

A copy of FNFD's Code may be obtained by calling (800) 676-3688.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 12 – BROKERAGE PRACTICES

Not all advisers require or recommend that their clients direct brokerage. For numerous reasons, including that it facilitates the seamless communications that are an important part of FNFD's PWM Business, FNFD recommends, and the Client has agreed, to direct its brokerage and execute transactions through FNFD. As discussed above, FNFD has entered into a brokerage clearing agreement with Pershing to execute and perform the clearance on a fully disclosed basis of all purchase and sale orders directed to it by FNFD (See [Item 4 – Fees and Compensation](#)). FNFD is not related to or affiliated with Pershing.

The Client may also direct that FNFD use brokers other than FNFD. FNFD may have an incentive to recommend FNFD to the Client instead of an unaffiliated broker-dealer. Where the Client directs FNFD to use a specific broker other than FNFD, the commission rate will be as agreed between the Client and such broker. Commission rates charged by such brokers may be higher or lower than those charged by FNFD, which are described below in this section.

A directed brokerage arrangement, including as discussed above, may result in the Client receiving less favorable executions in certain transactions, or paying higher transaction costs either in individual transactions or in the aggregate, because FNFD will be bound to effectuate transactions regardless of its execution capabilities or other execution opportunities available in the marketplace with respect to particular transactions. FNFD does not have any discretion to send the Client's order for a securities trade to any broker-dealer other than the Firm (as designated by the Client).

FNFD has established a Trade Oversight Committee ("TOC") (which includes senior management of the Firm), responsible for, among other things, oversight and monitoring the implementation of the Firm's policies and procedures for trading and portfolio management. For example, the TOC's responsibilities include, where applicable, reviewing at least once each calendar quarter the Company's trading activities to evaluate the quality of trade execution through Pershing.

FNFD generally manages accounts and places orders on an account by account basis. Under the directed brokerage arrangement, the Client generally pays brokerage commissions on equity trades at rates not to exceed \$.03 per share, with no minimum charge per trade.

Compensation for trades in fixed income securities varies according to the nature of the security, the size of the trade and the depth and liquidity of the market for the security in question. The commission schedule for such trades is as follows.

FNFD does not charge a commission for purchases and sales of U.S. Treasury securities.

FNFD is compensated for purchases and sales of municipal securities at a rate of \$1.00 per \$1,000 par value, up to a maximum of \$275 per trade.

For the purchase and sale of U.S. Agency fixed income securities and corporate bonds, commissions are \$1.00 per \$1,000 par value, up to a maximum of \$25.

Commission rates charged by FNFD may be higher than rates available from certain other brokers. In addition, commissions charged to other FNFD brokerage and/or advisory clients are negotiated and may be higher or lower than commissions charged, as discussed above.

Although FNFD generally manages accounts individually and places trades for such accounts separately, from time to time it may aggregate Client trades for execution when it believes in its discretion that such aggregation will achieve the most equitable execution for all Client accounts

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

involved. Aggregated orders are placed through Pershing's block desk and may be executed as a single block or in a series of trades throughout the day and will receive the average price for executions done in a single trading day.

To the extent a client directs that FNFD use brokers other than FNFD, the Client may be excluded from participating in any block trades effected by FNFD and thus from the benefits of average pricing and any available economies of scale. Transactions that are executed outside of the directed brokerage arrangement may be effected either before or after transactions effected by FNFD under its directed brokerage arrangement.

FNFD may effect transactions in fixed income securities that trade in dealer markets. In such cases, commission charges may be imposed in addition to dealer costs, with the result that total transaction costs may be higher than might be obtained in direct trades with dealers. FNFD believes that utilizing the brokerage services of FNFD provides both expertise on selection of specific fixed income issues in light of credit risk, market risk and call risk and access to specialized dealer networks in such instruments. This may improve the quality of securities made available to the client, particularly in decentralized or opaque markets such as the secondary market for municipal securities.

FNFD does not have any soft dollar commission arrangements and does not direct brokerage in exchange for referrals.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 13 – REVIEW OF ACCOUNTS

At least annually, the Account Executive(s) contacts the Client to determine whether there have been any material changes in the Client's financial circumstances, investment objectives or instructions and to provide a review and evaluation of the client's portfolio in light of established investment goals and objectives.

In general, Pershing and/or its affiliates provide the Client with monthly account statements and also makes available quarterly performance reports. Monthly account statements, while customizable, generally provide portfolio holdings, asset allocation, income and expense summary, and a full transaction summary. Quarterly performance reports typically provide portfolio performance, account performance, and asset class performance over various periods of time, as well as comparisons to applicable benchmarks.

FNFD does not audit the accuracy of the calculations performed on Client account information or warrant that the quarterly performance report was prepared in accordance with industry standards. Upon request, the Account Executive will review the quarterly performance report with the Client.

In addition, FNFD (through Pershing) will transmit to the Client trade confirmations reflecting all transactions in securities; provided, however, that periodic statements of account activity (e.g., monthly account statements) may be furnished in lieu of transaction by transaction confirmations to the extent and in the manner permitted by Rule 10b-10 under the Exchange Act.

FNFD also periodically evaluates the overall relationship the Client maintains with FNFD. The review encompasses all Client accounts and, among other things, the continued appropriateness of the accounts in light of the Client's investment objectives. Periodic or annual reviews of Client accounts conducted by an Account Executive may be reviewed along with levels of activity, investment strategy, ongoing advice being provided the Client, and any other relevant factors.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Not applicable.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 15 – CUSTODY

Pershing qualifies as “qualified custodian” as described by Rule 206(4)-2 of the Advisers Act and pursuant to the clearing agreement between FNFD and Pershing, Pershing maintains custody of Client assets.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 16 – INVESTMENT DISCRETION

FNFD does not manage Client accounts on a discretionary basis.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 17 – VOTING CLIENT SECURITIES

FNFD does not vote proxies on behalf of the Client; accordingly, it does not maintain proxy voting procedures. The Client will receive their proxies or other corporate actions directly from the custodian or transfer agent. Questions regarding FNFD's policy as it relates to voting Client securities may be directed to your FNFD Account Executive.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 18 – FINANCIAL INFORMATION

FNFD does not require or solicit more than \$1,200 in fees per client, six months or more in advance.

FNFD has never been the subject of a bankruptcy petition and is not aware of any financial conditions that is reasonably likely to impair its ability to meet its contractual commitments to its clients.

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS

FNFD is not registered with any states, but is registered with the U.S. Securities and Exchange Commission.