

FOLGER NOLAN FLEMING DOUGLAS INCORPORATED

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This wrap fee program brochure (“Wrap Fee Brochure” or “Brochure”) provides information about the qualifications and business practices of Folger Nolan Fleming Douglas Incorporated (“FNFD” or the “Firm”). If you have any questions about the contents 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.

ITEM 2 - Material Changes

FNFD is required to summarize any material changes to its Wrap Fee 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.

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ITEM 4 - Services, Fees and Compensation

Overview

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 in wrap fee programs (the wrap fee is an all-inclusive fee that covers generally, advisory, brokerage, custodial and reporting services, hereinafter referred to as a “Wrap Fee”). 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.

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. 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 subject to an annualized Wrap Fee. FNFD also operates a private wealth management business (“PWM” or “PWM Business”), currently offered to a very limited number of existing PWM high-net-worth clients. The PWM Business is not offered to or otherwise available to any other clients.

Consistent with the requirements applicable to the Firm when making recommendations to retail customers in a brokerage account (including recommendations regarding account type), the Firm has adopted Regulation Best Interest (“Reg BI”) policies and procedures. FNFD’s Reg BI policies and procedures address, among other things: (i) identifying and mitigating or eliminating conflicts of interest; (ii) exercising reasonable due diligence when providing recommendations; and (iii) disclosing information regarding material facts about the relationship and recommendations offered.

As noted above, securities are generally purchased in either a brokerage account (subject to transaction-based fees) or a fee-based advisory account (subject to a Wrap Fee). 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;
- 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.

Regarding FNFD’s Wrap Fee programs, clients should consider the value of the additional advisory services when evaluating account type selections. The custodial, advisory, and brokerage services offered in combination through a Wrap Fee account may not be available separately or may require multiple accounts, documentation, and fees. In addition, certain advisers may not be available to certain clients outside the Programs because of minimum account sizes, fee schedules, geographic availability, or other factors. Clients should also carefully consider past and anticipated levels of trading, holdings of eligible Program Assets (defined below), investment trading strategies and trading patterns (including anticipated frequency, number, and size of trades), and the costs and potential benefits of the Wrap Fee program as compared to paying commissions on a per transaction basis.

The Wrap Fees FNFD receives may be more than if clients paid separately for investment advice, brokerage commissions and other services, such as in a traditional broker-dealer account relationship in which commissions may be paid on a trade by trade basis. In particular, this will likely be the case for a strategy involving low levels of trading activity. Therefore, FNFD Account Executives may have a financial incentive to recommend a Wrap Fee program account over a brokerage account. On the other hand, the more trading activity that occurs in a brokerage account, the greater the revenue earned by FNFD and its Account Executives. In a brokerage account, FNFD and its Account Executives may have an incentive to recommend an investment strategy that typically results in higher levels of trading activity. It is FNFD's intent however, to make all recommendations independent of such fee considerations and based solely in the best interest of the client, including taking into consideration the client's needs and investment objectives.

The Firm has adopted wrap fee policies and procedures designed to evaluate the continued suitability of such accounts. Suitability of such accounts will be determined by the level of investment advice requested (e.g., requesting financial or investment planning would suggest a fee-based advisory account is more suitable than a brokerage account). Another factor considered by the Firm is the level of trading activity, which is dependent on a number of factors, including, but not limited to: (i) the investment strategy and types of securities traded (e.g., equities, fixed income, mutual funds/exchanged traded funds (ETFs); and (ii) the investment objectives within the account. For example, for mutual funds, an overall number of trades may be a less relevant indicator of suitability than for an account comprised solely of equity positions. In addition, in many cases, FNFD's clients seek to implement long term, buy-and-hold investment objectives. As a result, such investment objectives typically require a longer time period in order to evaluate the effectiveness and suitability of the account, thus resulting in longer periods of trading inactivity or low levels of trading for longer than a typical annual review period. The Firm's wrap fee policies and procedures also include procedures to monitor for prescribed low levels of trading activity and to periodically correspond with clients to discuss the continued suitability of a Wrap Fee account.

FNFD serves as the Sponsor of the FNFD Advisor Directed Solutions Program ("ADS Program") and FNFD Managed Account Solutions Program ("MAS Program") together with the ADS Program, the ("Programs") and the Wrap Fee accounts available in the Programs. FNFD has entered into an agreement with BNY Mellon Advisors, Inc. ("BNYMA"), pursuant to which BNYMA provides sub-advisory and/or other services to FNFD clients in connection with certain MAS Programs, as discussed below. Clients of the Programs described herein are clients of FNFD.

ADS Program

In the ADS Program, FNFD Account Executives provide clients with non-discretionary investment recommendations, which the client must accept before FNFD effects a transaction on the client's behalf. FNFD through its Account Executives seeks to recommend securities consistent with the client's investment objectives, financial situation, risk tolerance, and any investment restrictions. Account Executives provide recommendations on the basis of research and analysis that FNFD reasonably deems to be reliable but are not guaranteed. Clients may accept FNFD recommendations or may select investments themselves for their own accounts. FNFD, on a voluntary basis, periodically monitors retail investors' investments.

Most types of securities are eligible for purchase in an ADS Program account including, but not limited to common stocks, fixed income securities, ETFs and certain mutual funds whose shares can be purchased at net asset value. Collectively, these are referred to as "Program Assets." Program Assets also includes cash or cash equivalents such as money market mutual funds held in a client's account. Certain assets are not eligible as Program Assets, and are referred to collectively as "Excluded Assets". Excluded Assets (e.g.,

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where a client chooses to exclude a specific equity position) may be held in an ADS Program account and will not be included in fee calculations.

ADS Program accounts are charged a Wrap Fee that covers advisory, brokerage, custodial, and reporting services. The Wrap Fee is generally negotiable (as discussed below), but may not exceed 3.0% based on the level of Program assets. The maximum Wrap Fee that may be charged, subject to negotiation, is as follows:

- 3.0%: \$0 - \$250,000 in Program Assets
- 2.5%: \$250,001 - \$1,000,000 in Program Assets
- 2.0%: Greater than \$1,000,000 in Program Assets

FNFD shall not be responsible for any transactions in the ADS Program account which FNFD has not recommended. The ADS Program is not intended to accommodate frequent trading, and FNFD may in its sole discretion close an account that engages in what FNFD deems in its sole discretion to be excessive trading.

ADS Program accounts are subject to an annual minimum fee of \$100.00 per year.

MAS Program

In the MAS Program, FNFD Account Executives recommend certain investment programs for separately managed accounts. The managed accounts are advised by third-party managers who may, dependent upon the MAS Program selected, use model portfolios within the investment strategy. The third-party managers act as discretionary investment advisers and will buy, sell, or otherwise trade securities in the client's account. Such trading is done in accordance with the client's investment objectives and other circumstances, without discussing these transactions with the client in advance. Such securities may include, but are not limited to, mutual funds, ETFs, common or preferred stocks, warrants, rights, and corporate, government, or municipal bonds or notes. All or a portion of the account may be held in cash.

In recommending investment programs and/or third-party managers, FNFD Account Executives will rely on the information contained in the client's account opening documents. Clients agree to inform FNFD in writing of any material change in the client's circumstances which might affect the manner in which a client's assets are invested.

MAS Program accounts are charged a Wrap Fee that covers advisory, brokerage, custodial, and reporting services. The Wrap Fee is generally negotiable (as discussed below), but may not exceed 3.0% based on the level of Program assets. The maximum Wrap Fee that may be charged, subject to negotiation, is as follows:

- 3.0%: \$0 - \$250,000 in Program Assets
- 2.5%: \$250,001 - \$1,000,000 in Program Assets
- 2.0%: Greater than \$1,000,000 in Program Assets

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Relationship with BNYMA

As noted above, FNFD has entered into an agreement with BNYMA, pursuant to which BNYMA provides sub-advisory and/or other services to FNFD clients in connection with certain MAS Programs. BNYMA, an SEC-registered investment adviser, is a wholly-owned subsidiary of Pershing, which in turn is a wholly-owned subsidiary of The Bank of New York Mellon Corporation (“BNY Mellon”). BNYMA offers both portfolio management and administrative services to FNFD, as sponsor of the Programs, via Pershing’s managed account platform. Client-level service is generally performed by FNFD’s Account Executives.

The MAS Program accounts identified below provide a mix of investment options, including asset allocation, investment strategies (including tax-advantaged strategies), model portfolios, access to a variety of third-party managers (including various levels of due diligence and screening when making such managers available on the managed account platform), and investment products used to implement the selected investment strategy (e.g., mutual funds, ETFs). Depending on the MAS Program account selected, FNFD’s Account Executives may make recommendations (on a non-discretionary basis), based on availability on the managed account platform, regarding the selection of certain third-party managers, as well as investment strategies and/or the use of model portfolios. In some instances, under certain MAS Programs, BNYMA or other third-party managers will have discretion for such investment decisions. MAS Program accounts are subject to an annual minimum fee between \$150 to \$250.

- Unified Managed Accounts
- Third-Party Separately Managed Accounts
- BNYMA AdvisorFlex Portfolios
- BNYMA WealthStart Portfolios
- BNYMA Target Risk Portfolios
- BNYMA Third-Party Strategists

Additional information regarding the above-referenced MAS Program accounts, including services and fees, is available in the applicable manager’s Form ADV Brochure (available from your FNFD Account Executive).

ADS and MAS Programs Generally

Relationship with Pershing

Under the Programs, FNFD effects securities transactions as agent for clients but receives no additional brokerage execution compensation over and above its portion of the Wrap Fee. Because the Wrap Fees are all-inclusive, clients that participate in the Programs are required to direct their brokerage transactions to FNFD with execution and clearance performed on a fully disclosed basis by Pershing.

As a general matter, FNFD considers it appropriate to use the execution and clearance services provided for in the brokerage clearing agreement with Pershing for the purchase and sale of securities involved in the Programs. On occasion, FNFD, the third-party manager, sub-adviser, or clients may designate other brokers or other legal requirements may dictate the use of other brokers. Costs and transaction fees arising out of transactions effected by entities other than FNFD or its agent will be separately borne by clients.

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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.

Pershing provides FNFD with clearance, execution, certain administrative, computer software and documentation services to facilitate FNFD's Program services. FNFD compensates Pershing pursuant to a brokerage clearance fee schedule. FNFD also receives research and other analysis from Pershing as a result of this relationship.

Pershing qualifies as "qualified custodian" as described by Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended ("Advisers Act") and pursuant to the clearing agreement between FNFD and Pershing, Pershing maintains custody of client assets.

Additional Information Regarding Fees

Unless agreed upon otherwise, Program clients authorize FNFD to deduct quarterly, in advance, from the account(s) of the client the fee at the rate(s) discussed above and more specifically, as indicated in the FNFD Investment Management Agreement.

The Wrap Fee does not include certain dealer markups or markdowns, costs attributable to "spreads" between the inter-dealer purchase and sales price, odd lot differentials, transfer taxes, exchange fees, and any other fees required by law. Similarly, non-brokerage-related fees, such as IRA custodial, fund transfer or wire fees, are not included in the Wrap Fee and may be charged to Program accounts separately.

For clients invested in mutual funds or ETFs, the Wrap Fee is in addition to the fees and expenses charged by the underlying mutual funds or ETF, as set forth in the prospectus of such fund. As a shareholder of any mutual funds, in addition to Wrap Fees 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 Program investment advisers, including FNFD, may recommend closed end funds or Exchange Traded Funds for clients' portfolios that may also have management fees or other charges and expenses.

FNFD may accept transfers into your Account of shares of mutual funds owned by you outside of the Programs, including shares that were purchased with a sale charge, that have a contingent deferred sales charge, and/or have a continuing asset-based sales charge (a Rule 12b-1 fee). In such instances, FNFD will seek to convert such mutual fund shares to the lowest cost class of shares available. In the event the mutual fund does not have a class without 12b-1 fees, Pershing will credit the amount of any 12b-1 fee paid by that fund (which typically would be paid to the Adviser) back to the client's account, and those mutual fund shares will not be included in the calculation of the management fee. No 12b-1 fees will be kept by FNFD. Other than in the limited situation above, clients in Program accounts do not invest in mutual funds that pay 12b-1 fees. 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, clients should consult the applicable fund's prospectus.

The initial Wrap Fee is prorated, calculated as of the date that the account is accepted into the Program and covers the remainder of the calendar quarter. Subsequent fees will be determined for calendar quarter periods and shall be calculated on the basis of the market value of the securities and cash held for the particular account of the Client on the last business day of the preceding calendar quarter.

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No intra-period fee adjustments will be made for appreciation or depreciation in the value of account assets during such periods. The Account will be charged or refunded a prorated adjustment fee on any net additions or net withdrawals in the account during the fee period. The adjustment fee will be calculated following the end of the period and a prorated rebate or charge will be processed and credited/debited from the clients account.

Whenever there are changes to an applicable fee schedule, the scheduled charges previously in effect shall continue until the next billing cycle. Fixed fees may not be increased unless the Client executes a new agreement.

In certain cases (e.g., an IRA account with a low minimum account balance), a client may pay the annual minimum fee with the result being an effective annual Wrap Fee (expressed as a percentage) which is greater than the maximum fee rate described above.

FNFD pays a portion of the Wrap Fee to Pershing for inclusion of the Wrap Fee account in either the ADS or MAS Programs. In addition, regarding the MAS Program, FNFD also pays a portion of the Wrap Fee, if applicable, to the third-party or sub-advisers to the Program. The split of the total annualized Wrap Fee may vary over time based upon the total account value and/or overall asset allocations to various Program accounts. Annualized Wrap Fees currently received by Pershing range between 1.0 and 25.0 basis points and for third-party or sub-advisers range between 17.5 and 60 basis points. The Wrap Fee received by FNFD is the total Wrap Fee charged less the portions retained by Pershing and any Program third-party or sub-advisers. The total annualized Wrap Fee advisory fee charged is disclosed in each client's FNFD Investment Management Agreement. The maximum annualized Wrap Fee that may be charged is 3.0%.

Wrap Fees charged are generally negotiable and may be higher or lower than other clients' fees depending on a range of factors including, but not limited to, 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. Accordingly, Wrap Fees may vary among accounts of the same size that use the same Program.

FNFD Account Executives are compensated solely by FNFD. A portion of the Wrap Fees received by FNFD for the Programs is typically paid by FNFD to its Account Executives in connection with the introduction of accounts and/or the provision of client-related services within the Programs. The portion of the Wrap Fee paid by FNFD to its Account Executives ranges from 20% to 50% of the Wrap Fees (net of any third-party or sub-advisory fees, where applicable, but before deduction of the proportion of the Wrap Fees paid to Pershing).

FNFD Account Executives may receive greater compensation when recommending a client participate in a Wrap Fee program than if the client paid separately for investment advice, brokerage, and other services. As a result, the Account Executive may have a financial incentive to recommend the Wrap Fee program over other programs or services.

Wrap fees received by FNFD are reduced to the extent that a third-party manager (selected as part of the MAS Program) charges a management fee. FNFD, and its Account Executives, earn more compensation when recommending or selecting a third party manager that does not charge a management fee or charges less in management fees than another third-party manager. As a result, FNFD, and its Account Executives, may earn higher fees and thus have an incentive to recommend the ADS Program over the MAS Program, or otherwise recommend certain MAS Program accounts over others, based on the management fees charged by third-party managers. FNFD seeks to recommend third party managers consistent with the

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client's investment objectives, financial situation, risk tolerance, and other factors. Clients may also accept the FNFD third party manager recommendation or may select the third party manager themselves.

Sweep Accounts

FNFD makes available to Program clients and its own brokerage clients sweep arrangements with various money market mutual funds managed by Dreyfus Corporation ("Dreyfus"). Dreyfus is a BNY Mellon Company and an affiliate of Pershing. The sweep arrangement money market mutual funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, unless disclosed otherwise in the prospectus for the fund. FNFD also makes available to its clients sweep arrangements to interest bearing deposit accounts through Reich & Tang Deposit Solutions, LLC (with banks insured by the Federal Deposit Insurance Corporation up to applicable legal limits).

ITEM 5 - Account Requirements and Types of Clients

Account Requirements

- The ADS Program generally has a \$25,000 minimum account size. In very limited circumstances, exceptions may be made.
- The general MAS Program minimum account sizes are as follows, but will vary depending on the particular manager(s) selected within each Program account:
 - Unified Managed Accounts: \$50,000
 - Third-Party Separately Managed Accounts: \$100,000 to \$250,000, depending upon the individual manager, asset allocations and asset classes selected to open an account
 - BNYMA AdvisorFlex Portfolios: \$50,000
 - BNYMA WealthStart Portfolios: \$10,000
 - BNYMA Target Risk Portfolios: \$50,000
 - BNYMA Third-Party Strategists: \$10,000 to \$25,000, depending upon the individual asset class or asset allocation portfolio selected

Types of Clients

The advisory services of FNFD described in this brochure are generally provided to individuals, but may also be provided to pension, profit sharing or other retirement plans, trusts, estates or charitable organizations.

ITEM 6 - Portfolio Manager Selection and Evaluation

ADS Program

Advisory Business

FNFD sponsors the ADS Program. As discussed above, FNFD and its Account Executives act as a portfolio manager and provide non-discretionary advice with regard to ADS Program Wrap Fee accounts. Pershing provides certain non-advisory services that enables FNFD to offer the Programs. BNYMA does not provide advisory services to Wrap Fee accounts in the ADS Program.

FNFD Account Executives recommend securities consistent with the client's investment objectives, financial situation, risk tolerance, and any investment restrictions imposed by clients. ADS Program clients may accept FNFD recommendations or may select investments themselves for their own accounts. Where appropriate and consistent with the client's investment objectives, clients are encouraged to adopt a long-term approach to investing and in general a buy and hold strategy. FNFD Account Executives meet with the client to review the client's investment objectives, financial circumstances and risk tolerance, and investment profile information provided by the client. The information provided is used to determine and implement an investment strategy specific to the client's needs and circumstances.

Each client has the ability to impose reasonable restrictions on the management of the client's account, in some cases including the designation of particular securities or types of securities that should not be purchased for the account or sold if held in the account. If FNFD believes the client's stated restrictions to be unreasonable or inappropriate when implementing an identified investment strategy, FNFD will advise client that, unless the restrictions are modified, FNFD may decline to open or maintain the account. A 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 fund with respect to the purchase or sale of specific securities or types of securities within the mutual fund or ETF.

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.

Methods of Analysis, Investment Strategies and Risk of Loss

As discussed above, investment strategies are developed using information provided by clients, which forms the basis of the client's investment profile. FNFD Account Executives use of 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.

When implementing an investment strategy, client accounts may be invested in equity securities, fixed income securities, open and closed end mutual funds, and both actively-managed and index-tracking 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.

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Any investment in securities involves the risk of loss of principal and clients should be prepared to bear the risk of such loss. The success of investment activities for 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 any Program will be successful in implementing its investment strategies.

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 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.

Use of Collateralized Credit

FNFD may, as an accommodation, offer access to non-purpose credit that is collateralized by positions held in the client's securities account. FNFD receives a portion of the interest charged on the outstanding balance of such loans (typically 50 – 75 bps).

For clients that use non-purpose credit to borrow against the value of the assets in their securities account, interest is charged as disclosed in the applicable lending agreement. To the extent collateralized credit is used for your account, the amount borrowed will not reduce the market value of eligible assets, and will therefore increase the asset-based advisory fee you are charged. The increased asset-based advisory fee may provide an incentive for your Account Executive to recommend the use of non-purpose credit. The use of non-purpose credit increases risk through the increase of leverage in an account. In addition to the risks mentioned above, with respect to investment advisory account(s) that are pledged or otherwise used as collateral for any securities-based lending product, the exercise of the lender's rights and powers over the assets in your advisory account(s), including the disposition and sale of any and all assets pledged as collateral, may be contrary to your interests and the investment objective of your advisory account(s). For example, a recommendation to use a securities-based lending product could result in a situation in which we are required by the lender to liquidate securities your Account Executive or money manager would otherwise not sell, and which may not otherwise be in your best interests to sell.

Voting Client Securities

FNFD does not have authority to, or vote proxies on behalf of clients; accordingly, it does not maintain proxy voting procedures. Clients will receive their proxies or other corporate actions to vote or otherwise take action on themselves, 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.

MAS Program

Generally, for the MAS Programs, BNYMA evaluates Portfolio Managers and Model Managers for inclusion in the particular program. For a description of the evaluation process see the section of the BNYMA Firm Brochure (available from your FNFD Account Executive) entitled Methods of Analysis, Investment Strategies and Risk of Loss.

FNFD Account Executives, will, at times, review and recommend to clients certain portfolio managers (or changes to a portfolio manager) within an MAS Program account. FNFD Account Executives may, for example, consider the following factors when considering recommending or replacing a particular portfolio manager:

- Changes in an investor's profile (e.g., risk tolerance or life event)
- Consistency in performance (e.g., volatility)
- Continued underperformance of an account
- Tax considerations

FNFD will provide clients with periodic reviews of your account, which may include a statistical presentation of the performance of your account based on information in Pershing's records and ongoing comparisons with selected industry indices or benchmarks. FNFD does not verify the accuracy of the statistical information presented and does not guarantee the accuracy of the calculations performed on the information, nor does FNFD assure that the performance information is calculated in accordance with industry presentation standards.

FNFD's related persons do not act as portfolio managers in the MAS Program.

ITEM 7 - Client Information Provided to Portfolio Managers

Upon opening an account, clients are required to complete an Account Profile, with the assistance of a FNFD Account Executive. The Account Profile includes the client's investment objectives, financial circumstances, risk tolerance and restrictions (provided FNFD deems such restrictions to be reasonable), as well as additional relevant information applicable to the client's investment profile. FNFD Account Executives will provide this information to the applicable MAS Program manager (as part of the BNYMA program). In addition, the Portfolio Manager for your MAS Program may require additional client information as disclosed in the applicable MAS Program and relevant Portfolio Managers' disclosure documents (available from your FNFD Account Executive).

At least annually, the FNFD Account Executive will contact each client to determine whether there have been any material changes in the client's financial circumstances, investment objectives or desired investment restrictions. Clients may also reach out to their FNFD Account Executives throughout the year to discuss their account and provide updates, as needed. FNFD Account Executives will review and evaluate the client's portfolio in light of these investment considerations and provide updates and changes to the applicable MAS Program manager.

ITEM 8 - Client Contact with Portfolio Managers

FNFD Account Executives are generally available on a routine basis during normal working hours or by arranged appointments outside of these hours to consult with clients regarding the Programs. Specifically with regard to the MAS Programs, any restrictions on the ability to contact and consult with portfolio managers would be disclosed in the Form ADV Brochure for the applicable Manager(s). Such ADV Brochures are available from your FNFD Account Executive.

ITEM 9 - Additional Information

Disciplinary Information

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

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 in Item 4, because the Wrap Fees are all-inclusive, clients that participate in the Programs are required to direct their brokerage transactions to FNFD with execution and clearance performed on a fully disclosed basis by Pershing (See discussion “Relationship with Pershing”).

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, provides discretionary investment advice to clients, in a traditional investment advisory structure (rather than a wrap-fee structure). CMI’s business is entirely separate from the advisory services provided by FNFD. FNFD Account Executives may refer clients to CMI and receive a portion of the management fee as compensation. FNFD Account Executives generally receive greater compensation for FNFD fee-based advisory accounts than for an account referred to CMI.

CMI is included, with regard to certain of the MAS Programs, as an available investment manager on the BNYMA Platform. Currently, CMI does not serve as a sub-adviser for any FNFD sponsored Wrap Fee Programs. In the event that CMI does serve in this capacity in the future, a portion of the Wrap Fee charged to a client by FNFD will be paid as a sub-advisory fee to CMI. To the extent that an Account Executive recommends CMI as a sub-adviser, FNFD remains responsible for the overall investment relationship with the client. This may include but is not limited to determining the client’s investment objectives, investment time horizon, asset allocation, account set up and ongoing administration. Because CMI and FNFD are affiliates, a conflict of interest is present to the extent FNFD recommends CMI as sub-adviser to its Wrap Fee clients and CMI provides sub-advisory services to FNFD Wrap Fee clients. This potential conflict of interest is mitigated by the fact that FNFD Account Executives generally receive greater compensation for FNFD fee-based advisory accounts in the MAS Program than for an account referred to CMI. FNFD also mitigates this potential conflict of interest through disclosure in this Brochure and by recommending such sub-advised accounts in made consistent with the best interest of each client.

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, a director of both CMI and FNFD, and a Registered Principal and Registered Representative of FNFD. John R. Current, is an Executive Vice President and Secretary of FNFD and a Registered Principal and Registered Representative of FNFD, and 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, Executive Vice President of CMI and FNFD, Chair of CMI and FNFD, and also a Registered Principal and Registered Representative of FNFD. FNFD attempts to mitigate this conflict by disclosure in this Brochure and by reminding employees of the Firm’s obligation to make recommendations that are in the best interest of clients.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

FNFD may give advice and take action in the performance of its duties to clients which differ from advice given, or the timing and nature of action taken, with respect to the Programs, or advice being given by Program managers. Additionally, FNFD may, from time to time, not be free to divulge or act upon certain information in their possession received from confidential sources.

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 on a principal basis.

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

Review of Accounts

At least annually, Account Executives contact each of their clients 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. When necessary, any changes are communicated to the Program manager.

In general, Pershing and/or its affiliates provide clients in the Program with monthly account statements and also make 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 Program account information or warrant that the quarterly performance report was prepared in accordance with industry standards. Upon request, the Account Executive will review each client's quarterly performance report with the client.

In addition, FNFD (through Pershing) will transmit to clients (and where appropriate to the applicable investment adviser) 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

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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 fee-based accounts maintained as a part of the fee-based relationship with FNFD and may include related accounts and/or other accounts designated by the client as part of the relationship. The account(s) will be reviewed to evaluate whether the Wrap Fee program and the bundled fees continue to be appropriate for the client relationship. Periodic or annual reviews of client accounts conducted by Account Executives may be reviewed along with levels of activity, investment strategy, ongoing advice being provided the client, and any other relevant factors. Such reviews are done consistent with the Firm's wrap fee policies and procedures (see discussion in Item 4 above ("*Customers' Best Interest*")).

Client Referrals and Other Compensation

FNFD does not compensate any person who is not an FNFD supervised person for client referrals.

Financial Information

FNFD does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Nor does FNFD have discretionary authority or custody of client funds or securities.

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.

Requirements for State-Registered Advisers

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