



11300 Cantrell Rd, Suite 200  
Little Rock, AR 72212  
501-663-7055  
MeridianIA.com  
March 25, 2024

## **ANNUAL DISCLOSURE BROCHURE**

### ***Part 2A of Form ADV***

#### **Item 1 – Cover Page**

This Brochure provides information about the qualifications and business practices of Meridian Investment Advisors (“Meridian,” “we,” “our,” or “us”). If you have questions about the contents of this Brochure, please contact us at 501/663-7055. Meridian is a registered investment adviser under the United States Securities and Exchange Commission (“SEC”) Investment Advisers Act of 1940. 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.

Meridian is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Meridian is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

The purpose of this page is to inform you of material changes since the last annual update to this brochure. If you are receiving this brochure for the first time this section may not be relevant to you.

Meridian reviews and updates our brochure at least annually to confirm that it remains current. We may further provide clients with a new brochure as necessary based on changes or new information, at any time, without charge.

Since our last Brochure dated March 31, 2023, the following material changes have been made:

- Meridian may direct clients to third-party investment advisers. (Items 4, 5 & 10)
- Meridian updated its methods of analysis, investment strategies and risk of loss. (Item 8)

Our brochure may be requested by contacting Pat Moon, Chief Compliance Officer at 501/663-7055 or [PMoon@MeridianIA.com](mailto:PMoon@MeridianIA.com). The brochure is also available on our web site [www.MeridianIA.com](http://www.MeridianIA.com), also free of charge.

Additional information about Meridian is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Meridian who are registered, or are required to be registered, as investment adviser representatives.

### Item 3 -Table of Contents

Item 1	Cover Page .....	i
Item 2	Material Changes .....	i
Item 3	Table of Contents.....	ii
Item 4	Advisory Business .....	1
Item 5	Fees and Compensation.....	2
Item 6	Performance-Based Fees .....	3
Item 7	Types of Clients.....	3
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss .....	3
Item 9	Disciplinary Information.....	5
Item 10	Other Financial Industry Activities and Affiliations.....	5
Item 11	Code of Ethics.....	6
Item 12	Brokerage Practices .....	7
Item 13	Review of Accounts .....	8
Item 14	Client Referrals and Other Compensation .....	9
Item 15	Custody .....	9
Item 16	Investment Discretion .....	10
Item 17	Voting Client Securities .....	10
Item 18	Financial Information .....	10
Brochure Supplement(s)		

## Item 4 – Advisory Business

Meridian is an independent SEC Registered Investment Advisor. Headquartered in Little Rock, Arkansas, the firm was founded in 1983. As of December 31, 2023, we manage \$772 million in assets for endowments, foundations, company retirement plans, individuals, and high net worth families on a discretionary basis. Meridian is structured as an S Corporation and the principal owner is Pat D. Moon.

Since inception, Meridian has served as an advisor to assist clients with setting goals, establishing investment strategy, and managing financial asset portfolios on a discretionary basis. Meridian provides customized investment management solutions for its clients. This is achieved through continuous personal client contact and interaction while providing discretionary investment management and related advisory services. Meridian works closely with each client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to design a portfolio strategy. Meridian will then construct an investment portfolio tailored to the client's investment goals.

Meridian may direct clients to third party investment advisers. Before selecting other advisers for clients, Meridian will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where Meridian is recommending the adviser to clients. Meridian will perform initial and ongoing oversight and due diligence over each independent manager to ensure the strategy remains aligned with the client's investment objectives and overall best interests.

Our Retirement Services division was created in 1997 to provide retirement plan consulting to defined contribution plans (i.e., 401(k), 403(b), 401(a), and 457(b) plans). Plan assets range from \$500 thousand to \$110 million and include over 4,000 participants.

**Retirement Plan Rollovers – No Obligation / Conflict of Interest** – A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to a new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could result in adverse tax consequences). If Meridian recommends that a client roll over their retirement plan assets into an account to be managed by Meridian, such a recommendation creates a conflict of interest if Meridian will earn a new (or increase its current) advisory fee as a result of the rollover. No client is under any obligation to roll over retirement plan assets to an account managed by Meridian.

**ERISA / Internal Revenue Code Fiduciary Acknowledgment** – When we provide investment advice to a client regarding the client's retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with client interests, so we operate under a special rule that requires us to act in the client's best interest and not put our interest ahead of the client's. 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 the client's 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 the client's best interest.
- Charge no more than is reasonable for our services; and
- Give the client 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.

## Item 5 – Fees and Compensation

Meridian charges an annual fee that is a percentage of the account value. Fees are generally calculated at the rate of 1/4 of the annual rate on the total value of a client's account as of the last business day of March, June, September, and December and is payable in arrears or in advance, as agreed to by Meridian and client\*. For the time period between the date an investment advisory agreement is entered into and the first regular quarterly fee calculation date, an initial fee shall be computed on a pro-rata basis. In the event an investment advisory agreement is canceled by the client or Meridian, the client shall be entitled to a pro-rata refund of any prepaid fee.

Fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of, and in addition to, Meridian's fee. Meridian does not receive a portion of these commissions, fees, and costs.

Investment Management	AUM	Annual Fee Rate
<b>Blended Asset Allocation</b>	First \$1MM	1.00%
	Next \$10MM	0.85%
	Next \$10MM	0.75%
	Over \$20MM	0.50%
		0.45%
<b>Single Asset Class – Fixed Income</b>		
<b>Single Asset Class - Equities</b>	First \$1MM	1.25%
	Next \$10MM	1.00%
	Over \$10MM	0.75%

Client funds are frequently invested in money market funds which charge a management fee. Client funds held by a custodian or a broker may be swept into the custodian broker or bank's short-term investment funds. Funds of this nature ordinarily charge a fee for the investment of cash in mutual funds and money market type investments. These fees are in addition to those charged by Meridian,

i.e., if client account is invested in a mutual fund, exchange traded fund, or money market fund, there may be an additional management fee charged by those entities.

Compensation for investment advice furnished through consultations may be negotiated in advance between Meridian and client and may be based upon (1) an hourly or daily fee, at a rate agreed to by the client, plus expenses, (2) a fixed fee agreed to by the client, or (3) a percentage fee, at a rate agreed to by the client, based upon the amount of client's assets to which such consultations relate. Such compensation shall be payable at a time agreed to by Meridian and client.

As mentioned above in Item 4, Meridian may direct clients to third party investment advisers. Meridian will be compensated via a fee share from the advisers to which it directs those clients. The fees shared are negotiable and will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

Meridian serves as investment advisor to client-sponsored defined contribution plans whereby the sponsor offers a variety of investment options to participants. Participants are offered a minimum of four such investment options, e.g., money market, fixed income, equity funds and Lifestyle funds or Target Retirement funds. Meridian selects registered mutual funds or collective trust funds. Participants allocate their individual account balances among the funds selected by Meridian. Meridian has the discretion to designate the funds utilized and to increase or decrease the number of such funds. Meridian's annual fee schedule for this ranges from 0.10% to 1.0%. Funds selected by Meridian charge a fee for management of assets. Meridian's fee is in addition to that charged by the funds.

Meridian reserves the right to modify its customary fee arrangements when circumstances justify a different arrangement. Under certain circumstances, such as for clients who have multiple family members' portfolios under Meridian's management, Meridian may collectively apply the family members' assets to its fee schedule, resulting in a reduced assets-under-management fee. Therefore, the advisory fee may vary from client to client.

## **Item 6 – Performance-Based Fees**

Meridian does not offer performance-based fee arrangements (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

Meridian provides services to individuals and high net worth families; trusts, estates, and charitable organizations including foundations and endowments; corporate retirement plans, public pension funds, and municipalities.

Meridian has an initial minimum account size of \$500,000. This minimum may be adjusted at our discretion depending on the facts and circumstances, e.g., for minimum account size purposes, the value of client accounts may be aggregated, or an account may be accepted when it is anticipated that additional funds will be contributed.

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

Meridian focuses first on the appropriate asset allocation for clients. Matching the risk level of the portfolio with the client's risk profile is crucial in achieving long-term goals.

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

**Short term trading:** Risks include liquidity, economic stability and inflation, in addition to the long term trading risks listed above. Frequent trading, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Common Stocks:** Meridian invests primarily in common stocks and seeks to invest in companies that offer superior opportunities for growth of capital. These companies, in our opinion, are attractively valued and represent good long-term value. Meridian believes that an important way to accomplish this is through fundamental analysis. Meridian may also invest in relatively attractive investment opportunities, both domestic and securities issuers domiciled outside the U.S., through exchange-traded funds or mutual funds.

**Fixed Income:** Meridian invests primarily in U.S. Treasuries, Agencies of the Federal government, high quality U.S. corporate bonds, and municipal bonds. Average maturity and duration of the fixed income portfolio is determined by Meridian's investment committee economic outlook.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Because ETFs use "authorized participants" (APs) as agents to facilitate creations or redemptions (primary market), there is a risk that an AP decides to no longer participate for a particular ETF; however, that risk is mitigated by the fact that other APs can step in to fill the vacancy of the withdrawing AP [an ETF typically has multiple APs] and ETF transactions predominantly take place in the secondary market without need for an AP. Like other liquid securities, ETF pricing changes throughout the trading day and there can be no guarantee that an ETF is purchased at the optimal time in terms of market movements. Moreover, due to market fluctuations, ETF brokerage costs, differing demand and characteristics of underlying securities, and other factors, the price of an ETF can be lower than the aggregate market price of its cash and component individual securities (net asset value – NAV). An ETF is subject to the same market risks as those of its underlying individual securities, and also has internal expenses that can lower investment returns.

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

**Direct Indexing:** Meridian will sometimes recommend certain Independent Managers who employ direct indexing investment strategies that seek to enhance after-tax performance of a specific benchmark, which may be unable to harvest losses due to various factors. Market conditions may limit the ability to generate tax losses. A tax loss realized by a U.S. investor after selling a security will be negated if the investor purchases the security within thirty days. Although the manager attempts to avoid "wash sales" and temporarily restricts securities it has sold at a loss to prevent wash sales, a wash sale can occur inadvertently because of trading by a client in portfolios not managed by the manager, in other household-level accounts managed by Meridian, or within other direct indexed accounts. Direct indexed mandates of non-liquid securities (e.g., small cap U.S. equities, distressed

companies, ADRs) can carry significant bid-ask spreads that detract from pre-tax performance. Direct indexing performance can meaningfully deviate from the performance of the benchmark the strategy attempts to replicate.

**Risks of Investing in Financial Assets:** As with all financial securities, prices can fall because of weakness in stock or bond markets, a particular industry, or a specific holding. The financial markets can decline for many reasons, including adverse political or economic developments, changes in investor philosophy, or heavy institutional selling.

The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. In addition, Meridian's assessment of companies may prove incorrect, resulting in losses or poor performance even in rising markets. Investing in small companies involves greater risk than is customarily associated with larger companies. Stocks of small companies are subject to more abrupt or erratic price movements than larger-company stocks. Small companies often have limited product lines, markets, or financial resources, and their managements may lack depth and experience. Such companies seldom pay significant dividends that could cushion returns in a falling market.

Investing in securities involves risk of loss that clients should be prepared to bear.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Meridian or the integrity of Meridian's management. Meridian advisors have experienced no legal or disciplinary events.

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

Meridian may recommend clients establish brokerage accounts with various registered broker/dealers, members SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Meridian is independently owned and operated and not affiliated with any broker/dealer. The broker/dealers provide Meridian access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge, so long as a specified amount of the client assets are maintained in the accounts at broker/dealers. Meridian does not commit to any broker/dealer a specific amount of trading. The broker/dealer services may include brokerage, custody, research, access to mutual funds, and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Meridian client accounts maintained in its custody, the broker/dealers generally do not charge for custody but are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through broker/dealers or that settle into broker/dealers' accounts.

The broker/dealers also make available to Meridian other products and services that benefit Meridian but may not benefit client accounts. Some of these other products and services assist Meridian in managing and administering client accounts. These may 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 Meridian fees from its client accounts; and assist with back-office functions, recordkeeping and client



reporting. Many of these services generally may be used to service all or a substantial number of Meridian accounts, including accounts not maintained at the providing broker/dealer. The broker/dealer may also make available to Meridian other services intended to help Meridian manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. While as a fiduciary Meridian endeavors to act in its clients' best interests, Meridian's recommendation that clients maintain their assets in accounts at a particular broker/dealer may be based in part on the benefit to Meridian of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by a particular broker/dealer which may create a potential conflict of interest.

Meridian may direct clients to third-party investment advisers. Meridian will be compensated via a fee share from the advisers to which it directs those clients. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that Meridian has an incentive to direct clients to the third-party investment advisers that provide Meridian with a larger fee split. Meridian will always act in the best interests of the client, including when determining which third party investment adviser to recommend to clients. Meridian will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where Meridian is recommending the adviser to clients.

## **Item 11 – Code of Ethics**

Meridian has adopted a Code of Ethics (the "Code") for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Meridian must acknowledge the terms of the Code of Ethics annually, or as amended. Meridian's complete Code of Ethics is available upon request.

Meridian has a profit-sharing plan which may, from time to time, purchase or sell securities. In addition, personnel of Meridian may purchase or sell securities for themselves or accounts in which they may have a beneficial interest. The Code is designed to proscribe transactions which would result in actual or potential conflicts of interest between clients and employees of Meridian in connection with the purchase and/or sale of securities.

Meridian anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Meridian has management authority to effect and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Meridian, its affiliates and/or clients, directly or indirectly, have a position of interest. Meridian's employees and persons associated with Meridian are required to follow Meridian's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Meridian and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Meridian's clients. The Code is designed to assure that the personal securities transactions, activities and interests of the employees of Meridian will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Meridian's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from

market activity by a client in a security held by an employee. Employee trading is continually monitored to reasonably prevent conflicts of interest between Meridian and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Meridian's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Meridian will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

It is Meridian's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Meridian will also not cross trades between client accounts. Principal transactions are generally defined as transactions where Meridian, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Meridian's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Pat D. Moon.

## **Item 12 – Brokerage Practices**

Schwab Advisor Services™ (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms. Through Schwab Advisor Services, CS&Co. provides access to institutional brokerage services — trading, custody, reporting, and related services—many of which are not typically available to CS&Co. retail customers. CS&Co. also makes available various support services. Some of those services help us manage or administer client accounts, while others help us manage and grow our business. CS&Co.'s support services described below are generally available on an unsolicited basis and at no charge to us. The availability to us of CS&Co.'s products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

CS&Co. also makes available other products and services that benefit us but may not directly benefit the client or their account. These products and services assist in managing and administering client accounts. They include investment research, both Schwab's and that of third parties. We may use this research to service all or some client accounts, including accounts not maintained at CS&Co. In addition to investment research, CS&Co. also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements),
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts,
- provide pricing and other market data,
- facilitate payment of our fees from our clients' accounts, and
- assist with back-office functions, recordkeeping, and client reporting.

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

- educational conferences and events,
- technology, compliance, legal, and business consulting,
- publications and conferences on practice management and business succession, and
- access to employee benefits providers, human capital consultants, and insurance providers.

In some cases, it may arrange for third-party vendors to provide services to us. CS&Co. may also discount or waive fees for some of these services or pay all or a part of a third party's fees. CS&Co. may also provide other benefits such as occasional business entertainment of our staff.

Meridian may receive a benefit from these free services and there is no required minimum trading commissions or assets custodied at CS & Co. In light of these arrangements with Schwab, we may have an incentive to recommend clients maintain their accounts with CS&Co. based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. We believe, however, that our selection of CS&Co. as custodian and broker is in the best interest of our clients. This is supported by the scope, quality, and price of CS&Co.'s services and not Schwab's services that benefit only us.

In cases in which Meridian determines or suggests brokers and negotiates or suggests commission rates, such decisions or actions are based upon Meridian's evaluation of execution ability and brokerage service and on the basis of research services or the receipt of other products or services. Other products and services may include trading platforms, publications of regulatory and industry issues, and dedicated service representatives. Meridian may pay a broker a brokerage commission in excess of that which another broker might have charged for effecting the same transaction, in recognition of services provided by the broker.

Meridian has adopted trading policies that are intended to ensure that all trades are undertaken and, where necessary, allocated to advisory clients in a manner that fulfills our fiduciary obligation to each advisory client and otherwise allocates securities on a basis that is fair, equitable, consistently applied and does not unfairly discriminate against any advisory client. Instances where allocation may be necessary include without limitation: block trades, bunching client trades, simultaneous transactions in securities for advisory clients and the firm (or an employee of the firm), and disposition of unattractive securities (e.g., a downgraded security). When allocation is necessary, securities shall be apportioned among advisory clients and others in accordance with the Meridian's trading policies and otherwise as directed by the Chief Compliance Officer (the "CCO"). In determining whether an allocation is fair, the CCO shall take into account Meridian's fiduciary duties to each client, potential conflicts of interest, the facts and circumstances presented in each instance, each client's individual investment objectives, mandates and suitability, eligibility to participate in the transaction and any other considerations which, in the sole judgment of the CCO, are relevant and material to the overall goal of allocating securities on a fair and equitable basis.

Pat D. Moon is the Chief Compliance Officer.

### **Item 13 – Review of Accounts**

An Advisor is assigned to each portfolio and is responsible for monitoring and maintaining compliance with client-specific guidelines. Portfolios are reviewed on a regular basis depending on the complexity of the relationship. Meridian encourages its clients to meet with a representative of the firm on a regular basis, which may be as frequent as each quarter, to review performance of the

client's portfolio. More frequent informal reviews may be triggered by market conditions, news events, excess cash balances, or any other event Meridian deems significant. Clients are encouraged to contact Meridian whenever their financial situation changes (e.g., marriage, divorce, birth, death, change in employment) as this may trigger an adjustment to the portfolio construction.

Meridian issues periodic reports to clients regarding the positions, asset allocation, fee calculations, and the performance of the client's portfolio. Meridian also provides a client portal where information is updated daily. In addition, clients receive confirmations for transactions and monthly statements from the custodians of their accounts. Custodians issue quarterly statements if no monthly account activity has taken place.

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

We receive an economic benefit from CS & Co. in the form of the support products and services it makes available to us. These products and services, how they benefit us, and the related conflicts of interest are described above under *Item 12 Brokerage Practices*. The availability to us of these products and services is not based on us giving particular investment advice, such as buying securities for our clients.

Occasionally we may send a thank you gift to an individual or company for a client referral.

Our firm has paid referral fees to independent persons ("Solicitors") for introducing clients to us. Whenever we paid a referral fee, we required the Solicitor to provide the prospective client with a copy of this document (our Firm Brochure) and a separate disclosure statement that included the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- The fee paid to us by the client will not be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors were not increased as a result of any referral.

Other Compensation:

No other compensation is received other than what is already disclosed.

#### **Item 15 – Custody**

Meridian is deemed to have custody of client assets if we may move money from a client account to an unrelated third party (i.e., other than a client bank account). Meridian will move money to a third party only at the written instruction of a client. It is the policy of Meridian to receive verbal confirmation of all unsolicited client emails instructing movement of client funds to a third party.

## **Item 16 – Investment Discretion**

Clients enter a written Investment Advisory Agreement with Meridian which describes the discretionary authority Meridian accepts to make all investment decisions regarding the portfolio and to make sales, purchases, and reinvestments necessary to carry out the client's investment objectives. This discretion is to be exercised in a manner consistent with the stated investment objectives for the client account.

## **Item 17 – Voting Client Securities**

In certain circumstances, and in accordance with the client's specific advisory agreement, Meridian shall vote proxies related to securities held by any client in a manner that is in the best interest of the client. Meridian shall consider only those factors that relate to the client's investment(s) or that are established by the client's written instructions. Such factors will include how a vote will economically impact and affect the value of the client's investment.

Proxy votes generally will be cast in favor of proposals that:

- maintain or strengthen the shared interests of shareholders and management.
- increase shareholder value.
- maintain or increase shareholder influence over the issuer's board of directors and management.
- maintain or increase the rights of shareholders.

Proxy votes generally will be cast against proposals having the opposite effect.

In exercising its voting discretion, Meridian and its employees shall avoid any direct or indirect conflict of interest raised by such voting decision.

Consistent with SEC Rule 206(4)-6, Meridian will keep certain records required by applicable law in connection with its proxy voting activities for clients and shall provide proxy-voting information to clients upon their written or oral request. A copy of Meridian's proxy-voting policies and procedures are available to clients upon request.

Marshall D. Moon will be responsible for voting proxies.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Meridian's financial condition. Meridian has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.