

## Item 1: Cover Page

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### Form ADV Part 2A Investment Adviser Brochure

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March 2024

This Brochure provides information about the qualifications and business practices of Tiller Private Wealth, Inc. ("Tiller" or the "Firm", "we", "us", "our"). If you have any questions about the contents of this Brochure, please contact Linda E. Yeager, Chief Compliance Officer and Senior Wealth Manager at (610) 954 - 9940.

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

We are a registered investment adviser. Please note that use of the term "registered investment advisor" and a description of the Firm and/or our employees as "registered" does not imply a certain level of skill or training. For more information on the qualifications of the Firm and our employees who advise you, we encourage you to review this Brochure and the Brochure Supplement(s).

## Item 2: Material Changes

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In this Item of Tiller Private Wealth, Inc.'s ("Tiller" or the "Firm," "we", "us", "our"). Form ADV 2, the Firm is required to discuss any material changes that have been made to Form ADV since the last Annual Amendment.

### **Material Changes since the Last Update**

Since the last ADV Annual Amendment filing dated March 16, 2023, the Firm has the below material changes to report:

- This Form was updated to clarify our proxy voting policies. Please see Item 17 (Voting Client Securities).
- Effective in May 2023, the Firm's legal name was changed to Tiller Private Wealth, Inc.

### **Annual Update**

You will receive a summary of any material changes to our Form ADV brochure within 120 days of our fiscal year end. We may also provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes will include the date of the last annual update of the ADV.

### **Full Brochure Available**

Tiller Private Wealth, Inc.'s Form ADV may be requested at any time, without charge by contacting Linda E. Yeager, Chief Compliance Officer and Senior Wealth Manager at (610) 954 - 9940. Additional information about our Firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). 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.

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## Item 4: Advisory Business

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Tiller Private Wealth, Inc. (“Tiller” or the “Firm,” “we”, “us”, “our”) is a registered investment advisor. We are a fee-only independent advisory firm. Our principal place of business is in Bethlehem, Pennsylvania, and we have a second office in Orlando, Florida. We began conducting business in 1996.

Our principal shareholders are John G. Youngs, James M. Beenders and Webster J. Youngs.

### **ADVISORY SERVICES**

We offer the following services:

#### **Investment Management**

We provide continuous advice regarding the investment of your assets based on your individual needs. We work with you to establish your goals and objectives, based on your particular circumstances. From there we develop your personal investment policy and create and manage a portfolio based on that policy. Examples of your objectives may be time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss your prior investment history, as well as family composition and background.

We primarily manage accounts on a discretionary basis, which means that we have the ability to trade securities in your accounts. Occasionally we manage accounts on a non-discretionary basis. Account supervision is guided by your stated objectives as well as tax considerations.

You may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

We generally construct your portfolio from a diverse selection of mutual funds and exchange-traded-funds. Occasionally, we include individual stock and/or individual fixed-income securities and notes in your portfolio. We may also provide guidance, where appropriate, on your employee stock options and 401(k) allocations and other non-discretionary assets. Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company.

Because some types of investments involve certain additional degrees of risk, they are only implemented/recommended when consistent with your stated investment objectives, tolerance for risk, liquidity and suitability.

We also offer services for your assets held away at other custodians. These assets are typically 401(k)s and/or assets managed by other investment managers. In these cases, we provide advice as to asset allocation and act as a “manager of managers.” Fees for these services may be separate and distinct from our Investment Management fees.

#### **Financial Planning**

We offer financial planning services as an additional service to our Investment Management. Financial planning is an evaluation of your current and future financial state by using currently known variables

to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, we consider any questions, information and analysis as they impact and are impacted by your entire financial and life situation. You may receive a written report which provides a detailed financial plan designed to assist you achieve your financial goals and objectives.

We gather required information through in-depth personal interviews. Information gathered includes your current financial status, tax status, future goals, return objectives, and attitudes towards risk. We also carefully review documents you supply, which may include a detailed questionnaire. If you choose to implement the recommendations we make, we suggest you work closely with your attorney, accountant, insurance agent, and/or other similar professionals with whom you work. Implementation of financial plan recommendations is entirely at your discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning. Examples of this are deferred compensation planning, retirement and personal savings rates and social security elections, among others.

Financial planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

#### **401(K) Plans**

We offer various levels of advisory and consulting services to employee benefit plans and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors ("Plan Sponsors") in meeting their management and fiduciary obligations to the Participants under the Employee Retirement Income Securities Act. Plan Sponsors must make the ultimate decision to retain us for pension consulting and other advisory services including, but not limited to, services at the Participant level. The Plan Sponsor is free to seek independent advice about the appropriateness of any recommended services for the plan.

#### **Alternative Investments**

From time to time, we may recommend to accredited investors alternative investments which involve strategies distinct from traditional mutual funds, exchange traded equities and fixed income securities. These alternative investments generally take the form of privately placed equity and debt securities such as limited partnership interests and limited liability company interests. These securities are not generally traded and are, in fact, at acquisition restricted as to sale or transferability. Examples are, but not limited to, secured loans and private equity. These alternative investments are not managed or advised by us but are advised and managed by other unrelated managers and advisers, most of whom are not registered investment advisors. Whenever a third-party manager or investment adviser is responsible for managing assets in an alternative investment that we may have introduced our advisory clients to, we disclose that to the prospective advisory investors. Typically, a private placement memorandum that explains the operations of the investment and its risks are provided to any potential accredited investor. Our employees may participate in alternative investments along with our clients.

### **Use of Independent Managers**

We may recommend that you authorize the active discretionary management of a portion of your assets by independent investment manager(s) (“Independent Manager(s)”). The terms and conditions under which you will engage the Independent Manager(s) will be set forth in a separate written agreement between you and the Independent Manager(s). We will continue to provide you with advice about the selection of Independent Manager(s) as well as monitoring and review of your investment objectives and account performance.

When selecting an Independent Manager for you, we will review information about them from their Form ADV, materials which they may supply and/or information from independent third parties. Factors that we consider in selecting Independent Manager(s) include your investment objective(s), and the Independent Manager’s investment style, performance, risks, reputation, financial strength, reporting, pricing, and research.

We do not receive compensation for the recommendation of Independent Managers.

### **FIDUCIARY STATEMENT**

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also 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.

We have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. We must take into consideration each client’s objectives and act in the best interests of the client. We are prohibited from engaging in any activity that is in conflict with the interests of the client. We have the following responsibilities when working with a client:

- To render impartial advice;
- To make appropriate recommendations based on the client’s needs, financial circumstances, and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have a reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- Disclose any material conflict of interest in writing; and
- Treat clients fairly and equitably.

Regulations prohibit us from:

- Employing any device, scheme, or artifice to defraud a client;
- Making any untrue statement of a material fact to a client or omitting to state a material fact when communicating with a client;

- Engaging in any act, practice, or course of business which operates or would operate as fraud or deceit upon a client; or
- Engaging in any manipulative act or practice with a client.

We will act with competence, dignity, integrity, and in an ethical manner, when working with clients. We will use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

#### **TAILORED RELATIONSHIPS**

We tailor investment advisory services to the individual needs of the client. Our clients are allowed to impose restrictions on the investments in their account. All limitations and restrictions placed on accounts must be presented to us in writing.

#### **WRAP FEE PROGRAMS**

We do not participate in any wrap-fee programs.

#### **AMOUNT OF MANAGED ASSETS**

As of January 29, 2024 , we actively managed \$590,696,915 of clients' assets on a discretionary basis.

## Item 5: Fees and Compensation

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### **INVESTMENT MANAGEMENT FEES**

We charge a percentage of assets under management not to exceed 1.15% annually. We require a minimum of \$1 million of assets under management for this service. This account size may be negotiable under certain circumstances. We collect fees quarterly, in arrears by deducting them from your portfolios.

We do NOT accept compensation for the sale of securities or other investment products.

As described in Item 4, we may provide advice for assets custodied at other custodians. Our fees for services to these external portfolios may be the same or less as the fees charged for our discretionary investment management, depending upon complexity, scope of work etc. We collect these fees quarterly, in arrears, by either deducting them from your discretionary accounts or by direct payment by you.

### **INVESTMENT MANAGEMENT AND FINANCIAL PLANNING FEES**

You must be an Investment Management client to receive our Financial Planning services. The Financial Planning fee, not to exceed 0.50% of assets under management annually, is in addition to your Investment Management fee. We determine the Financial Planning fee as an additional percentage of assets under management, based on the nature of the services being provided and the complexity of your circumstances. Financial Planning fees are collected in the same manner of Investment Management fees.

Under limited circumstances we may charge a flat fee for Financial Planning services. We collect fees quarterly, in arrears, by deducting them from your portfolios.

### **401(k) PLAN FEES**

We charge a percentage of assets under management not to exceed 0.85% annually. We collect 401(k) fees monthly, in arrears, by deducting them from the plan directly.

### **GENERAL INFORMATION**

**Limited Negotiability of Advisory Fees:** We retain the discretion to negotiate alternative fees on a case-by-case basis. We take into account various facts and circumstances in determining the fee schedule. These include your financial complexity, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition and reporting, among other factors.

We may group related accounts to achieve the minimum account size requirements and determine the annualized fee.

**Termination of the Advisory Relationship:** Our services may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned



fees will be promptly refunded on a pro-rata basis. Any unpaid fees will be due immediately.

**Mutual Fund/ETF (Exchange Traded Fund) Fees:** All fees you pay to us are separate and distinct from the fees and expenses charged by funds to their shareholders. Each fund's prospectus describes these fees and expenses. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. We do NOT recommend funds with sales charges, or "loads". Funds we recommend are either no-load or load-waived funds. We occasionally recommend lower-expense institutional-only fund classes with transaction fees payable to the custodian - we use these only when the reduced fund expenses justify the nominal transaction cost. You could invest in a fund directly, without our services. In that case, you would not receive the services provided by us which are designed, among other things, to assist you in determining which fund or funds are most appropriate to your financial condition and objectives. You should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid and to evaluate the advisory services being provided.

**Additional Fees and Expenses:** In addition to our advisory fees, you are also responsible for the fees and expenses charged by custodians, including, but not limited to, any transaction charges charged to buy or sell securities for you. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**ERISA Accounts:** We are a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Service Code of 1986 (the "IRS Code"), respectively. We are subject to specific duties and obligations under ERISA and the IRS Code that include, among other things, restrictions concerning certain forms of compensation.

**Advisory Fees in General:** Similar advisory services may (or may not) be available from other investment advisers for similar or lower fees.

**Cash Holding Guidelines:** Some of your assets may be held as cash and remain uninvested. Holding a portion of your assets in cash and cash alternatives, i.e., money market fund shares, may be based on your desire to have an allocation to cash as an asset class, to support a phased market entrance strategy, to facilitate transaction execution, to have available funds for withdrawal needs or to pay fees or to provide for asset protection during periods of volatile market conditions. Your cash and cash equivalents will be subject to our investment advisory fees unless otherwise agreed upon. You may experience negative performance on the cash portion of your portfolio if the investment advisory fees charged are higher than the returns you receive from your cash.

**Margin:** You may choose to add a margin feature to your non-qualified account(s), allowing you to borrow against the value of your investments. This would create a 'negative' cash position and reduce the overall value of your account(s). Our investment advisory fees will typically be based on the entire invested value of your portfolio, excluding any margin balance. We feel this allows us to focus on the underlying investment work we do for you and removes the potential conflict of interest related to recommendations we may make regarding your use of margin.

**Retirement Plan Rollover Recommendations:** As part of our investment advisory services to our clients, we may recommend that clients roll assets from their employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will advise on the client's behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts.

If the client elects to roll the assets to an IRA that is subject to our advisement, we will charge the client an asset-based fee as set forth in the advisory agreement the client executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to the client (i.e., receipt of additional fee-based compensation). Clients are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if clients do complete the rollover, clients are under no obligation to have the assets in an IRA advised on by our firm. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in our clients' best interests and not put our interests ahead of our clients'.

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 our clients' 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 our clients' best interests;
- charge no more than a reasonable fee for our services; and
- give clients basic information about conflicts of interest.

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

1. leaving the funds in the employer's (former employer's) plan;
2. moving the funds to a new employer's retirement plan;
3. cashing out and taking a taxable distribution from the plan; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide clients with an explanation of the advantages and disadvantages of both account types and document the basis for our belief that the rollover transaction we recommend is in your best interest.

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

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We do not charge performance-based fees, which are fees tied to capital gains or capital appreciation of your portfolio.

## Item 7: Types of Clients

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We provide services to individuals, high-net worth individuals, and charitable organizations.

As previously disclosed in Item 5, we have established certain initial minimum account requirements, based on the nature of the service(s) being provided.

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

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### **INVESTMENT STRATEGIES**

Our investment goal is to provide attractive long-term returns given your risk profile and goals. Our strategy is to reduce risk through diversification, to generate income and to preserve capital relative to market movements. We work for you to be an objective advisor, and to harness for you, from the thousands of security choices available, the combination that suits your particular situation. We seek low correlation asset classes so that you don't 'put all your eggs in one basket'. And we seek to do this in a manner that includes tax considerations to maximize your net after-tax returns.

We also strive to be cost-sensitive for you. We do not charge any commissions, nor collect any 12b-1 fees. We push for the lowest trading commissions possible from your custodian. We do not use mutual funds with front-end or deferred charges. We use lower-cost, passively managed ETFs when suitable, and factor in the expenses of actively managed mutual funds when warranted. We look for investments where any investment cost is more than justified by the potential net return to you.

Our strategic asset allocation strategies have a long-term focus, meaning we typically tend to hold positions for at least one year or longer. We are generally not seeking to time the markets with short-term trades; we want exposure to a broad assortment of asset classes and styles, and we want to maintain this over time. We adjust the ratios of this asset allocation over time, but such changes are typically gradual and, where possible, tax sensitive. The risk here is short-term volatility, which can hinder returns.

Occasionally we will add margin transactions to our strategy. This is typically only used either at your request, or if your circumstances would specifically benefit from this strategy. Margin transactions mean you purchase stocks with money borrowed from your portfolio, using your investments as collateral.

### **METHODS OF ANALYSIS**

In formulating our investment advice and/or managing client assets, we primarily use asset allocation, fundamental analysis and mutual fund/exchange traded fund analysis.

It is important to note that we do not rely on any one method of analysis, nor any one source of information, exclusively. Rather, we harness a wide variety of information before making a recommendation.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of various securities, fixed income, and cash suitable to your investment goals and risk tolerance. This diversity of investment styles reduces potential exposure to risks involved in concentrated positions and can help buffer you from sharp drops in value by a particular security, industry or market sector. Conversely, a risk of asset allocation is that you may not participate in sharp value increases of concentrated holdings.

**Fundamental Analysis.** We study economic and financial factors, including the overall economy, industry conditions, political climate, international conditions etc., to help guide the timing and scope of changes to our asset allocation recommendations. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the information available to us is imperfect, and unexpected things happen, causing market movements that are unpredictable.

**Mutual Fund and/or ETF (Exchange Traded Fund) Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in your portfolio. We also monitor the funds in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of fund analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in funds, managers of different funds may purchase the same security, increasing the risk if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund, which could make the holding(s) less suitable for you.

### **RISK OF LOSS**

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

**All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although we manage assets in a manner consistent with your investment objectives and risk tolerance, there can be no guarantee that our efforts will be successful. You should be prepared to bear the following risks of loss:**

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

### **Risks for All Investments**

**Interest Rate Risk** — when interest rates increase, the value of the account's investments may decline, and the account's share value may decrease. This effect is typically more pronounced for intermediate and longer-term obligations. This effect is also typically more pronounced for mortgage and other asset-backed securities and variable rate securities since value may fluctuate more significantly in response to interest rate changes. When interest rates decrease, the account's current income may decline.

**Market and Economic Risk** — An account's investment value may decline due to changes in general economic and market conditions. A security's value held in an account may change in response to developments affecting entire economies, markets or industries, including changes in interest rates, political and legal developments and general market volatility.

**Real Estate Risk** — An account's investments in real estate related investment, including mortgage-backed securities and real estate investment trusts ("REITs") are subject to risks affecting real estate investments generally (including market conditions, competition, property obsolescence, changes in interest rates and casualty to real estate).

**Concentration Risk** — Some strategies concentrate their investments in a small number of securities and therefore, the securities in which they invest may not be diversified across many sectors. They also might be concentrated in specific regions or countries. The value of your account will vary considerably in response to changes in the market value of that individual security. This may result in higher volatility.

**Cybersecurity Risk** — A breach in cyber security refers to both intentional and unintentional events that may cause an account to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause an account to incur regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures, and/or financial loss.

**Pandemic Risk** — Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption.

**Risks for Alternative Investments.** In addition to the risks cited above, alternative investments are subject to several specific risks:

**Liquidity Risk** — Due to a lack of demand in the marketplace or other factors an account may not be able to sell some or all of the investments promptly or may only be able to sell investments at less-than- desired prices. Further, certain investments will have restrictions on transferability that prohibit or restrict the ability to sell those investments. In addition, certain funds may have limited periodic purchase and redemption windows.

**Smaller Company Risk** — Investments in smaller companies may involve additional risks because of limited product lines, limited access to markets and financial resources, greater vulnerability to competition and changes in markets, lack of management depth, increased volatility in share price, and possible difficulties in valuing or selling the investments.

**Management Risk** — There is no guarantee that our judgments about the intrinsic value and potential appreciation of a particular asset class or individual security are correct. Even if our assessment of the intrinsic value of a security is correct, it may take a long period of time for the security to realize that intrinsic value and there is no guarantee that the stock market will recognize our estimate of the value of a security.

**Custodial Risk** — This risk is the probability that a party to a transaction will be unable or unwilling to fulfill its contractual obligations either due to technological errors, control failures, malfeasance, or potential regulatory liabilities.



## Item 9: Disciplinary Information

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We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

We and our management personnel have no disciplinary events to disclose.

## Item 10: Other Financial Industry Activities and Affiliations

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### **Financial Industry Activities**

We are not registered as a broker-dealer, and none of our management persons are registered representatives of a broker-dealer.

Neither we nor any of our management persons is registered as (or associated with) a futures commissions merchant, commodity pool operator, or a commodity trading advisor.

### **Insurance Company or Agent**

Certain of our Investment Adviser Representatives are licensed insurance agents or brokers and may be appointed with several insurance companies. They may earn separate compensation for transactions implemented through various insurance companies for policies sold prior to their employment with our Firm. These individuals are prohibited from selling insurance to Firm clients.

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

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We have adopted a Code of Ethics (“Code”) which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

We owe a duty of loyalty, fairness and good faith towards you, and have an obligation to adhere not only to the specific provisions of the Code of Ethics (Code) but to the general principles that guide the Code.

Our Code is designed to assure that the personal securities transactions, activities and interests of our employees 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.

Our Code includes policies and procedures for the review of quarterly securities transactions reports that must be submitted by our employees. Among other things, our Code also requires the prior approval of any acquisition by our employees of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code also provides for oversight, enforcement and recordkeeping provisions.

Our Code further includes our policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code is available by request by calling us at (610) 954 - 9940.

### **Participation in Client Transactions**

We and/or our employees may buy or sell for their personal account’s securities identical to or different from those recommended to you. In addition, any related person(s) may have an interest or position in a certain security (ies) which may also be recommended to you.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for you. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. Our employee accounts may be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest, we have established the following policies and procedures, to ensure we comply with our regulatory obligations and provides you with full and fair disclosure of such conflicts of interest:

- No employee may put his or her own interest above the interest of a client.
- No employee may buy or sell securities for their personal portfolio(s) where their decision is a

result of information received as a result of his or her employment unless the information is also available to the investing public.

- It is our expressed policy that no employee may knowingly purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
- We require prior approval for any IPO or private placement investments made by employees.
- We have established procedures for the maintenance of all required books and records.
- Clients can decline to implement any advice rendered.
- All employees must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
- We require delivery to and acknowledgement of the Code by each employee.
- We have established policies requiring the reporting of Code violations to our senior management.
- Any employee who violates any of the above restrictions may be subject to termination.

## Item 12: Brokerage Practices

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### **BROKERAGE ACCOUNTS**

We do not receive formal soft dollar benefits other than execution from broker/dealers in connection with client securities transactions.

We do not receive client referrals from broker/dealers.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may recommend the use of one of several broker-dealers or custodians (including, but not limited to Charles Schwab & Co., Inc. and Millennium Trust Company), provided that such recommendation is consistent with our fiduciary duty to the client. You must evaluate these custodians before opening an account. The factors we consider when making these recommendations include:

- asset custody services and transaction execution services
- quality of services
- competitiveness of the price of those services, and willingness to negotiate costs
- reputation, financial strength and stability of the provider
- their prior service to us and our other clients
- capabilities to facilitate transfers & payments to and from accounts
- breadth of investment products made available
- availability of research and tools that assist us in making investment decisions

You are not under any obligation to effect trades through any recommended broker. We may recommend (or use) a broker who provides useful trading and professional services even though a lower commission may be charged by a broker who offers no trading assistance and minimal professional services.

### **CHARLES SCHWAB & CO., INC.**

As we do not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct us as to the broker-dealer to be used.

We request that you direct us to establish brokerage accounts through the Schwab Advisor Services division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of your assets and to effect trades for your accounts. We have evaluated Schwab and believe that it will provide you with a blend of execution services, commission costs and professionalism that will assist us to meet our fiduciary obligations to you.

We reserve the right to decline acceptance of any account for which you direct the use of a broker other than Schwab if we believe that this choice would hinder our fiduciary duty to you and/or our ability to service your account. In directing the use of Schwab, you should understand that we will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the

commissions charged to you and those charged to other clients (who may direct the use of another broker).

Clients should note, while we have a reasonable belief that Schwab is able to obtain best execution, and competitive prices, we will not be independently seeking best execution price capability through other brokers. Not all advisers require clients to direct it to use a particular broker-dealer.

Although we recommend that you establish accounts at Schwab, it is your decision to custody assets with Schwab. We are independently owned and not affiliated with Schwab.

Schwab provides us with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab. These services are NOT contingent upon us committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and 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 client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through trading commissions and other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab makes available other products and services to us (described below) that benefit us but may not directly benefit your accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering your accounts include the following:

**Services that Benefit You.** Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

**Services that May Not Directly Benefit You.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data;
- 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.

**Services that Generally Benefit Only Us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- 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.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel. In evaluating whether to recommend that client's custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

### **MILLENNIUM TRUST COMPANY**

In certain instances, we may recommend you establish brokerage accounts with Millennium Trust Company ("Millennium"), a trust company chartered in the State of Illinois, to maintain custody of your assets and to effect trades for your accounts. Millennium typically handles non-standard, or alternative investments. Although we recommend that you establish accounts at Millennium, it is your decision to custody assets with Millennium. We are independently owned and not affiliated with Millennium.

Millennium provides us access to its custody services, on an unsolicited basis, at no charge to us. These services are NOT contingent upon us committing to Millennium any specific amount of business (assets in custody or trading commissions). Millennium's brokerage services include the execution of securities transactions, custody, pricing, access to account data, and assistance with back-office functions such as recordkeeping and client reporting.

For our client accounts maintained in its custody, Millennium generally charges separately for custody services and is compensated by account holders directly.

### **TRADE AGGREGATION**

Where possible and when advantageous to clients we will generally aggregate trades for multiple clients into "block" trades. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

In certain situations, such as thinly traded (or 'low volume' securities), limit-order executions, or one-

off client trades for example, block trading may not be used. It is possible that certain client trades may be executed before others, at a different price.



## Item 13: Review of Accounts

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### **Who Reviews the Accounts?**

All accounts are reviewed by John G. Youngs (Chief Executive Officer, Chief Operating Officer and Senior Wealth Manager), James M. Beenders (President and Senior Wealth Manager), Linda Yeager (Chief Compliance Officer and Senior Wealth Manager), Matthew Short (Senior Wealth Manager) and/or Justin Clark (Senior Wealth Manager).

### **INVESTMENT MANAGEMENT**

**REVIEWS:** While the underlying securities held in your portfolio are continually monitored, we review your accounts at least quarterly. Accounts are reviewed in the context of your stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment. We have monitoring tools that track your allocation against the goals we have agreed upon and call any significant deviations to our attention.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that you receive from Schwab, we typically provide quarterly written or electronic reports summarizing account performance, balances and holdings. In addition, we make this data available via access to our client portal.

### **FINANCIAL PLANNING**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically formal reviews will be conducted for Financial Planning clients annually, or according to whatever schedule has been agreed upon with you.

**REPORTS:** Financial Planning clients typically receive a completed written or electronic financial plan. Additional reports will typically be provided during annual updates or upon material changes to your circumstances.

### **401(k) PLAN SERVICES**

**REVIEWS:** Reviews are generally performed annually with on-site meetings conducted by one of our advisors, or according to whatever schedule has been agreed upon with you. We also make ourselves available to the Participants of the 401(k) plan, as needed.

**REPORTS:** All account activity and statements are provided to Participants from the custodian.

### **ALTERNATIVE INVESTMENTS**

**REVIEWS:** Reviews are performed periodically depending on the nature of the investment.

**REPORTS:** All account activity is provided by the custodian or directly from the partnership, limited liability company or other alternative investment entity.

## Item 14: Client Referrals and Other Compensation

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### **COMPENSATION – CLIENT REFERRALS**

We have been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees, and other similar sources. We do not compensate referring parties for these referrals.

## Item 15: Custody

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As previously disclosed in Item 5, we may directly debit advisory fees from your accounts. Aside from this capability, we do not have actual or constructive custody of your accounts.

### **Schwab Accounts**

You may authorize us, in the client agreement, to debit fees directly from your account at Schwab. Schwab is advised in writing of the limitation of our access to the account. As part of our billing process, we inform Schwab of the amount of the fee to be deducted from your account. Schwab will provide you with a monthly statement showing all transactions within the account during the reporting period including the amount of advisory fees paid directly to us.

Because Schwab does not calculate the amount of the fee to be deducted, it is important for you to carefully review your Schwab statements to verify the accuracy of the calculation, among other things. You should contact us if you believe that there may be an error in your statement.

In addition to the monthly statements that you receive directly from Schwab, we may also send account statements or other reports directly and may make this information available to you in our client portal. Our statements and other reports may vary from Schwab statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

We urge you to carefully compare the information provided by us to information you receive from Schwab to ensure that all account transactions, holdings and values are correct and current.

### **Millennium Accounts**

Millennium does not offer the option of directly deducting advisory fees. You will have the option of paying advisory fees on positions held at Millennium from a Schwab account of your choice or by direct payment to us. Neither Millennium nor Schwab calculate the amount of the fee to be deducted. Millennium will provide you quarterly with a statement showing all transactions within the account during the reporting period. You should carefully review your Millennium statements and/or Schwab statements to verify the accuracy of the fee calculation, among other things. You should contact us directly if you believe that an error has been made in your statement.

In addition to the periodic statements that you receive directly from Millennium, we may also send account statements directly to you on a quarterly basis and may make this information available to you in our client portal. We urge you to carefully compare the information provided by us to those you receive from Millennium to ensure that all account transactions, holdings and values are correct and current.

### **401(k) Plans**

The custodian calculates the amount of the fee to be collected on our behalf. It is important for you to carefully review your custodian statements to verify the accuracy of the fee calculation, among other things. You should contact us directly if you believe that there may be an error in your statement.

## Item 16: Investment Discretion

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You typically hire us to provide discretionary asset management services, in which case we are authorized to place trades in your account without contacting you prior to each trade to obtain your permission.

Our discretionary authority includes the ability to determine the security to buy or sell, and/or determine the amount of the security to buy or sell without contacting you.

You give us discretionary authority when you sign a discretionary agreement and may limit this authority by giving us written instructions. You may also change/amend such limitations by once again providing us with written instructions.

In some cases, you may hire us to provide oversight of assets that we cannot have discretion over. Examples of such assets would be active 401k plans with your current employer, qualified and non-qualified stock options, restricted stock units, deferred compensation plans, and pension assets, among other non-discretionary financial assets.

If we have not been given discretionary authority, we consult with the client prior to each trade.

## Item 17: Voting Client Securities

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### **Proxy Voting**

We vote proxies for securities over which we maintain discretionary authority. Our utmost concern is that all decisions be made solely in the client's best interest. We will act in a prudent and diligent manner intended to enhance the economic value of the assets of the client's portfolio. Clients may contact us for information about proxy voting.

## Item 18: Financial Information

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

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. We have no such financial circumstances to report.

We have not been the subject of a bankruptcy petition at any time.