



Strategic Benefit Consultants, Inc.
dba SBC Wealth Management

SBC Brochure Document

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This Form ADV Part 2A (Brochure) provides information about the qualifications and business practices of Strategic Benefit Consultants, Inc. (SBC, Firm, Advisor, us, we, or our). If you have any questions about the contents of this Brochure, please contact us at: 317-848-4744, or by email at sbccompliance@sbcwealth.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC), or by any state securities authority. Our IARD firm number is 122433.

SBC is a registered investment adviser with the SEC. SBC's registration as an investment adviser does not imply any level of skill or training. Additional information about SBC is available on the SEC's website at www.adviserinfo.sec.gov (click on the link, select "Investment Adviser Search" and type in our firm name). The results will provide you with both Parts 1 and 2 of our Form ADV, as well as our Form CRS.

March 26, 2024

Strategic Benefit Consultants, Inc.

Item 1 - Material Changes

Annual Update

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

Material Changes since the Last Update

This Brochure, dated March 26, 2024, does not contain any material changes from our prior Brochure, dated July 25, 2023.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 317-848-4744 or by email at: sbccompliance@sbcwealth.com. You can also view or download a copy of our ADV Part 2 and Form CRS at any time by doing an online search at www.adviserinfo.sec.gov.

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Item 3 - Advisory Business

Firm Description

SBC was founded in 1983 and became a Registered Investment Advisor in 1986. SBC has been an SEC registered advisor since 2013.

The primary business of SBC, as a Wealth Management/Financial Planning firm, is to work with individual clients to help maximize current income and/or cash flow both taxable and tax free, and/or create long-term capital appreciation using prudent financial strategies consistent with our clients' objectives, needs, risk tolerances, and assets.

Investment advice is an integral part of both wealth management and financial planning. In addition, other benefits to clients of SBC may include, but is not limited to: tax efficiency discussion and planning; income distribution and management strategies consistent with your objectives; estate planning and analysis of trust and will documents; retirement planning education, counseling and strategies at the household level; and asset management. In addition, we provide unlimited access to your advisor via phone or electronic communication; risk management and behavior counseling through all market environments; and when needed, survivor counseling and tax planning.

Broker-dealers and other financial institutions that hold investment accounts for advisory clients are referred to as custodians (hereinafter referred to as "custodian"). SBC does not act as a custodian of client assets (except in conjunction with SLOA's, as further described in Item 15 in this Brochure). SBC offers wealth management and financial planning services for its clients through its Investment Advisory Representatives (IARs).

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

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

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

Principal Owners

Scott G. Holley is a 29% stockholder. Patrick B. Morrow is a 44% stockholder. Erin N. Pentz is a 15% stockholder. Carson M. Shadowen is a 10%

stockholder. Andrew Fairman and Sarah B. DeCamp are both 1% stockholders.

Types of Advisory Services

Services to clients of SBC may include, but is not limited to:

Personal Financial Planning

- Investment Analysis & Planning
- Projections for Retirement Planning
- Educational Funding Strategies
- Coordination With Other Professionals
- Periodical Review and Implementation

Investment Advisory Services

- Wrap Fee Program and/or Separately Managed Accounts
- Asset Management
- Recommendations for Investment Diversification
- Search and Selection of Investment Managers
- Implementation and Review of Recommendations

Retirement and Distribution Planning

- Projection for Retirement Planning and Wealth Accumulation
- Employer Plan Distribution and Rollover Planning
- Income and Tax Management
- Annual Performance Monitoring and Evaluation

Estate and Legacy Planning

- Analysis of Trust and Will Documents
- Insurance Review and Recommendation
- Minimization of Estate Settlement Cost
- Asset Ownership Review
- Implementation of Plan Recommendation and Periodic Reviews
- Donor Advised Fund Advisory Services

As of December 31, 2023, SBC managed \$1,008,166,692. Of this amount, \$1,005,057,879 of client assets were managed on a discretionary basis within 2,921 client accounts, and \$3,108,814 on a non-discretionary basis within 126 client accounts.

Tailored Relationships

All our services are tailored to meet the individual needs of the client. Each of our client's needs, goals, and objectives are unique. The goals and objectives for each client are documented in our client relationship management system. Certain clients may be restricted from investing in certain securities or types of securities. We understand these restrictions and modify our recommendations accordingly.

Any investment restrictions must be provided in writing to us and the client's account will be regularly monitored for adherence to those restrictions.

Our IARs rely on you to notify them of any changes in your objectives, goals and risk tolerances, as well as any other material changes in your personal circumstances (such as your employment, marital status, financial condition, etc.). These changes may prompt changes in your investment account and the investment strategies employed.

Agreements may not be assigned without client consent.

Types of Agreements

The following agreements define the typical client relationships.

Financial Planning Agreement

A financial plan is designed to help the client with all aspects of financial planning without ongoing investment management after the financial plan is completed. However, all wealth management clients must have a financial plan to determine the appropriate objectives.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the discretion of the client.

Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments. In the event the client's situation is substantially different than disclosed at the initial meeting, a maintenance fee of \$400 will be charged. The client must approve the change of scope in advance of the additional work being performed.

Hourly Planning Engagements

SBC provides hourly planning services for clients who need advice on a limited scope of work.

Wealth Management Agreement

SBC offers a wrap fee program in which we provide wealth management services on a discretionary basis to purchase and sell stocks, bonds, mutual funds, exchange traded funds (ETFs), and other securities as SBC may select. The wrap fee includes our advisory fee and brokerage fees. This program is more fully described in our Wrap Fee Program Brochure. That Brochure will be provided free of charge upon request. Please note that certain aspects of our advisory services may be provided on a non-discretionary basis. For example, due to regulatory or other restrictions, certain College Savings Accounts may not be available to manage on a discretionary basis.

A wrap fee program includes both the advisory services (as listed in “Types of Advisory Services” above) and the cost of the execution of securities transactions within the account. This wrap fee program may cost you more or less than purchasing these services separately, depending on the value of services that are provided to you under this program, the amount of trading activity in the account, and other factors. Generally, wrap programs may result in higher overall costs to you in non-wrap accounts that experience little trading activity. Because of the structure of the wrap fee program, our IARs may have a financial incentive to recommend the wrap fee program over other programs or services. Clients must make their own determination as to whether a wrap fee program is right for their needs.

Since SBC pays the transaction costs associated with your wrap account, we have an incentive to minimize the trading in your account or utilize lower fee products. To mitigate against this, all investment decisions are made by the Chief Investment Officer in conjunction with the firm’s Investment Committee, who ensure that all investment decisions are in an account’s best interest regardless of cost.

Termination of Agreement

A client may terminate any of the aforementioned agreements at any time by notifying SBC in writing and paying the rate for the time spent on the engagement prior to notification of termination. If the client made an advance payment, SBC will refund any unearned portion of the advance payment.

Item 4 - Fees and Compensation

Description

Financial Planning Engagement

The fee for financial planning is a flat fee of \$2,400. All fees are subject to a 50% retainer with the remainder of the fee due upon receipt of the written financial plan. The fee may or may not include a progress review during the next 12 months. A maintenance fee of \$400 will be charged upon the client's request to update their financial plan. If the client also falls under the wealth management agreement, all financial planning fees will be offset by the annual advisory fee generated.

Fees are not negotiable, however, fees for firm related family engagements may be lower.

Hourly Planning Engagements

The hourly rate for limited scope engagements is \$400 per hour.

Fees are not negotiable, however, fees for firm related family engagements may be lower.

Wealth Management Agreement

Please reference our Wrap Fee Program Brochure for detailed information on our Wealth Management Services fee schedule.

Other Compensation

As of October 2022, SBC's registered advisory representatives no longer maintain any insurance licenses. As such, prior disclosure related to the sale of insurance and annuity products is no longer relevant. While we may still recommend the purchase or sale of various types of insurance and/or annuity products, any recommended products will have to be purchased through the investment or insurance professional of your choice.

Item 5 - Performance Based Fees

Description

We do not charge performance-based fees for any of the services described in this brochure. Performance-based fees are generally based on a percentage of the capital gains on and/or appreciation of the client account assets.

Item 6 - Types of Clients

Description

SBC's clientele consists primarily of individual investors including high net worth individuals, trusts or estates. Some pension and profit-sharing plans may also constitute part of our clientele, as well as thrift institutions, charitable organizations, corporations, and insurance companies.

Client relationships vary in scope and length of service.

There is no account minimum for financial planning services. Additional information on household and account minimums is available for Wealth Management Services in our Wrap Fee Program Brochure.

Item 7 - Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

SBC has used primarily a fundamental approach to the economy, financial markets, and individual securities but may use security analysis methods and resources of a technical, cyclical, or charting nature. It advises as to securities on a broad basis under a traditional financial planning approach, i.e., SBC's investment advice is most likely to take the form of a recommendation of a prudent diversification of investment assets based on modern portfolio theory.

The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, individual due diligence meetings with investment companies, and company press releases.

Other sources of information that SBC may use include Morningstar Advisor research, Lipper Analytical services, Standard and Poor's research, Thompson Financial Investment View, and others.

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. This means that we use exclusively no-load actively managed funds as the core holdings with passively managed index and exchange-traded funds where there are greater opportunities to make a difference. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies). SBC may also provide investment advice on research and development, equipment leasing, REITs, and other forms of direct participation programs.

Risk of Loss

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

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will be more valuable than a dollar the next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations decreases the chances of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Global Epidemics or Pandemics:** Occurrences of epidemics or pandemics, depending on their scale, may cause different degrees of damage to global, national and local economies, or extreme volatility in US or global markets. In general, this may result in a significant reduction in commercial activity on a local or global scale that can adversely impact many businesses. Governments, on the national, local and state level, may institute a variety of measures including closing borders, lockdowns, quarantines, states of emergencies, and disruption

of supply chains, which collectively may disrupt or slow the national or global economy. Such disruption may adversely affect Client returns.

- **Money Market Funds:** Money market funds pay dividends that generally reflect short term interest rates, and historically the returns for money market funds have been lower than for either stock or bond funds. That is why inflationary risk (the risk that inflation will outpace investment returns over time) can be a potential concern for investors in money market funds.
- **Bond Funds:** There are many different types of bonds, bond funds can vary dramatically in their risks and rewards. Some of the risks associated with bond funds include credit risk, interest rate risk, and prepayment risk.
- **Stock Funds:** Generally, market risk is the greatest risk for investors in stock funds. Stock prices can fluctuate for a broad range of reasons, including the overall strength of the economy or of specific market segments, national or geopolitical situations, or demand for particular products or services.
- **Exchange Traded Funds (ETFs):** Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETFs trade throughout the day on exchanges. Like stock mutual funds, ETF prices may be affected by the prices of the underlying securities and the overall market. ETFs that track a particular sector may be affected (positively or negatively) by factors affecting that particular sector.

Item 8 - Disciplinary Information

Legal and Disciplinary

The firm and its management persons have not been involved in the past ten years in any legal or disciplinary events that are material to a client's or prospective client's evaluation of the firm's advisory business or the integrity of the firm's management.

Item 9 - Other Financial Industry Activities and Affiliations

Affiliations

SBC is not, nor are any of SBC's management persons, registered, nor does SBC have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor or as an associated person of the foregoing entities.

In addition, neither SBC nor any of SBC's management persons have any arrangement that is material to our advisory business or to our clients that we

or any of SBC's management persons have with any related person that is, under common control and ownership, a:

- Broker-dealer, municipal securities dealer, or government securities dealer or broker,
- Investment company or other pooled investment vehicle,
- Other investment adviser or financial planner,
- Futures commission merchant (or commodity pool operator or commodity trading advisor),
- Banking or thrift institution,
- Accountant or accounting firm,
- Lawyer or law firm,
- Insurance company or agency,
- Pension consultant,
- Real estate broker or dealer, or
- Sponsor or syndicator of limited partnerships.

Item 10 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

SBC has adopted a written Code of Ethics. All employees of SBC are deemed to be supervised persons and are therefore subject to this Code of Ethics. In carrying on its daily affairs, SBC and all of our associated persons shall act in a fair, lawful and ethical manner, in accordance with the rules and regulations imposed by our governing regulatory authority. The Code of Ethics sets forth standards of conduct and requires compliance with state securities laws. Our Code of Ethics also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the Chief Compliance Officer of the firm.

SBC have created a Code of Ethics which establishes standards and procedures for the detection and prevention of certain conflicts of interest including activities by which persons having knowledge of the investments and investment intentions of SBC might take advantage of that knowledge for their own benefit. SBC has in place Ethics Rules (the "Rules"), which are comprised of the Code of Ethics and Insider Trading policies and procedures. The Rules are designed to ensure that our personnel (i) observe applicable legal (including compliance with applicable state and federal securities laws) and ethical standards in the performance of their duties; (ii) at all times place your interests first; (iii) disclose all actual or potential conflicts; (iv) adhere to the highest standards of loyalty, candor and care in all matters relating to you; (v)

conduct all personal trading consistent with the Rules and in such a manner as to avoid any actual or potential conflict of interest or any abuse of their position of trust and responsibility; and (vi) not use any material non-public information in securities trading. The Rules also establish policies regarding other matters such as outside employment, the giving or receiving of gifts, and safeguarding portfolio holdings information.

Under the general prohibitions of the Rules, our personnel may not: 1) effect securities transactions while in the possession of material, non-public information; 2) disclose such information to others; 3) participate in fraudulent conduct involving securities held or to be acquired by any client; and 4) engage in frequent trading activities that create or may create a conflict of interest, limit their ability to perform their job duties, or violate any provision of the Rules.

To obtain a copy of the firm's current Code of Ethics, please contact the firm's Chief Compliance Officer at sbccompliance@sbcwealth.com, or call 317-848-4744, and we will ensure that a copy of the Code is provided to you.

Participation or Interest in Client Transactions

SBC and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees are required to comply with the provisions of the SBC operations manual.

Personal Trading

The Chief Compliance Officer reviews all employee trades each quarter. The CCO's trades are reviewed by a designated person. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

SBC does not execute transactions on a principal or agency cross basis.

Trade Errors

In the event a trading error occurs in a client account, it is this firm's policy to make clients whole for any losses. The firm corrects all trade errors through Trading Error Accounts maintained by the firm's custodians. All gains resulting from a trade correction will be swept from the trading error account on 30-day intervals and contributed to charity.

Item 11 - Brokerage Practices

Selecting Brokerage Firms

SBC does not have any affiliation with product sales firms.

SBC will utilize the brokerage/custodial services where we believe SBC can meet our fiduciary obligation of best execution. SBC does not warrant or represent that commissions for transactions implemented through such broker/custodian will be lower than commission available if you use another brokerage firm.

In seeking best execution, the determinative factor is not always the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including factors such as execution capability, commission rates, and responsiveness. Accordingly, although SBC will seek competitive rates, SBC may not necessarily obtain the lowest possible commission rates for client account transactions.

SBC will periodically and systematically review the quality of execution services from any broker/custodian we utilize relative to the factors described above. We will perform a formal review on an annual basis, and a more limited review each quarter. We also review certain reports relative to best execution quarterly. We will document the results of our review process and our decision on whether to change or continue with such custodian. SBC uses the results of our review that occurred over the previous year to determine whether to continue with the existing brokerage arrangements or amend them based upon the results.

While the firm utilizes no-load mutual funds for the majority of client holdings, the firm does batch or aggregate the purchase or sale of ETF transactions when appropriate.

As of June 2023, SBC offers the choice of two custodians for client use: Schwab or Fidelity.

Schwab:

SBC participates in the Schwab Advisor Services platform (previously the TD Ameritrade Institutional program). Charles Schwab & Company, Inc. ("Schwab") is a registered Broker/Dealer and member of FINRA and SIPC. Schwab offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from Schwab through its participation in the program. (Please see the disclosure under Item 14 below.)

SBC may establish brokerage account(s) for clients with Schwab to maintain custody of clients' assets and to effect trades for their accounts. Clients must evaluate this custodian before opening an account. Factors that SBC considers include financial strength, reputation, execution, pricing, and service, among other factors. However, SBC does not consider whether SBC receives client referrals when selecting or recommending a custodian to our clients.

Fidelity:

SBC also offers custodial services with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides SBC with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like SBC in conducting business and in serving the best interests of their clients but that may benefit Registrant.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Registrant to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

As part of the arrangement, Fidelity also makes available to SBC, at no additional charge, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by SBC (within specified parameters). These research and brokerage services are used by us to manage accounts for which we have investment discretion. Additionally, during our first twelve months with Fidelity, SBC is eligible to receive reimbursement for various transition expenses, as well as reimbursement for account termination fees.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. SBC examined this potential conflict of interest when it chose to enter into the relationship with Fidelity and has determined that the relationship is in the best interests of our clients and satisfies our client obligations, including duty to seek best execution.

A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where SBC determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services,

including the value of research provided, execution capability, commission rates, and responsiveness.

Accordingly, although SBC will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by SBC will generally be used to service all of Registrant's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. SBC and Fidelity are not affiliates, and no broker-dealer affiliated with SBC is involved in the relationship between SBC and Fidelity.

Please note that our wealth management service is structured as a wrap fee program, and as such clients do not pay commissions directly but have those fees credited by SBC, though the cost of those commissions paid by SBC under this wrap program increase our overall costs that clients should be aware of.

Directed Brokerage

SBC does not routinely recommend, request, or require that you direct us as to how to execute brokerage transactions on your behalf (i.e., using a particular broker-dealer for execution purposes). Clients may be able to receive lower overall commission rates, enhanced execution, or other services at another broker/dealer. Each client must evaluate each broker/dealer carefully to ensure that the broker selected provides them with the best blend of cost, clearance and settlement, and other services.

Where the wrap fee program is not recommended, the use of other brokerage firms may be appropriate. However, clients may not receive best execution on certain trades. For example, such clients usually cannot participate in block orders with other firm clients and the lower transaction costs such trades afford. In such transactions, share prices are averaged across client accounts participating in the block transaction.

Item 12 - Review of Accounts

Periodic Reviews

Account reviews are performed no less than quarterly by the client's IAR or SBC's research/portfolio specialist. Account reviews are performed more frequently when market conditions dictate.

Review Triggers

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

Regular Reports

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

Clients receive periodic communications, Financial Planning and or Retirement reports, on at least an annual basis. Account custodians are responsible for providing monthly and/or quarterly account statements directly to you, which reflect the positions and pricing in each account, as well as confirmation of transactions, additions, and withdrawals from the account including advisory and other fees paid from an account. You must review these statements carefully, and immediately notify SBC of any discrepancies. Custodians will also provide year-end tax statements for each account.

Item 13 - Client Referrals and Other Compensation

Incoming Referrals

SBC has 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. The firm does not compensate referring parties for these referrals.

Referrals Out

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

Other Compensation

As disclosed under Item 12 above, SBC participates in Schwab's institutional customer program and may recommend Schwab to Clients for custody and brokerage services. There is no direct link between participation in the program and the investment advice given to Clients, although SBC receives economic benefits through its participation in the program that are typically not available to Schwab retail investors.

These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees

deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to SBC by third party vendors.

Schwab may also have paid for business consulting and professional services received by SBC's related persons. Some of the products and services made available by Schwab through the program may benefit the Firm but may not benefit its Client accounts. These products or services may assist in managing and administering Client accounts, including accounts not maintained at Schwab. Other services made available by Schwab are intended to help SBC manage and further develop its business enterprise.

The benefits received by SBC or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to Schwab. As part of its fiduciary duties to clients, SBC endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Firm or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the choice of Schwab for custody and brokerage services.

Certain wholesalers of financial products may sponsor and pay for client luncheons, or other events, that SBC hosts. These arrangements may give rise to conflicts of interest, or perceived conflicts of interest, with the firm's clients in connection with SBC's recommendation of certain financial products. However, SBC's commitment to its clients and the policies and procedures it has adopted are designed to limit any interference with SBC's independent decision making when choosing the most appropriate financial products for our clients.

Item 14 - Custody

Description

In accordance with current guidance from the SEC relating to Standing Letters of Authorization (SLOA), SBC is deemed to have custody of accounts with these instructions. Under this SEC guidance, we are not required to obtain a surprise audit. Clients will receive an annual confirmation from the account custodian confirming the existing SLOA instructions. We urge you to review those statements carefully.

SBC does not take physical possession of client cash or securities or custody any assets. Additional information on Custody is available for Wealth Management Services in our Wrap Fee Program Brochure.

Item 15 - Investment Discretion

Description

SBC does not have investment discretion over financial planning agreements. Additional information on our investment discretion is available for Wealth Management Services accounts in our Wrap Fee Program Brochure.

Item 16 - Voting Client Securities

Proxy Votes

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

Item 17 - Financial Information

Financial Condition

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

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

Business Continuity Plan

General

SBC has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people. In the event SBC cannot be contacted, clients may access their funds and securities by contacting their custodian, either Schwab, at (866) 855-5635, or Fidelity at (800) 343-3548.

Disasters

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

Alternate Offices

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

Loss of Key Personnel

SBC has signed a Business Continuation Agreement between its owners.

Information Security Program

Information Security

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

Privacy Notice

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

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

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. We also share a limited amount of information about you with your chosen custodial firm(s) or custodial firms with which we do business in order to facilitate account opening and maintenance and execute securities transactions on your behalf.

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

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

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

We will notify you in advance if our privacy policy is expected to change.