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**FORM ADV PART 2A.
BROCHURE**

This brochure provides information about the qualifications and business practices of Henson-Edgewater Management, LLC. If you have any questions about the contents of this brochure, please contact us at 440-934-2195. 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.

Additional information about Henson-Edgewater Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Henson-Edgewater Management, LLC is 135316.

Henson-Edgewater Management, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Material Changes

Form ADV Part 2A, Item 2

Since our last annual filing of this Form ADV Part 2A, dated March 16, 2023, there have been no material changes.

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Henson-Edgewater Management, LLC's is an investment adviser registered with the U.S. Securities and Exchange Commission. David Allen Szafranski (CRD Number 2284626) is a Member. Mr. Szafranski owns fifty (50%) percent of the equity of the firm. The other fifty (50%) percent of the firm's equity is owned by Dan Henson (CRD Number 497219). Drew Henson (CRD # 5913703) owes 25 % of the firm. The firm is not publicly owned or traded. There are no indirect owners of the firm or intermediaries who have any ownership interest in the firm. The firm manages all client cases on an individualized basis. As of March 5, 2024, we manage \$150,966,607 on a discretionary basis and \$0.00 on a non-discretionary basis.

We are dedicated to our client's success no matter what their profession is. We utilize a five-phase process called Life Planning. The process allows us to be an intricate part of our client's success. The process yields information that will help us assist, evaluate, and create a platform for successful decision making by all parties involved in the process.

Life Planning Process:

Day or half-day retreat

1. Detailed information gathering
2. Life planning questionnaires completed
3. We begin speaking about the three levels of goals
 - Short-term, one to four years
 - Intermediate term, five to nine years
 - Long-term 10 years and longer
 - Goal matching

Evaluation of Current Plan:

1. What have you done to this point?
2. Evaluate current investment strategy, saving strategy, estate planning strategy and all aspects therein.

Recommendations:

1. We will make detailed recommendations of our suggested strategies for the future.
2. All recommendations are provided in writing and are accompanied by supporting documents.

Implementation:

1. All paperwork is completed.
2. Schedule an update, and future meeting times are established.
3. Communication and account access is established.

Update on evaluation:

1. We will meet according to our predetermined meeting times to evaluate what has occurred.
2. We will update current files, trends, and goals.
3. Make the necessary changes and recommendations according to client needs.

Firm shall not engage in asset management activity, as 100% of professional service shall involve fee based financial planning.

Emphasis shall be placed on charitable and philanthropic techniques. The fee shall be communicated to the client and agreed to by the client prior to beginning work. A portion of the fee will be due as a retainer with the balance due upon completion. No fee shall ever be paid more than six months in advance. All unearned or unapplied fees will be refunded once by firm to client. No fee is ever based on capital gains or capital appreciation of assets. The professional relationship may be terminated at will by either firm or client. Fees may be reduced or eliminated, as permitted by law, to the extent that products are sold. All clients are advised

that they are not compelled to purchase any products through associated persons of firm.

Our fees are billed progressively and quoted per phase, based on the various stages of planning.

1. **Analysis** - Current analysis of client's wills, trust, business agreements, financial statements, partnerships, etc. Fee range: \$3,000.
2. **Family Retreat/Letter of Intent** - Usually done with husband and wife to design a letter of intent (mission statement) for the family. May entail other members of the immediate family. Completed in written form, usually takes several months to complete the process. Fee range: \$5,000 to \$10,000 generally.
3. **Design and Valuation:** Design a business, financial, estate, and/or philanthropic plan based on the input received in family retreat and the letter of intent. Fee range: \$7,500 to \$10,000.
4. **Implementation:** We will work hand in hand with the clients' professionals. We act as the financial architect to oversee all phases of the plan. Implementation (blue print) may take up to one to three years depending on the complexity of the clients' needs as well as other professionals' ability to complete the work. Fee range: Billed progressively.
5. **Periodic review:** We stay with the planning process annually. Implementation often takes place over a period of years. Fee range: \$1,500 to \$3,500.

We will not charge a fee and commission on the same assets at the same time.

Investment Management Services

We are also in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

The annual wealth management fee is a flat fee of 1.50%, as agreed upon in the client contract. The annual fees are negotiable and are pro-rated and paid in advance on a quarterly basis. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Upon termination of the account, any unearned fee will be refunded to the client on a prorated basis.

Fees and Compensation

Form ADV Part 2A, Item 5

See Item 4, above.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

None.

Types of Clients

Form ADV Part 2A, Item 7

Individuals, pension plans, profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

We do not have a minimum account size requirement.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

Method of securities analysis will be fundamental analysis. Fundamental analysis involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Investment strategies will be long term purchases (securities held at least a year), short term purchases (securities held less than a year) and trading (securities held less than 30 days.)

All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear. Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

- **Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the success of the issuer's operations or its financial condition.
- **Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.
- **Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.
- **Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.
- **Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.
- **Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse

developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

- **Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.
- **Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.
- **Inflation:** Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

- **Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.
- **Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.
- **Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.
- **Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.
- **Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.
- **Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.
- **Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.
- **Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate,

the shares are de-listed from the exchange, or the activation of market-wide “circuit breakers” (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest.

Disciplinary Information

Form ADV Part 2A, Item 9

None.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Mr. Szafranski is licensed as a registered representative of Chalice Capital Partners, LLC, a FINRA Broker/Dealer. He is also an independent insurance agent. As such, Mr. Szafranski, in his separate capacity as either a registered representative and/or insurance agent, will be able to effect securities transactions and/or purchase insurance and insurance-related investment products (insurance) for your account, for which he will receive separate and customary compensation. While Mr. Szafranski endeavors at all times to put the interest of our clients first as part of our firm's fiduciary duty, you should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect their judgment when making recommendations. Advisory fees are not off-set by commission income.

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

Form ADV Part 2A, Item 11

The firm has adopted a written Code of Ethics in compliance with SEC rule 204A-1. The code sets forth standards of conduct and requires compliance with federal securities laws. Our code also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the president of the firm. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

David Szafranski is associated with Chalice Capital Partners, LLC as a registered representative. This Firm may recommend securities or insurance products offered by Chalice Capital Partners, LLC. If these products are purchased by the client, the registered representative will receive the normal commissions. A possible conflict of interest may occur as a result of these relationships. The client is under no obligation to act on any recommendation of the investment adviser or to purchase products, either through the registered representative, through Chalice Capital Partners, LLC.

Brokerage Practices

Form ADV Part 2A, Item 12

David Szafranski is associated with Chalice Capital Partners, LLC as a registered representative. The Firm may recommend securities or insurance products offered by Chalice Capital Partners, LLC. If these products are purchased by the client, the registered representative will receive the normal commissions. A possible conflict of interest may occur as a result of these relationships. The client is under no obligation to act on any recommendation of the investment adviser or to purchase products, either through the registered representative,

through Chalice Capital Partners, LLC.

Firm or individuals associated with Firm may buy or sell securities identical to those recommended to customers for their personal account.

It is the express policy of Firm that no person employed by Firm may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

Firm or any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

As these situations may represent a conflict of interest, Firm has established the following restrictions in order to ensure its fiduciary responsibilities:

- 1) A Director, officer or employee of Firm shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of Firm shall prefer his or her own interest to that of the advisory client.
- 2) Firm maintains a list of all securities holdings for itself, and anyone associated with this advisory practice. These holdings are reviewed on a regular basis by Mr. Szafranski, Member.
- 3) Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
- 4) Any individual not in observance of the above may be subject to termination.

Review of Accounts

Form ADV Part 2A, Item 13

All reviews shall be conducted by Mr. Szafranski. Reviews shall be conducted no less frequently than on an annual basis. There will be no pre-established triggering factors.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

See Item 10, above.

Custody

Form ADV Part 2A, Item 15

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Standing Letters of Authorization: Henson-Edgewater does maintain a standing letter of authorization (SLOA) where the funds or securities are being sent to a third party, and the following conditions are met:

- a. The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's

account number at a custodian to which the transfer should be directed.

- b. The client authorizes Henson-Edgewater, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- c. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
- d. The client has the ability to terminate or change the instruction to the client's qualified custodian.
- e. Henson-Edgewater has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- f. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.
- g. Henson-Edgewater maintains records showing that the third party is not a related party of Henson-Edgewater or located at the same address as Henson-Edgewater.

Investment Discretion

Form ADV Part 2A, Item 16

For those client accounts where we provide investment management services, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute an advisory agreement, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Voting Client Securities

Form ADV Part 2A, Item 17

Firm does not vote proxy statements of behalf of clients.

Financial Information

Form ADV Part 2A, Item 18

Because no fees are received more than six months in advance, no financial information is required to be reported in this section of the narrative.