

Item 1

Cover Page



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ADV Part 2A, Brochure
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Contact: Arie Korving, Chief Compliance Officer
1510 Breezeport Way, Suite 800
Suffolk, VA 23435-3758
(757) 638-5490
<http://www.korvingco.com>

This Brochure provides information about the qualifications and business practices of Korving & Company LLC ("Korving & Co."). If you have any questions about the contents of this Brochure, please contact us at (757) 638-5490 or arie.korving@korvingco.com. 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 Korving & Co. also is available on the SEC's website at www.adviserinfo.sec.gov.

References to Korving & Co. being a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 Material Changes

Since the March 25, 2023 annual update filing, this ADV Part 2A Brochure has been amended at Item 4.B. to describe Korving & Co.'s mutual fund share class selection policy, and at Item 14.B. to disclose Korving & Co.'s use of endorsements for referral purposes.

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Item 4 Advisory Business

- A. Korving & Company LLC (“Korving & Co.” “we” “us”) is a Virginia limited liability company founded in January 2010, by our principal owners, Arie J. Korving, who serves as our Chairman, and Stephen J. Korving, who serves as our President. Korving & Co. was previously registered with various state securities commissions and has been registered as an investment adviser with the United States Securities and Exchange Commission since April 2021.
- B. Korving & Co. offers investment advisory services, financial planning and related consulting services to its clients as further described in this Brochure.

INVESTMENT ADVISORY SERVICES

Clients can engage Korving & Co. to provide discretionary investment advisory services on a fee basis. However, we occasionally make exceptions and manage client portfolios on a non-discretionary basis. Korving & Co.’s annual investment advisory fee is based on a percentage of the market value of the assets placed under its management. When engaging Korving & Co. to provide investment advisory services, clients enter into an Investment Advisory Agreement with Korving & Co. setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the fee that is due from the client. Korving & Co.’s annual investment advisory fee compensates for investment advisory services and general financial planning and consulting services that are ancillary to the investment advisory process, which typically relate to account performance as compared to established financial goals and risks. If Korving & Co. determines in its sole discretion that a client is seeking or requires financial planning and consultation services that exceed the anticipated scope of the engagement, Korving & Co. may seek to provide those services to the client under the terms and conditions of a separate agreement.

Korving & Co. tailors its investment advisory services to the needs of each client. Our focus is on helping them achieve your personal long terms goals which may include a comfortable retirement, a second home, a college education for your children, leaving a legacy, or making charitable bequests. For our retired clients we develop and implement strategies designed to generate sustainable retirement income.

To begin the engagement, an investment adviser representative will coordinate with each client to develop their investment objectives which are based upon an assessment of factors that typically include: capital preservation; risk tolerance; income production; liquidity requirements; client preferences; asset and liability levels; and investment restrictions. Then, Korving & Co. will allocate or recommend that the client allocate investment assets consistent with the designated investment objectives. Korving & Co. primarily allocates or recommends that clients allocate investment assets among stock and bond mutual funds, exchange traded funds (“ETFs”), global and foreign mutual funds, CDs, government, municipal and corporate bonds, common stocks, preferred stocks, and equity options.

Once client investment assets are allocated, Korving & Co. provides ongoing monitoring and review of account performance and asset allocation as compared to client-designated investment objectives and may execute or recommend executing account transactions as a result of those reviews or upon other triggering events.

Korving & Co. may recommend that the client allocate a portion of a client’s investment assets among unaffiliated independent investment managers (“Independent Managers”) in accordance with the client’s designated investment objectives. In such situations, the Independent Managers will have day-to-day responsibility for the active discretionary management of the allocated assets.

Korving & Co. will continue to provide investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation, and client investment objectives. Korving & Co. generally considers the following factors when recommending Independent Managers: the client's designated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Managers are exclusive of, and in addition to, Korving & Co.'s ongoing investment advisory fee, subject to the terms and conditions of a separate agreement between the client and the Independent Managers.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

Upon specific client request, Korving & Co. may agree to provide financial planning and consulting services on a stand-alone separate fee basis. Before engaging Korving & Co. in this capacity, clients enter into a separate agreement with Korving & Co. setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the portion of the fee that is due from the client before Korving & Co. will begin to provide services. Some of the financial planning services we offer could include preparation and/or analyses of:

- Personal financial statements;
- Budgets and cash flows;
- Investment strategies and plans;
- Retirement goals and objectives;
- Family educational needs;
- Risk management and insurance needs;
- Alternative investment strategies;
- Estate planning and review; and
- Professional/business strategies, including stock options, deferred compensation, etc.

MISCELLANEOUS

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. To the extent requested by a client, Korving & Co. may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Korving & Co. does not serve as a law firm, accounting firm, or insurance agency, and no portion of Korving & Co.'s services should be construed as legal, accounting, or insurance implementation services. Unless specifically agreed in writing, neither Korving & Co. nor its representatives are responsible to implement any financial plans or financial planning advice; provide ongoing financial planning services; or provide ongoing monitoring of financial plans or financial planning advice. The client is solely responsible to revisit the financial plan or financial planning advice with Korving & Co., if desired. Korving & Co.'s financial planning and consulting services are completed upon communicating its recommendations to the client, upon delivery of the written financial plan, or upon termination of the applicable agreement. The client retains absolute discretion over all financial planning and related implementation decisions and is free to accept or reject any recommendation from Korving & Co. and its representatives in that respect. To the extent requested by a client, Korving & Co. may recommend the services of other professionals for certain non-investment implementation purposes (i.e., attorneys, accountants, insurance agents, etc.). Clients are under no obligation to engage the services of any recommended professional, who are responsible for the quality and competency of the services they provide.

Retirement Plan Rollovers – No Obligation / Conflict of Interest. A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if

permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Korving & Co. recommends that a client roll over their retirement plan assets into an account to be managed by Korving & Co., such a recommendation creates a conflict of interest if Korving & Co. will earn a new (or increase its current) advisory fee as a result of the rollover. No client is under any obligation to roll over plan assets to an IRA managed by Korving & Co. or to engage Korving & Co. to monitor and/or manage the account while maintained at the client's employer.

ERISA / IRC Fiduciary Acknowledgment. When Korving & Co. provides investment advice to a client about the client's retirement plan account or individual retirement account, it does so as a fiduciary 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. Because the way Korving & Co. makes money creates some conflicts with client interests, Korving & Co. operates under a special rule that requires it to act in the client's best interest and not put its interests ahead of the client's. Under this special rule's provisions, Korving & Co. must: meet a professional standard of care when making investment recommendations (give prudent advice); never put its financial interests ahead of the client's when making recommendations (give loyal advice); avoid misleading statements about conflicts of interest, fees, and investments; follow policies and procedures designed to ensure that Korving & Co. gives advice that is in the client's best interest; charge no more than is reasonable for Korving & Co.'s services; and give the client basic information about conflicts of interest.

Mutual Fund Share Class Selection Policy. Korving & Co. maintains a share class selection policy that it follows when making investment recommendations and selecting investments for discretionary client accounts. This policy is subject to periodic review and may change from time to time, without notice to clients. Ultimately, our policy is intended to purchase the most appropriate share class available. When Korving & Co. purchases a mutual fund for a client account, it will generally select an institutional share class when the purchase price plus any existing client holdings in that fund equals \$30,000 or more. In all other instances, because Korving & Co. believes in and practices quasi-active investment management, it will typically select the retail share class or other share class that does not impose transaction fees to acquire the share class. Korving & Co. will also review client mutual fund holdings periodically and pursue tax-free conversions (if available) to an institutional share class if client holdings in a particular fund exceed \$30,000, or if Korving & Co. becomes aware of that a lower-cost share class becomes available. If a client only has holdings in institutional share classes, then Korving & Co. will sell those holdings if a client requests a distribution. Although the different share class does not impact the fund's management style or objective, the client will incur higher annual expenses for the retail class shares (approximately 0.25% of the client's assets in the fund). Korving & Co. has conducted analysis of its clients' accounts and has reason to believe that this policy reduces its clients' investment expenses, but there is no guarantee that this policy will result in lower investment expenses for any individual client.

Asset Aggregation / Reporting Services. Korving & Co. may provide access to reporting services through one or more third-party aggregation / reporting platforms that can reflect all of the client's investment assets, including those investment assets that the client has not engaged Korving & Co. to manage (the "Excluded Assets"). Korving & Co.'s service for the Excluded Assets is strictly limited to reporting, and specifically excludes investment management or implementation. Because Korving & Co. does not have trading authority for the Excluded Assets, the client (and/or a designated investment professional), and not Korving & Co., will be exclusively responsible for directly implementing any recommendations for the Excluded Assets and the resulting performance

or related activity (such as timing and trade errors) pertaining to the Excluded Assets. The third-party aggregation / reporting platforms may also provide access to financial planning information and applications, which should not be construed as services, advice, or recommendations provided by Korving & Co. Accordingly, Korving & Co. will not agree to be responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the third party reporting platforms without Korving & Co.'s participation or oversight.

Client Obligations. When performing its services, Korving & Co. is not required to verify any information received from the client or from the client's designated professionals and is expressly authorized to rely on that information. Clients are responsible to promptly notify Korving & Co. if there is ever any change in their financial situation or investment objectives for the purpose of reviewing or amending Korving & Co.'s services or previous recommendations.

Portfolio Trading Activity / Inactivity. As part of its investment advisory services, Korving & Co. will review client portfolios on an ongoing basis to determine if any trades are necessary based upon various factors, including but not limited to investment performance, market conditions, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods when Korving & Co. determines that upon review, trades within a client's portfolio are not prudent. Clients nonetheless remain subject to the fees described in Item 5 during periods of portfolio trading inactivity.

- C. Korving & Co. provides investment advisory services specifically tailored to the needs of each client. Before providing investment advisory services, an investment adviser representative will coordinate with each client to develop their investment objectives. Then, Korving & Co. allocates or recommends that clients allocate investment assets consistent with the designated investment objectives. The client may, at any time, impose reasonable restrictions, in writing, on Korving & Co.'s services.
- D. Korving & Co. does not participate in a wrap fee program.
- E. As of December 31, 2023, Korving & Co. had \$124,647,324 in client assets under management on a discretionary basis, and \$1,971,722 in client assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

- A. Clients can engage Korving & Co. to provide investment advisory services on a fee basis as described below:

INVESTMENT ADVISORY SERVICES

Korving & Co.'s annual investment advisory fee is based upon a percentage of the total market value of related portfolios placed under Korving & Co.'s direct management as follows:

<u>Client Portfolio Value</u>	<u>Annual Advisory Fee</u>
\$0 to less than \$250,000	1.25%
\$250,000 to less than \$500,000	1.15%
\$500,000 to less than \$1,000,000	1.00%
\$1,000,000 to less than \$2,000,000	0.90%
\$2,000,000 to less than \$5,000,000	0.80%
\$5,000,000 and greater	Negotiable

Korving & Co.'s fee schedule is based on the total value assets under management. Clients do not incur respective fees at each tier. For example, a client that has \$400,000 assets under management would pay an annual fee of 1.15% (rather than 1.25% on the first \$250,000 and 1.15% on the amount over \$250,000).

Unless otherwise agreed in writing, all cash positions are included as part of assets under management for purposes of calculating Korving & Co.'s advisory fee. In limited circumstances, Korving & Co.'s investment advisory fee is negotiable at our sole discretion, depending upon objective and subjective factors including but not limited to: the amount of assets to be managed; portfolio composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professionals rendering the services; prior relationships with Korving & Co. and its representatives, and negotiations with the client in limited circumstances. Korving & Co. may also determine to aggregate account values for related clients (such as spouses and certain other relatives in Korving & Co.'s discretion) for the purpose of reducing the overall fee. Certain legacy clients may have accepted different pre-existing service offerings and may therefore receive services under different fee schedules than as set forth above. As a result, similarly situated clients could pay different fees, the services to be provided by Korving & Co. to any particular client could be available from other advisers at lower fees, and certain clients may have fees different than those specifically set forth above.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

Korving & Co.'s financial planning and consulting fees are negotiable, but generally range from \$1,500 to \$10,000 on a fixed fee basis, or \$250 on an hourly rate basis, depending upon the level and scope of the services required. We generally require at least \$250 to be paid in advance, with the remainder due upon completion of the engagement and delivery of the advice or financial plan.

- B. Clients agree to have Korving & Co.'s advisory fees deducted from their custodial account. Both Korving & Co.'s Investment Advisory Agreement and the custodial/clearing agreement authorize the custodian to debit the account for the amount of Korving & Co.'s investment advisory fee and to directly remit that fee to Korving & Co. in compliance with regulatory procedures. In the limited event that Korving & Co. bills the client directly, payment is due upon receipt of the invoice. Korving & Co. deducts fees or bill clients quarterly in advance, based on the market value of the assets on the last business day of the previous quarter or the beginning value of a new account.
- C. Unless the client directs otherwise or an individual client's circumstances require, Korving & Co. generally recommends that Charles Schwab and Co., Inc., and its affiliates ("Schwab") serve as the broker-dealer/custodian for client investment advisory assets. Broker-dealers such as Schwab charge transaction fees for executing certain securities transactions according to their fee schedule and they or their affiliated or unaffiliated custodians also impose additional charges for custodial services and other fees associated with maintaining the client's account. Without limiting the foregoing, clients may also be required to pay certain charges and administrative fees related to their investment advisory accounts, including, but not limited to transaction charges (including mark-ups and mark-downs) resulting from trades executed through or with a broker-dealer other than the designated broker-dealer/custodian, transfer taxes, transfer or wiring fees, odd lot differentials, exchange fees, interest charges, American Depositary Receipt agency processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts. For mutual fund and ETF purchases, clients will incur charges imposed by the respective fund, which represent the client's pro rata share of the fund's management fee and other fund expenses. These fees and expenses are described in each

fund's prospectus or other offering documents. Korving & Co. does not share in those funds or expenses.

- D. Korving & Co.'s annual investment advisory fee is paid quarterly, in advance, based on the market value of the assets on the last business day of the previous quarter or the beginning value of a new account. The Investment Advisory Agreement between Korving & Co. and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the Investment Advisory Agreement. Upon termination, Korving & Co. will refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.
- E. Neither Korving & Co., nor its representatives accept compensation from the sale of securities or other investment products. While Arie Korving and Stephen Korving are licensed insurance agents, they do not offer to sell insurance products on a commission basis.

Item 6 Performance-Based Fees and Side-by-Side Management

Neither Korving & Co., nor any supervised person of Korving & Co., accepts performance-based fees.

Item 7 Types of Clients

Korving & Co.'s clients generally include individuals, high net worth individuals, pensions and profit sharing plans. Korving & Co. does not impose any mandatory requirements for opening or maintaining investment advisory accounts.

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

- A. Korving & Co.'s investment philosophy is based on preserving client wealth while identifying investment opportunities that possess attractive return potential relative to the underlying risk. Korving & Co. uses well-established strategies to control risk, such as diversification, professional management, constant monitoring of portfolios and the prudent use of equity and fixed income research. This process is ongoing, as we monitor economic, geo-political and tax issues that may affect your financial well-being.

Our investment process is based upon the application of a combination of what is referred to as top-down and bottom-up analysis. In the application of top-down analysis, we identify the prevailing economic cycle, market risks, political risks, and interest rate risks to determine the appropriate asset allocation. In the application of bottom-up analysis, we identify the best mutual funds in each market sector, measure their risk-adjusted return over an extended period of time, and factor in management tenure at these funds. Through this two-pronged approach we believe we can structure client portfolios using mutual funds that are most likely to offer attractive risk-adjusted returns in the current economic and market environment.

Korving & Co. believes that portfolio diversification is a key component when structuring client portfolios that are designed to provide steady investment performance while also reducing risk exposure. One of the primary ways in which we achieve portfolio diversification is through the use of mutual funds that by design are invested in a wide range of different securities, thereby reducing

client exposure to the returns that might be achieved by any one specific security. Portfolio diversification is further enhanced by our belief that a well-diversified portfolio is typically invested in as many as 10 to 25 mutual funds, thereby further broadening the spectrum of securities in which a client portfolio is invested. Also, by investing in a number of mutual funds, client portfolios are less subject to the investment decisions of individual fund managers.

Investment Risk in General. Investing in securities involves risk of loss that clients should be prepared to bear, including the loss of principal investment. Past performance does not guarantee future results. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Korving & Co.) will be profitable or equal any specific performance level. Investment strategies such as asset allocation, diversification, or rebalancing do not assure or guarantee better performance and cannot eliminate the risk of investment losses. There is no guarantee that a portfolio employing these or any other strategy will outperform a portfolio that does not engage in such strategies. While asset values may increase and client account values could benefit as a result, it is also possible that asset values may decrease, and client account values could suffer a loss.

- B. Korving & Co.'s methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis Korving & Co. must have access to current/new market information. Korving & Co. has no control over the dissemination rate of market information; therefore, unbeknownst to Korving & Co., certain analyses may be compiled with outdated market information, severely limiting the value of Korving & Co.'s analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Korving & Co. primarily structures portfolios using no-load or load-waived mutual funds and ETFs. However, in some instances we invest directly in other types of securities, including equities and fixed income products. This is particularly true if we have created and are managing a tax-free municipal bond portfolio designed to protect a client from high and growing tax rates, or if we are implementing a covered-call writing strategy.

Typical portfolio asset allocation structures are based on varying return versus risk structures. The structures range from "Aggressive," where the client seeks to achieve high returns while also accepting a higher level of risk, to "Moderately Aggressive," "Moderate," "Moderately Conservative," and then "Conservative," where the client seeks to preserve capital and be protected from risk while also accepting the potential of achieving lower returns. In all instances, we monitor client portfolios on an on-going basis and adjust our asset allocations, risk profile, and manager selections as market conditions change.

Options / Covered Calls. In limited circumstances, we may sell "covered calls" on individual stock positions after consulting with clients who would like us to use that strategy. Holders of concentrated positions may wish to use a covered call strategy to either reduce their position, to enhance the income they receive from the stock, or both. We do this via covered call options by offering to sell stock they own at a specific price (the "strike" price) for a specified period of time (the expiration date). For the sale of the call option, they will receive a cash payment in addition to the dividends on the stock. If the option is "called" the holder will receive the price previously agreed upon (the strike price) when they sold the call option. If not called, they retain their stock and have an opportunity to do this again. Stock is generally not "called" unless the market value of

the stock exceeds the strike price on the expiration date of the option. The primary risk to sellers of covered call options is that it may limit the gains on the value of the stock before the option expires. Another risk is if the stock price declines below the breakeven point, which is the purchase price of the stock minus the option premium received. Although stock prices can only fall to zero, this is still 100% of the amount invested. Before implementing any investment strategy that involves options, clients must be approved for options by the custodian. We never sell call options on stock that is not already held in the client's account.

Margin / Securities Based Loans. Korving & Co. does not recommend the use of margin for investment purposes. However, if a client determines to take a margin loan that collateralizes a portion of the assets that Korving & Co. is managing, Korving & Co.'s investment advisory fee will be computed based upon the full value of the assets, without deducting the amount of the margin loan.

Without limiting the above, upon specific client request and generally in a financial planning context, Korving & Co. may help clients evaluate and establish a margin or securities based loan (collectively, "SBL") with the client's broker-dealer/custodian or their affiliated banks (each, an "SBL Lender") to access cash flow. Compared to real estate-backed loans, SBLs can provide access to funds in a shorter time, provide greater repayment flexibility, and may also result in the borrower receiving certain tax benefits. Clients interested in learning more about the potential tax benefits of SBLs should consult with an accountant or tax advisor. The terms and conditions of each SBL are contained in a separate agreement between the client and the SBL Lender selected by the client, which terms and conditions may vary from client to client. SBLs are not suitable for all clients and are subject to certain risks, including but not limited to: increased market risk, increased risk of loss, especially in the event of a significant downturn; liquidity risk; the potential obligation to post collateral or repay the SBL if the SBL Lender determines that the value of collateralized securities is no longer sufficient to support the value of the SBL; the risk that the SBL Lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment / the risk that the SBL Lender may terminate the SBL at any time. Before agreeing to participate in SBL programs, clients should carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender including the initial margin and maintenance requirements for the specific program in which the client enrolls, and the procedures for issuing "margin calls" and liquidating securities and other assets in the client's accounts.

If Korving & Co. recommends that a client apply for SBLs instead of selling securities that Korving & Co. manages for a fee to meet liquidity needs, the recommendation presents an ongoing conflict of interest because selling those securities (instead of leveraging those securities to access SBLs) would reduce the amount of assets to which Korving & Co.'s investment advisory fee is applied, and thereby reduce the amount of investment advisory fees collected by Korving & Co.. Likewise, the same ongoing conflict of interest is present if a client determines to apply for SBLs on their own initiative. These ongoing conflicts of interest would persist as long as Korving & Co. has an economic disincentive to recommend that the client terminate the use of SBLs. If the client were to invest any portion of the SBL proceeds in an account that Korving & Co. manages, Korving & Co. could receive an advisory fee on the invested amount depending upon when the fee is calculated, which could compound this conflict of interest. If a client accesses an SBL through its relationship with Korving & Co. and the client's relationship with Korving & Co. is terminated, clients may incur higher (retail) interest rates on the outstanding loan balance. Clients are not under any obligation to employ the use of SBLs, and are solely responsible for determining when to use, reduce, and terminate the use of SBLs. Although Korving & Co. seeks to disclose all conflicts of interest related to its recommended use of SBLs and related business practices, there may be other conflicts of interest that are not identified above. Clients are therefore reminded to carefully review

the applicable SBL agreement, and all risk disclosures provided by the SBL Lender as applicable and contact Korving & Co.'s Chief Compliance Officer with any questions about the use of SBLs.

Cybersecurity Risk. The information technology systems and networks that Korving & Co. and its third-party service providers use to provide services to Korving & Co.'s clients employ various controls, which are designed to prevent cybersecurity incidents stemming from intentional or unintentional actions that could cause significant interruptions in Korving & Co.'s operations and result in the unauthorized acquisition or use of clients' confidential or non-public personal information. Clients and Korving & Co. are nonetheless subject to the risk of cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost, and reputational damage to respond to regulatory obligations, other costs associated with corrective measures, and loss from damage or interruption to systems. Although Korving & Co. has established its systems to reduce the risk of cybersecurity incidents from coming to fruition, there is no guarantee that these efforts will always be successful, especially considering that Korving & Co. does not directly control the cybersecurity measures and policies employed by third-party service providers. Clients could incur similar adverse consequences resulting from cybersecurity incidents that more directly affect issuers of securities in which those clients invest, broker-dealers, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions.

- C. Without limiting the above, the following provides a short description of some of the underlying risks associated with the types of investments that Korving & Co. uses or recommends, which is not intended to be exhaustive:

Market Risk. The price of a security may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors (such as economic or political factors) but may also be incurred because of a security's specific underlying investments. Additionally, each security's price can fluctuate based on market movement, which may or may not be due to the security's operations or changes in its true value. For example, political, economic, and social conditions may trigger market events which are temporarily negative, or temporarily positive.

Unsystematic Risk. Unsystematic risk is the company-specific or industry-specific risk in a portfolio that the investor bears. Unsystematic risk is typically addressed through diversification. However, as indicated above, diversification does not guarantee better performance and cannot eliminate the risk of investment losses.

Value Investment Risk. Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause a portfolio to underperform growth stocks.

Growth Investment Risk. Prices of growth stocks tend to be higher in relation to their companies' earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile.

Small Company Risk. Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, small capitalization companies are more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

Commodity Risk. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

Foreign Securities and Currencies Risk. Foreign securities prices may decline or fluctuate because of: (i) economic or political actions of foreign governments, and/or (ii) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar).

Interest Rate Risk. Fixed income securities and fixed income-based securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices tend to fall. When interest rates fall, fixed income security prices tend to rise. In general, fixed income securities with longer maturities are more sensitive to these price changes.

Inflation Risk. When any type of inflation is present, a dollar at present value will not carry the same purchasing power as a dollar in the future, because that purchasing power erodes at the rate of inflation.

Reinvestment Risk. Future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate), which primarily relates to fixed income securities.

Credit Risk. The issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and impact performance. Credit risk is considered greater for fixed income securities with ratings below investment grade. Fixed income securities that are below investment grade involve higher credit risk and are considered speculative.

Call Risk. During periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the investment to reinvest in bonds with lower interest rates than the original obligations.

Regulatory Risk. Changes in laws and regulations from any government can change the market value of companies subject to such regulations. Certain industries are more susceptible to government regulation. For example, changes in zoning, tax structure or laws may impact the return on investments.

Mutual Fund Risk. Mutual funds are operated by investment companies that raise money from shareholders and invest it in stocks, bonds, and/or other types of securities. Each fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. Mutual funds charge a separate management fee for their services, so the returns on mutual funds are reduced by the costs to manage the funds. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market. Mutual funds come in many varieties. Some invest aggressively for capital appreciation, while others are conservative and are designed to generate income for shareholders. 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).

Exchange Traded Fund Risk. ETFs are marketable securities that are designed to track, before fees and expenses, the performance or returns of a relevant index, commodity, bonds, or basket of assets, like an index fund. Unlike mutual funds, ETFs trade like common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. In addition to the general risks of investing, there are specific risks to consider with respect to an investment in ETFs, including, but not limited to: (i) an ETF's shares may trade at a market price that is above or below its 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.

Cash and Cash Equivalent Risk. Investments in cash or cash equivalent positions may cause a client to miss upswings in the markets, and Korving & Co.' advisory fee could exceed the interest income from holding cash or cash equivalents, which tends to vary. Clients can therefore advise Korving & Co. not to maintain (or to limit the amount of) cash or cash equivalent positions in their account.

Item 9 Disciplinary Information

Korving & Co. has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither Korving & Co., nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Korving & Co., nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. Korving & Co.'s Managers and Members, Arie Korving and Stephen Korving, are also Managers and Investment Adviser Representatives of Courage Korving Miller Partners, LLC ("CKMP") which has been registered as an investment adviser with the Commonwealth of Virginia State Corporation Commission (CRD # 318067) since October 2022. CKMP's other indirect principal owners, Ralph Courage and Jeffrey Miller, are also Managing Members of Courage Miller Partners, LLC, which is an SEC registered investment adviser (SEC # 801 – 69242). Any new prospective clients of Korving & Co. will be referred to CKMP to receive investment advisory, financial planning, or similar services. The recommendation by a Korving & Co. representative that CKMP provide services presents a conflict of interest if CKMP were to charge higher fees than the client incurred or would incur at Korving & Co. CKMP mitigates that conflict of interest by honoring the previously charged fee structure or renegotiating that fee structure with the prospective clients in limited circumstances. Clients are not under any obligation to engage CKMP, Courage Miller, or Korving & Co., and are reminded that they can receive similar services from other, non-affiliated investment advisers.

While Arie Korving and Stephen Korving are licensed insurance agents, they do not offer to sell insurance products on a commission basis.

Arie Korving is the author and Korving & Co. is the publisher of *Before I Go: Preparing Your Affairs for Your Heirs*, a manual that outlines the instructions and information a person should leave

for those left behind upon their passing. An accompanying *Before I Go: Workbook* allows an individual to organize and record critical information, such as desired funeral arrangements, relatives and friends to be contacted, living will information, location of will, bank and brokerage accounts, insurance information, investment management information, and other important information that is easily and often overlooked. *Before I Go* does not provide legal or investment advice and it is available to and can be purchased by the general public.

- D. Korving & Co. does not recommend or select other investment advisors for its clients for which it receives a fee. While Korving & Co. may allocate or recommend that clients allocate assets to Independent Managers, Korving & Co. does not receive direct or indirect compensation from those Independent Managers as a result.

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

- A. Korving & Co. maintains an investment policy relative to personal securities transactions. This investment policy is part of Korving & Co.'s overall Code of Ethics, which serves to establish a standard of business conduct for all of Korving & Co.'s representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request. Korving & Co. also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Korving & Co. or any person associated with Korving & Co.
- B. Neither Korving & Co. nor any related person of Korving & Co. recommends, buys, or sells for client accounts, securities in which Korving & Co. or any related person of Korving & Co. has a material financial interest.
- C. Korving & Co. and its representatives may buy or sell securities that are also recommended to clients. This practice may create a situation where Korving & Co. and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Korving & Co. did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed before those of Korving & Co.'s clients) and other potentially abusive practices.

Korving & Co. has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Korving & Co.'s "Access Persons." Korving & Co.'s securities transaction policy requires that Korving & Co.'s Access Persons must provide the Chief Compliance Officer or their designee with a written report of their current securities holdings within ten days after becoming an Access Person. Each Access Person must also provide the Chief Compliance Officer or their designee with a written report of the Access Person's current securities holdings at least once each twelve month period thereafter on a date Korving & Co. selects; provided, however that at any time that Korving & Co. has only one Access Person, they will not be required to submit any securities report described above.

- D. Korving & Co. and its representatives may buy or sell securities at or around the same time as those securities are recommended to clients. This practice creates a situation where Korving & Co. and its representatives are in a position to materially benefit from the sale or purchase of those

securities. Therefore, this situation presents a conflict of interest. As indicated above in Item 11.C, Korving & Co. has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Korving & Co.'s Access Persons.

Item 12 Brokerage Practices

- A. If a client requests that Korving & Co. recommend a broker-dealer/custodian for execution or custodial services, Korving & Co. generally recommends that investment management accounts be maintained at Schwab. Before engaging Korving & Co. to provide investment management services, the client enters into an agreement with Korving & Co. setting forth the terms and conditions for the management of the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian. Depending on which broker-dealer/custodian clients select to maintain their account, they may experience differences in customer service, transaction timing, the availability of sweep account vehicles and money market funds, and other aspects of investing that could cause differences in account performance.

When seeking "best execution," from a broker-dealer, the determinative factor is not always the lowest possible cost, but whether the transaction represents the best qualitative execution when considering the full range of a broker-dealer's services including the value of research provided, execution capability, commission rates, and responsiveness. Although Korving & Co. cannot guarantee that clients will always experience the best possible execution available, Korving & Co. seeks to recommend a broker-dealer/custodian that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. Korving & Co. considers a wide range of factors when recommending a broker-dealer/custodian, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody);
- Capability to execute, clear and settle trades (buy and sell securities for client accounts);
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);
- Breadth of available investment products (stocks, bonds, mutual funds, ETFs, etc.);
- Quality of services (including research);
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices;
- Reputation, financial strength, and stability; and
- Prior service to Korving & Co. and its other clients.

Schwab is compensated for its services according to its fee schedule, generally by charging clients commissions or other fees on trades that it executes or that settle into their Schwab account. Although Korving & Co. will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for all client account transactions. The fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Korving & Co.'s investment advisory fees. Schwab may charge clients a flat dollar amount as a "prime broker" or "trade-away" fee for each trade that Korving & Co. executes by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited or settled into the client's Schwab account. These fees are in addition to the commissions or other compensation clients pay the executing broker-dealer. Therefore, in an attempt to minimize client trading costs, Korving & Co. directs Schwab to execute most if not all trades for client accounts. When doing so, Korving & Co. has determined

that having Schwab execute most trades is consistent with the duty to seek “best execution” of client trades.

1. Research and Other Benefits

While Korving & Co. does not receive traditional “soft dollar benefits,” Korving & Co. and by extension, its clients, receive access to certain institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes various support services available to Korving & Co. Some of those services help Korving & Co. manage or administer its clients’ accounts; while others help it manage and grow its business. Schwab’s support services generally are available on an unsolicited basis (Korving & Co. does not have to request them) and at no charge to Korving & Co.

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 Korving & Co. might not otherwise have access or that would require a significantly higher minimum initial investment by its clients. These services benefit Korving & Co.’s clients and their accounts.

Schwab also makes other products and services available to Korving & Co. that benefits Korving & Co. but may only indirectly benefit its clients or their accounts, such as investment research developed by Schwab or third parties that Korving & Co. may use to service clients’ accounts. In addition to investment research, Schwab also makes available software and other technology that:

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

Schwab may offer other services intended to help Korving & Co. manage and further develop its business. These services include:

- Educational conferences and events;
- Consulting on technology, compliance, legal and business needs;
- 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 Korving & Co. Schwab may discount or waive its fees for some of these services or pay all or a part of a third party’s fees. Schwab can also provide occasional business meals and entertainment for Korving & Co.’s personnel.

Korving & Co.’s Interest in Schwab’s Services and Benefits and Related Conflict of Interest.

The availability of the services and products described above that Korving & Co. receives from Schwab (the “Services and Products”) provides Korving & Co. with an advantage, because Korving & Co. does not have to produce or purchase them. However, Korving & Co. does not

have to pay Schwab or any other entity for Services and Products that Schwab provides. Korving & Co.'s clients do not pay more for investment transactions executed or assets maintained at Schwab as a result of this arrangement. The receipt of Services and Products are not contingent upon Korving & Co. committing any specific amount of business to Schwab in trading commissions or assets in custody. There is no corresponding commitment made by Korving & Co. to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific securities or investment products as a result of the above. However, this arrangement nonetheless incentivizes Korving & Co. to recommend that clients maintain their account with Schwab, based on its interest in receiving Schwab's services that benefit its business rather than based on clients' interest in receiving the best value in custody services and the most favorable execution of their transactions. This presents a conflict of interest. When making such a recommendation, however, Korving & Co. does so when it reasonably believes that recommending Schwab to serve as broker-dealer/custodian is in the best interests of its clients. It is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only Korving & Co.

2. Korving & Co. does not receive referrals from broker-dealers.

3. Directed Brokerage.

Korving & Co. does not generally accept directed brokerage arrangements (when a client requires that account transactions be executed through a specific broker-dealer). In those client-directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Korving & Co. will not seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. If the client directs Korving & Co. to execute securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to execute account transactions through alternative clearing arrangements that may be available through Korving & Co. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

B. Korving & Co. will generally execute account transactions for each client independently, unless Korving & Co. decides to purchase or sell the same securities for several clients at approximately the same time. Korving & Co. may (but is not obligated to) combine or "bunch" such orders to seek best execution, to negotiate more favorable commission rates, or to equitably allocate differences in prices and commissions or other transaction costs among Korving & Co.'s clients, which might have been obtained if the orders were placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Korving & Co. will not receive any additional compensation as a result.

Item 13 Review of Accounts

A. Arie Korving and Stephen Korving conduct account reviews on an ongoing basis. Clients should advise Korving & Co. of any changes in their investment objectives or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Korving & Co. on an annual basis.

- B. Korving & Co. may conduct account reviews on a non-periodic basis upon a triggering event, such as a change in client investment objectives and/or financial situation, market events, or specific client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian or program sponsor for the client accounts. Korving & Co. may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. Korving & Co. receives economic benefits from Schwab including support services and/or products without cost or at a discount as described in Item 12. Korving & Co.'s clients do not pay more for investment transactions executed or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by Korving & Co. to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as a result of the above arrangement.
- B. If a client is introduced to Korving & Co. by an unaffiliated promoter, the promoter will provide a disclosure statement to the referred potential client describing the nature of the endorsement / promoter relationship, including, to the extent applicable, any compensation to be received for the referral and related material conflicts of interest. Korving & Co. may pay that promoter a referral fee in accordance with the requirements of the Investment Advisers Act of 1940. Any such referral fee will not cause the client to incur additional charges. Korving & Co. currently maintains a relationship with one promoter, under which Korving & Co. pays a flat monthly fee that does not vary based on whether the referred potential client engages Korving & Co.

Item 15 Custody

Korving & Co. typically has the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The account custodian does not verify the accuracy of Korving & Co.'s advisory fee calculations.

Korving & Co. may also provide a written periodic report summarizing account activity and performance. Korving & Co. suggests that clients compare this, or any other statement or report provided by Korving & Co., with the account statements received from the account custodian. Korving & Co.'s statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 Investment Discretion

The client can determine to engage Korving & Co. to provide investment advisory services on a discretionary basis. Before Korving & Co. assumes discretionary authority over a client's account, the client is required to execute an Investment Advisory Agreement granting Korving & Co. full authority to buy, sell, or otherwise execute investment transactions involving the assets in the client's name held in the discretionary account.

Clients that determine to engage Korving & Co. on a non-discretionary basis concurrently acknowledge that Korving & Co. cannot execute any account transactions without obtaining the client's prior consent to the transactions. Therefore, if Korving & Co. would like to make a transaction for a client's account (including removing a security that Korving & Co. no longer believes is appropriate, adding a security that Korving & Co. believes is appropriate), and the client is unavailable, Korving & Co. will be unable to execute the account transactions (as it would for its discretionary clients) without first obtaining the client's consent. Affected clients may suffer investment losses or miss potential investment gains as a result.

Clients who engage Korving & Co. on a discretionary basis may, at any time, impose restrictions, in writing, on Korving & Co.'s discretionary authority. (i.e., limit the types/amounts of particular securities or assets purchased for their account).

Item 17 Voting Client Securities

- A. Korving & Co. does not vote client proxies. Clients maintain exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client will be voted, and (ii) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Korving & Co. to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. Korving & Co. does not solicit fees of more than \$1,200.00, per client, six months or more in advance.
- B. Korving & Co. is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. Korving & Co. has not been the subject of a bankruptcy petition.

Korving & Co.'s Chief Compliance Officer, Arie Korving is available to address any questions about this Brochure or any conflicts of interest presented.