

February 29, 2024

Form ADV Part 2A: Firm Brochure

**Item 1: Cover Page**

**Firm Brochure**  
**Richardson Wealth (USA) Limited**

**100 Queens Quay East, Suite 2500**  
**Toronto, Ontario, Canada M5E 1Y3**  
**855-204-7467**

This brochure provides information about the qualifications and business practices of Richardson Wealth (USA) Limited. If you have any questions about the contents of this brochure, please contact us at 855-204-7467.

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.

Registration as an investment adviser does not imply that Richardson Wealth (USA) Limited or any of its principals or employees possess a particular level of skill or training in the investment advisory business or other business.

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

## Item 2      Material Changes

This section is intended to summarize material changes since the last update. Since the last filing in March of 2023 there have been no material changes in the structure or ownership of the firm. Richardson Wealth (USA) remains a wholly owned subsidiary of Richardson Wealth Ltd.

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## Item 4 Advisory Business

### Description of Advisory Services

The following are descriptions of the primary advisory services of Richardson Wealth (USA) Limited (RW (USA)). Please understand that a written agreement, which details the exact terms of the service, must be signed by you and RW (USA) before we can provide you the services described below.

**Investment Management Services** – RW (USA) offers asset management services, which involves RW (USA) providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account. The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client’s benefit.

### Separately Managed Account (SMA):

RW (USA) has entered into an agreement with third-party platform providers (referred to as Platform Manager) through which we are able to provide Managed Account Services. The Platform Manager for these services will conduct due diligence of any recommended Model Provider and monitor the performance of Model Provider with respect to the Model Provider’s models and/or trade signals relative to appropriate peers and/or benchmarks.

Upon appointment as an investment adviser of the Account, the assigned Advisor of RW (USA) will review the information you provide and make recommendations to you to utilize Select Portfolios or Model Providers to provide models for managing the Account or a portion of the assets of Account. The Advisor of RW (USA) is only able to recommend Select Portfolios or Model Providers which have been approved by Platform Manager and RW (USA). Therefore, we have a conflict of interest because we do not recommend Model Providers to you if not available through the platform.

The Platform Manager will implement the selected Model Provider's model for the Account by acquiring the fund shares or investments that are represented in the selected model portfolios of the Model Provider. You will grant Platform Manager with the discretionary authority (in the sole discretion of Platform Manager based upon the selected Model Provider's designated portfolio models and/or trade signals without first consulting with you) to make all decisions to buy, sell or hold securities, cash, or other investments for such portion of the Account. You will also grant Platform Manager with the power and authority to carry out these decisions by giving instructions, on behalf of you, to brokers and dealers and the qualified custodian of the Account.

RW (USA) may hire/fire at its discretion the Platform Manager, Sub Advisors and other service provider(s) for services related to the Managed Account Services provided to the Account. Such services provided by Platform Provider and service provider(s) may include, but are not necessarily limited to, due diligence of the Model Providers, access to service provider's technology platform and/or assistance with data reconciliation, performance and/or position reporting, fee calculation and billing, marketing and presentation materials, database maintenance, quarterly performance evaluations, payable reports, web site administration, order entry, and other functions related to the administrative tasks of providing investment advisory services to the Account. Due to these arrangements, such service provider(s) will have access to the Account and/or your information.

### Retirement Plan Rollover Recommendations

When RW (USA) provides investment advice about your retirement plan account or individual retirement account ("IRA") including whether to maintain investments and/or proceeds in the retirement plan account, roll over such investment/proceeds from the retirement plan account to a IRA or make a distribution from the retirement plan account, we acknowledge that RW (USA) is 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. The way RW (USA) makes money creates conflicts with your interests so RW (USA) operates under a special rule that requires RW (USA) to act in your best interest and not put our interest ahead of you.

Under this special rule's provisions, RW (USA) must as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put the financial interests of RW (USA) ahead of you when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that RW (USA) gives advice that is in your best interest;
- Charge no more than is reasonable for the services of RW (USA); and
- Give Client basic information about conflicts of interest.

To the extent we recommend you roll over your account from a current retirement plan account to an individual retirement account managed by RW (USA), please know that RW (USA) and our investment adviser representatives have a conflict of interest.

We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to an IRA managed by RW (USA). We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by RW (USA).

Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

We have taken steps to manage this conflict of interest. We have adopted an impartial conduct standard whereby our investment adviser representatives will:

- (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described above,
- (ii) not recommend investments which result in RW (USA) receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and
- (iii) fully disclose compensation received by RW (USA) and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

When providing advice to a retirement plan account or IRA, our investment advisor representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of RW (USA) or our affiliated personnel.

### **Limits Advice to Certain Types of Investments**

RW (USA) provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Stocks
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Government and Corporate Debt Securities

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

### **Tailor Advisory Services to Individual Needs of Clients**

RW (USA)'s advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis to determine your investment objectives and suitability information. Our services are always provided based on your individual needs.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Client Assets Managed by RW (USA)**

The amount of clients' assets managed by RW (USA) totaled \$193,340,834 as of December 31, 2023.

## Item 5 Fees and Compensation

### Investment Management Fee

RW (USA) provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by RW (USA). RW (USA)'s annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. RW (USA) does not, however, receive any portion of these commissions, fees, and costs. RW (USA)'s annual fee is prorated and charged monthly or quarterly, in arrears, based upon the market value of the assets being managed by RW (USA) on the last day of the month. The annual fee varies (between 0.25% and 2.75%) depending upon the market value of the assets under management and the type of investment management services to be rendered.

RW (USA), in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.).

### Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), RW (USA) generally recommends that clients utilize the brokerage and clearing services of Pershing Advisor Solutions LLP ("Pershing") for investment management accounts. RW (USA) is not affiliated with Pershing but typically uses them to custody client assets and execute client transactions.

RW (USA) may only implement its investment management recommendations for the client after the client has arranged for and furnished RW (USA) with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, Pershing, another broker-dealer recommended by RW (USA), a broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "Financial Institutions").

Clients may incur certain charges imposed by the Financial Institutions and other third parties such as custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to RW (USA)'s fee.

RW (USA)'s Agreement and the separate agreement with any Financial Institutions may authorize the institution to debit the client's account for the amount of RW (USA)'s fee and to directly remit that management fee to RW (USA). Any Financial Institutions recommended by RW (USA) have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to RW (USA).

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

RW (USA) does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client. The Firm also does not engage in side-by-side management.

## Item 7 Types of Clients

RW (USA) generally provides its services to the following types of clients:

- Individuals
- Trusts
- Estates
- Corporations and business entities

You are required to execute a written agreement with RW (USA) specifying the particular advisory services in order to establish a client arrangement with RW (USA). Clients must typically have a minimum of \$100,000 in assets, but this may be waived at RW (USA) discretion.

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

The advisors at RW have a strong and successful wealth management history. This involves selecting appropriate investments for their clients from a broad spectrum of products. It is for this reason that the advisors who choose to offer services to US residents through RW (USA) follow in this path. As such, RW (USA) will offer its clients equities, fixed income, options, mutual funds etc., depending on client need and preference.

### Methods of Analysis

When selecting equities RW (USA) may use a combination of fundamental and technical analysis to formulate its investment advice.

**Fundamental** – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong and could therefore lead to an unfavorable investment decision.

**Technical** – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and



other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

## Investment Strategies

RW (USA) will also use an asset allocation model. In this model investments will be selected from asset classes such as growth equities, dividend paying equities, fixed income securities, etc., based on market cycles and client need.

**Tactical asset allocation.** Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

**Strategic asset allocation.** Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter

## Risk of Loss

In general, investing in securities involves risk of loss to clients due to general market fluctuations and securities that underperform. RW (USA) uses asset allocation and diversification to mitigate these and other risks, but the client should be prepared for market volatility and potential loss of investment capital.

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk**. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk**. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk** – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- **Management Risk** – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

**Outbreaks of Communicable Infections or Diseases.** Disease outbreaks and other public health conditions, such as the global outbreak of the novel COVID-19 ("coronavirus") currently being experienced, in markets in which *RW (USA)* has made and will continue to make investments, can have a significant negative impact on certain investments. Global financial markets, which includes U.S. markets, have begun to reflect the uncertainty associated with the slowdown in the economy and the potential impact if businesses, workers, customers and others are prevented or restricted from conducting business activities due to quarantines, business closures or other restrictions imposed by businesses or governmental authorities in response to the coronavirus outbreak. This could result in an economic downturn and cause market disruption which negatively impacts to the *RW (USA)*'s investments.

The imposition of international and domestic travel restrictions and the potential disruption to *RW (USA)*'s business if *RW (USA)*'s employees are subject to quarantine, contract coronavirus, or are otherwise unable to work due to restrictions related to the coronavirus outbreak could negatively impact *RW (USA)*'s business and could have a material adverse effect on *RW (USA)*'s ability to manage client assets. Due to the significant disruptions resulting from the risks described above, *RW (USA)* has a business continuity plan that has been implemented, pursuant to which personnel will work from home or remote locations. *RW (USA)* believes that it has taken and will continue to take all necessary actions pursuant to its business continuity plan, but *RW (USA)* will have increased exposure to such disruptions. *RW (USA)* will monitor all these potential issues in order to ensure that *RW (USA)*'s business continues as normal to the greatest extent possible and the health and safety of its employees, clients, service providers and principals are given the highest priority.

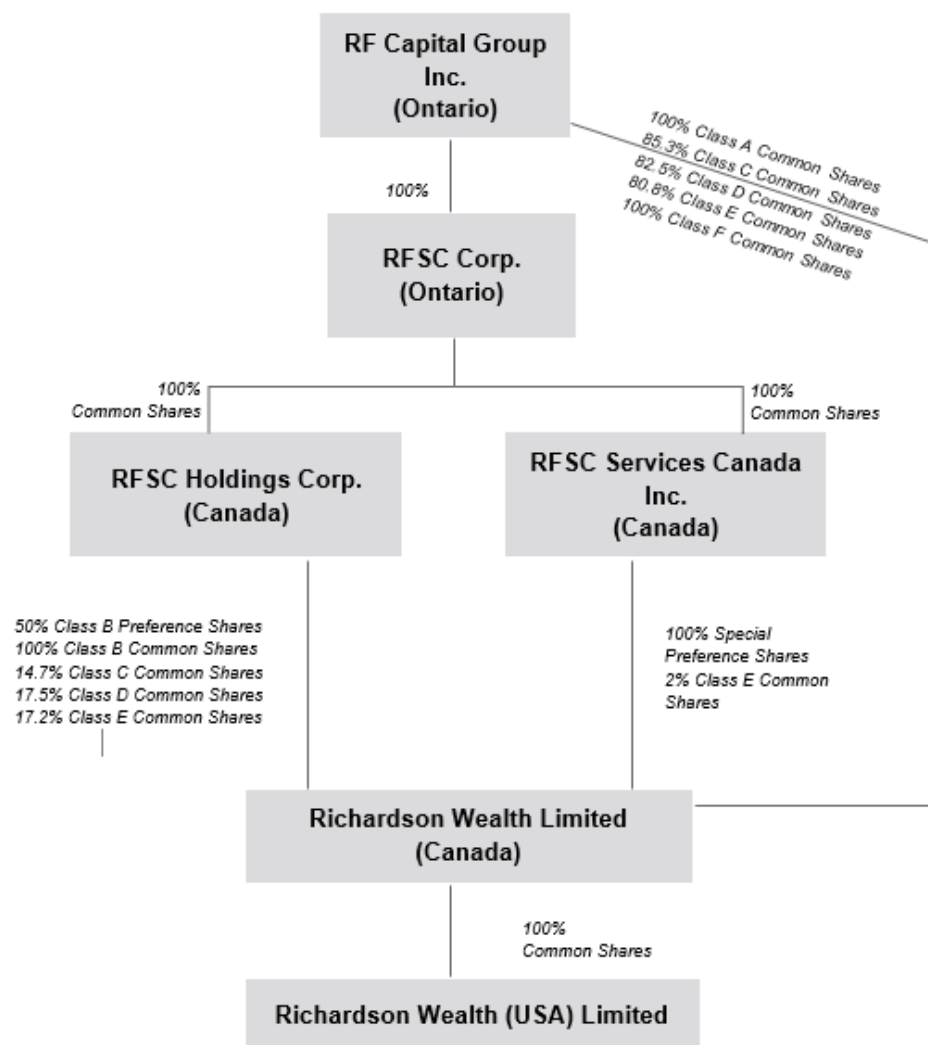
## Item 9 Disciplinary Information

RW (USA) is required to disclose the facts of any legal or disciplinary events that are material to a client's or prospective client's evaluation of its advisory business or the integrity of management. RW (USA) does not have any required disclosures to this Item.

## Item 10 Other Financial Industry Activities and Affiliations

Richardson Wealth (USA) Limited (RW (USA)) is a subsidiary of Richardson Wealth Limited, a Canadian Investment Dealer. Richardson Wealth Limited is owned directly by RF Capital Group Inc. which is listed on the Toronto Stock Exchange and trades under the symbol TSX:RCG. RW (USA) was created in November of 2012.

### Richardson Wealth (USA) Limited Corporate Structure



## Related Companies

**Richardson Wealth Limited (RWL)** is a Canadian investment dealer registered with the Ontario Securities Commission and a member of Investment Industry Regulatory Organization of Canada (IIROC). RWL will share some office space and employees with RW (USA). Specifically, certain of the Officers and the Investment Adviser Representatives of the company will be employed and registered with both entities. Some administrative functions will also be shared between the entities.

**RF Capital Group Inc.** Richardson Wealth is a wholly owned subsidiary of RF Capital Group Inc. ("**RF Capital**"). RF Capital is a public company and has its shares traded on the Toronto Stock Exchange (TSX:RCG). In addition to Richardson Wealth, RF Capital wholly owns RF Securities Clearing LP and CQI Capital Management L.P. The services of these entities are described below:

- RF Securities Clearing LP provides securities execution, clearing and settlement services to introducing broker clients and is registered as an Investment Dealer with the securities commissions in each of the provinces, and as a Derivatives Dealer in the Province of Quebec. RF Securities Clearing LP is a member of IIROC, CIPF and a member of the Toronto, Montreal and TSX Venture stock exchanges. As mentioned above in section 7, RF Securities Clearing LP is Richardson Wealth's Carrying Broker.
- CQI Capital Management L.P. is registered as an investment fund manager and portfolio manager with the Ontario Securities Commission and as an Exempt Market Dealer in all provinces. Funds are no longer offered to clients.

RW (USA) has no business relationship with any of the regulated affiliates that are listed. For further information regarding RF Capital, please visit their corporate website at [www.rfcapgroup.com](http://www.rfcapgroup.com).

## Conflicts of Interest

RW (USA) will use Pershing as its custodian and to execute client trades, unless otherwise requested by a client, to remove any actual or perceived conflicts between RW (USA) and its affiliated entities.

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

RW (USA) has adopted a code of ethics ("Code of Ethics") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act"). In general, the Code of Ethics sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws. The Code of Ethics requires officers and employees of RW (USA) to perform the duties of their office or position honestly, in good faith, with integrity and in the best interests of its clients. Under the Code of Ethics, operations, activities and affairs of RW (USA) are to be kept strictly confidential. In addition, employees must avoid any situation in which their personal interests conflict with their duties as an employee, officer or director of RW (USA).

The Code of Ethics applies to all full and part-time, permanent and contract employees of RW (USA).

Under the Code of Ethics, RW (USA) and persons associated with RW (USA) (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients as long as such practice is consistent with RW (USA)’s policies and procedures.

The Code of Ethics also requires that certain of RW (USA)’s personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre- approval of certain investments such as initial public offerings and limited offerings. Reports of all securities transactions made in Access Persons’ personal securities accounts will be reviewed to identify, detect and resolve potential conflicts of interest.

When RW (USA) is purchasing or considering for purchase any security on behalf of a client, no Access Person may affect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when RW (USA) is selling or considering the sale of any security on behalf of a client, no Access Person may affect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

The Code of Ethics also addresses the fiduciary duties expected of all persons subject to the Code of Ethics, including gift and corporate opportunity policies, and restrictions on outside business activities.

All Associated Persons must acknowledge the terms of the Code of Ethics at least annually, or as the Code of Ethics is materially amended. Any Associated Person found to have violated the Code of Ethics may be subject to disciplinary action, including dismissal, and additional punishment under governing laws, if applicable.

Clients and prospective clients may contact RW (USA) at the phone number included on the cover of this Disclosure Brochure to request a copy of its Code of Ethics.

## Item 12 Brokerage Practices

### Brokerage Recommendations

If you elect to utilize our management services you are required to establish a brokerage account at Pershing, LLC. Pershing, LLC provides RW (USA) with access to their institutional trading and custody services, which are typically not available to retail investors. The services from Pershing, LLC include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Pershing, LLC also makes available to RW (USA) other products and services that we benefit from but may not benefit your accounts. Some of these other products and services assist us in managing and administering client accounts. These include software and other technology that:

- Provide access to client account data (such as trade confirmation and account statements)
- Facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts)
- Provide research, pricing information and other market data
- Facilitate payment of our fees from client accounts
- Assist with back-office functions, recordkeeping and client reporting.

Many of these services generally may be used to service all or a substantial number of our accounts. Pershing, LLC also makes available other services intended to help us manage and further develop our business. These services may include:

- Consulting, publications and conferences on practice management
- Information technology
- Regulatory compliance
- Marketing.

In addition, Pershing, LLC may make available, arrange and/or pay for these types of services rendered to RW (USA) by independent third parties providing these services to us. As a fiduciary, we endeavor to act in your best interest. Our requirement that you maintain your assets in accounts at Pershing, LLC may be based in part on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Pershing, LLC. This creates a conflict of interest.

You are under no obligation to act on our recommendations. You may select a broker/dealer or account custodian other than Pershing, LLC, although in this case we cannot assist you with asset management services.

RW (USA) may aggregate purchase or sale orders for several client accounts when it appears that the clients will benefit from the practice. This will generally be a result of the availability, liquidity or volatility of a specific security. RW (USA) will undertake not to favor one advisory client over any other client. Each client will participate in an aggregated order at the average share price for all of RW (USA)'s transactions in that security on any given day, with transaction costs shared pro rata based on participation. Prior to entering an aggregated order, a written aggregation statement will be prepared, specifying the participating client accounts and method of allocation among accounts. Partially filled orders will be allocated pro rata based on the written aggregation statement. If an order must be allocated in a manner different from that in a written aggregation statement, all clients must receive fair and equitable treatment and the written rationale for the departure must be approved by RW (USA)'s compliance officer.

In most cases, RW (USA) also permits its clients to direct their brokerage to specific brokers if the clients request that a particular broker be used. In such cases, RW (USA) may not be able to obtain the best pricing or execution.

RW (USA) does not utilize "soft dollars" in relation to trading or brokerage activities for its clients.

## Item 13 Review of Accounts

Your RW (USA) Investment Adviser Representative monitors accounts on an ongoing basis and reviews client accounts quarterly at a minimum. Accounts are reviewed for continued suitability with the clients' objectives and for the investments expected performance relative to the clients need and market conditions. Each quarter the overall asset allocation is reviewed to ensure that it is consistent with the Investment Policy Statement for the client.

You will receive monthly account statements from Pershing and you will have online access to your accounts that will allow you to review your holdings and transactional information.

Clients are urged to independently review and reconcile their Pershing records with any reports that they receive directly from RW (USA).

## Item 14 Client Referrals and Other Compensation

RW (USA) is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, RW (USA) is required to disclose any direct or indirect compensation that it provides for client referrals.

If a client is introduced to RW (USA) by either an unaffiliated or an affiliated solicitor, RW (USA) may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from RW (USA)'s investment management fee, and shall not result in any additional charge to the client. If the client is introduced to RW (USA) by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of RW (USA)'s written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between RW (USA) and the solicitor, including the compensation to be received by the solicitor from RW (USA).

## Item 15 Custody

RW (USA) does not have custody of client funds or securities. Unless the client has entered into an agreement with another custodian that is satisfactory to RW (USA), RW (USA) will assist the client in arranging for a qualified custodian to take physical possession of the client's funds and securities for safekeeping.

RW (USA) typically assists its clients by arranging for Pershing to maintain custody of client funds and securities. RW (USA)'s agreement with Pershing authorizes RW (USA) to debit the client's account for the amount of RW (USA)'s fee and to directly remit that management fee to RW (USA) in accordance with applicable custody rules.

Pershing has agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to RW (USA). Clients should carefully review the statements sent directly by Pershing and compare them with any information such as portfolio or performance reports sent to them directly by RW (USA) to make sure that all information is consistent.

## Item 16 Investment Discretion

When providing asset management services, RW (USA) maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended



- The number of shares or units
- Whether to buy or sell

For these reasons, if you decide to only grant trading authority on a non-discretionary basis we cannot assist you with asset management services.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to RW (USA) so long as the limitations are specifically set forth or included as an attachment to the client agreement.

If applicable for the Separately Managed Accounts Program, Client will grant RW (USA) discretionary authority (without first consulting with Client) to establish and/or terminate a relationship with a Sub-Adviser for purposes of managing the Account or a portion of the Account determined by RW (USA). Client will also grant the Sub-Adviser selected by RW (USA) with the discretionary authority (in the sole discretion of the Sub-Adviser without first consulting with Client) to make all decisions to buy, sell or hold securities, cash or other investments for such portion of the Account managed by the Sub-Adviser. Client will also grant the Sub-Adviser selected by RW (USA) with the power and authority to carry out these decisions by giving instructions, on behalf of Client, to brokers and dealers and the qualified custodian(s) of the Account. Client authorizes RW (USA) to provide a copy of this Agreement to the qualified custodian or any broker or dealer, through which transactions will be implemented on behalf of Client, as evidence of Sub-Adviser's authority under this Agreement

## Item 17 Voting Client Securities

RW (USA) is required to disclose if it accepts authority to vote client securities. RW (USA) does not vote client securities on behalf of its clients. Clients receive proxies directly from the Financial Institutions and may contact RW (USA) with any questions by calling the number on the cover of this Disclosure Brochure.

## Item 18 Financial Information

RW (USA) does not require or solicit the prepayment of fees in advance. RW (USA) has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.