



**RMR WEALTH BUILDERS, INC.**  
**FORM ADV PART 2A APPENDIX 1**  
**Wrap Fee Program Brochure**  
(CRD # 169005 / SEC # 801-80404)

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March 29, 2024

This Wrap Fee Program Brochure provides information about the qualifications and business practices of **RMR Wealth Builders, Inc.**, an investment advisory firm registered with the United States Securities and Exchange Commission ("SEC"). If you have questions about this Brochure's contents, please contact us at 201.836.2460 or [compliance@rmrwealth.com](mailto:compliance@rmrwealth.com).

The information in this Brochure has not been approved or verified by the SEC or any state securities authority. Nothing in this document is to be construed as a recommendation or an endorsement by the SEC or any state securities authority. Registration does not imply any level of skill or training. Investments involve risk, including the possible loss of principal.

Additional information about **RMR Wealth Builders, Inc.** is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

*(Click on the link, select "Investment Adviser- firm," and type in RMR Wealth Builders, Inc. or CRD # 169005.  
Results will provide you with all firm disclosure brochures.)*

## Item 2: Material Changes

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In this item, **RMR Wealth Builders, LLC** ("RMR" or "the Adviser") is required to summarize only those material changes made to this Brochure since our last Annual Updating Amendment. If you are receiving this document for the first time, this section may not be relevant to you.

Since our last Annual Updating Amendment on March 30, 2023, changes have been made to the following Brochure sections:

### Item 4: Services, Fees & Compensation

#### *Types of Advisory Services*

In this section, RMR added additional detail on the firm's Principals and business history and updated the section to reflect the following current office locations: AZ, CA, CT, FL, MA, NJ, NY, PA, & RI and provide further information on Principal background, nature of client relationships and advisory services.

#### *Assets Under Management*

As of December 31, 2023, RMR's assets under continuous management total \$1,695,730,206. The following represents client assets under management by account type:

Account Type	Assets Under Management
Discretionary	\$ 1,447,964,680
Non-Discretionary	\$ 247,765,526
Total	\$ 1,695,730,206

#### *Wrap Fee Program Services*

RMR changed the name of its two Wrap Fee Programs from "Pillar Customized Allocation" and "Pillar Portfolios" to **IAR Client Investment Portfolio Wrap Fee Program** (the "CIP Program") and **Third-Party Manager Wrap Fee Program** (the "TPM Program"), respectively. Additional details were added to the **Financial Planning & Consulting Services** section. Additional Wrap Fee Program disclosures were added.

#### *Fees & Compensation*

Effective April 1, 2024, RMR increased its Annual Administrative Fee ("Fee") from \$52 to \$80 for portfolio management services advisory fee-based Programs, including Wrap Fee services. This Fee is assessed equally to each direct-debited fee-based Program client, regardless of the number of assets under management. The Fee provides clients with access to and the use of the BlackDiamond Wealth Platform, an online electronic trading and reporting system that gives clients a direct login and access to their portfolio information, wherein they – either independently or with the assistance of their IAR and/or a dedicated service team member, can review their portfolio holdings, obtain account summaries, view reports, obtain helpful education and training materials, and take advantage of other forms of client communications and support intended to assist them in better monitoring and understanding their investments.

This Brochure section was also updated to offer further details on the Adviser's fees and compensation practices.

### Item 9: Additional Information

#### *Preferred Custodians & Brokers-Dealers*

At the end of 2020, Charles Schwab completed its acquisition of TD Ameritrade. As of September 5, 2023, RMR's preferred Qualified Custodians are **Fidelity Investments Institutional Services Company, Inc.** ("Fidelity") and **Charles Schwab & Co., Inc.** ("Charles Schwab"), both independent and separate registered Broker-Dealers, Members of [FINRA](#) and the [SIPC](#), who will take possession of the cash, securities, and other assets within the client's portfolio account unless the client directs otherwise.

Digital Asset services clients will maintain their assets with **Gemini Trust Company, LLC** ("[Gemini Trust](#)"), in coordination with its relationship with [Onramp](#) their Individual Retirement Account ("IRA") Digital Assets account assets with **Equity Trust Company** ("[Equity Trust](#)"), which serves as the third-party custodian of the IRA Digital Assets accounts but not be the custodian of the Digital Assets themselves, which remain custodied with Gemini Trust.

This section was also revised to explain further analysis methods, investment strategies, and the types and risks of loss.

#### Enhancement to ADV Disclosures

This Brochure was further amended to include increased disclosures, supplementary clarifying information on RMR's advisory practices, and aesthetic and formatting changes. While these modifications may not necessarily be material, the enhancements are intended to clarify and better aid investors in understanding the Adviser's business model, procedures, and services.

#### Full Brochure Availability

At any time, we may amend this document to reflect changes in RMR's business practices, policies, procedures, or updates as mandated by securities regulators. Annually and as necessary due to material changes, we will provide clients - either by electronic means or hard copy with a new Brochure or a summary of material changes from the document previously supplied, with an offer to deliver a full Brochure upon request. Please retain this document for future reference, as it contains essential information concerning our advisory services and business.

You may view our current disclosure documents at or the SEC's Investment Adviser Public Disclosure ("IAPD") website at <http://www.adviserinfo.sec.gov> by searching either "RMR Wealth Builders, Inc." or CRD # 169005. The SEC's website also provides information about any RMR-affiliated person registered or required to be registered as an Investment Adviser Representative of the firm. You may also request a copy free of charge by contacting us directly at 201.836.2460 or [compliance@rmrwealth.com](mailto:compliance@rmrwealth.com).

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## Item 4: Services, Fees & Compensation

### Types of Advisory Services

**RMR Wealth Builders, Inc.** (hereafter "RMR" or the "Adviser") is an investment advisor registered with the United States Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940 (the "Advisers Act"). The firm, headquartered at 111 Grove Street, Suite 203, Montclair, New Jersey, was founded in 1986 and incorporated in New Jersey.

The Adviser also maintains office locations in AZ, CA, CT, FL, MA, NJ, NY, PA, & RI.

For over 35 years, RMR, through its founding partners, has embraced the discipline and practice of aligning fiduciary standards and professional principles. The owners of the privately owned company are Ryan P. DeGrau (Chief Executive Officer), Douglas R. Roth (Co-Chairman), Joseph J. Russo (Co-Chairman) and Edward A. Majitenyi (President), who undertake all of the Adviser's significant strategic and administrative decisions. None own 25% or more interest in RMR. Their combined experience in the industry is over 100 years. *(Please refer to each Principal's Form ADV Part 2B Brochure Supplement for additional details on their formal education and business background.)*

RMR is a fiduciary to clients, as defined under the applicable laws and regulations. As a fiduciary, the Adviser upholds a duty of loyalty, fairness and good faith towards each client and seeks to mitigate potential conflicts of interest and avoid situations in which one client's interest may conflict with the interests of another.

As used in this brochure, the words "we," "our," or "us" refer to RMR and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm. The term Associated Persons (or "Associates") refers to RMR's Covered Persons and Supervised Personnel: the firm's Officers and Directors ("Control Persons"), employees, and Investment Professionals - the Registered Investment IARs (hereinafter "IARs") who, as either employees or independent contractors of the firm, are licensed, supervised, and approved by RMR to provide investment advice or advisory services on behalf of the Adviser.

RMR's investment advisory services are designed to help our clients strive to attain their financial goals. RMR's IARs perform a critical role in each client's account's introduction, communication, and management. IARs will collect financial profile information from clients at the onset of the advisory relationship, make a reasonable effort to confirm or update the written client information no less than annually to keep the data current and recommend specific advisory services or programs deemed appropriate for each client's financial circumstances, goals, objectives and situation. Each advisory relationship at RMR will be managed by one or more such IARs registered with the firm, who serve as the primary point of contact between the Adviser and client. IARs are required by applicable rules and policies to obtain licenses and complete training to recommend specific investment products and services. Clients should be aware that their IAR may or may not recommend certain services, investments, or models depending on the licenses or training obtained; they may transact business or respond to inquiries only in the state(s) in which they are appropriately qualified. *(For more information about the Investment Professionals providing advisory services, clients should refer to their IAR's Form ADV 2B Brochure Supplement, a separate disclosure document delivered to them, along with this Brochure, before or at the relationship inception. If the client did not receive these items, they should contact their IAR or RMR's Chief Compliance Officer at 201.836.2460 for a copy of these essential and informative disclosure documents.)*

### Assets Under Management

As of December 31, 2023, RMR's assets under continuous management total \$1,695,730,206. The following represents client assets under management by account type:

Account Type	Assets Under Management
Discretionary	\$ 1,447,964,680
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Total	\$ 1,695,730,206

### Non-Exclusive Relationship

RMR supports and maintains an open environment where its Associates have access to the technology, tools, products, and support we believe are necessary to meet our goal of providing diverse and quality client services. Together with the assistance of our preferred Qualified Custodian(s), we aim to deliver a white-glove approach with respect to the resources, support,

operations, technology, compliance, guidance, oversight, business development, investment selection, and platform access we make available to our Investment Professionals and clients.

RMR's relationship with each client is non-exclusive; in other words, we provide advisory services to multiple clients, with investment strategies and advice based on each client's specific financial situation. Accordingly, since investment strategies and advice are custom-tailored based on each client's specific financial situation, the advice we provide to one client may differ or conflict with that provided for the same security or investment for another.

#### Client Responsibilities

The advisory services delivered by RMR depend on and rely upon client information. RMR cannot adequately perform its obligations and fiduciary duties to the client unless the client discloses an accurate and complete representation of their financial position and investment needs, timely remits requested data or paperwork, provides updates promptly upon changes, and otherwise fulfills their responsibilities under their Investment Advisory Agreement ("Advisory Agreement" or "Agreement"). RMR's IARs will rely upon the accuracy of information furnished by the client or on their behalf without further investigation. RMR will not be required to verify the information obtained from clients or other professional advisors, such as accountants or attorneys. Clients will acknowledge and agree to their obligation to promptly notify RMR in writing if any information material to the advisory services to be provided changes, information previously provided that might affect how their account should be managed occurs, or if earlier disclosed data becomes inaccurate.

#### Wrap Fee Program

RMR, as Manager and Sponsor, offers investment and portfolio management services via its **Wrap Fee Program Services**, a transaction fee rebate program that differs from a regular advisory services account in that clients receive both investment advisory management services and the execution of securities brokerage transactions, custody, reporting, and related services for a specified, bundled asset-based fee (the "Program Fee" or "Wrap Fee" - a single fee that covers both advisory services and certain transaction costs).

RMR's IARs recommend the Wrap Fee Program and serve as the Portfolio Managers servicing the Program's managed client accounts (the "Managed Accounts" or "accounts"), for which RMR will receive management fees and a portion of the fees related to the administrative services from the Wrap Fee Program. RMR's IARs (hereafter, the "Portfolio Managers") receive no extra compensation for their clients participating in the Wrap Fee Program; they receive the regular and customer advisory fees, as detailed in each client's executed Wrap Fee Program Advisory Agreement. (See "Wrap Fees.")

#### Wrap Fee Program Disclosures

Wrap Fee Program clients must understand the following:

- The benefits under the Wrap Fee Program largely depend on the size of the account, the management fee charged, and the number of transactions likely to be generated in the account.
- RMR and its IARs receive compensation due to client participation in our Wrap Fee Program. This compensation may be more than the amount RMR or its Investment Professionals would receive if the client paid separately for investment advice, brokerage, and other services. *(For example, this type of Program may not be suitable for accounts with little trading activity.)*
- To evaluate whether our Wrap Fee Program is suitable for their circumstances, clients should compare our Wrap Fee and any other costs of the Wrap Fee Program with the amounts that other advisers would charge broker-dealers and custodians for advisory fees, brokerage, other execution costs, and custodial services comparable to those provided under the Wrap Fee Program.
- Participating in a Wrap Fee Program may cost a client more or less than purchasing advisory, brokerage, and custodial services separately from other advisers or broker-dealers. Similar services may be obtainable at lower costs on an unbundled basis through different firms.

Accordingly, a conflict of interest exists because we have a financial incentive to recommend RMR's Wrap Fee Program. Receiving a portion of advisory fees incentivizes Portfolio Managers to recommend that clients participate in our Wrap Fee Program rather than a non-wrap fee program or other programs or services where clients pay for trade execution costs over brokerage accounts that charge commissions.

The following summarizes each service selection available through RMR's Wrap Fee Program. Clients should carefully review this Brochure and consult with their IAR, the applicable Program Agreement, and the corresponding fee schedule for complete information regarding each service.

#### The Wrap Fee Portfolio Management Services Programs

RMR's Investment Professionals will emphasize continuous personal client contact and interaction in providing the following Wrap Fee Program selections:

1. **IAR Client Investment Portfolio Wrap Fee Program** (hereafter "CIP Program"), or
2. **Third-Party Manager Wrap Fee Program** (hereafter "TPM Wrap Fee Program," with RMR As Investment Adviser and the TPM as Sub-adviser)

Before participating in the Wrap Fee Program, clients will be required to enter into a written RMR Advisory Agreement for Wrap Fee services that sets forth the terms and conditions of the engagement, describes the scope of services to be provided, contract term, advisory fee - or formula for computing the fee, amount or manner of calculation of any pre-paid fee to be returned to the client in the event of non-performance or contract termination, and type of discretionary power granted to us - either discretionary or non-discretionary.

RMR's Wrap Fee Program Services selections involve different custodial and administrative services and fee arrangements. The annual Wrap Fee for participation, which is negotiable, depends upon the market value of the client assets under our management. RMR will receive a portion of the total fee, or the range of fees, paid to Portfolio Managers under the selected Wrap Fee Program. This fee will be charged separately to the client's account by the Wrap Fee Program custodian and paid for by the client. (See "Wrap Fees.")

At relationship inception, IARs will work with clients to determine their financial situation, risk tolerance, investment objectives, time horizon and other relevant guidelines ("Suitability Information"). All advisory clients will undergo this initial interview and discussion to create a customized investment plan for portfolio management. Multiple aspects of the client's financial affairs are reviewed, and realistic and measurable goals are set based on the disclosed information and objectives to define those goals. According to the selected service(s), the client's written Agreement will document the details of the advisory relationship and final advisory fee structure. Appropriateness will be determined based solely on the Program's cost-effectiveness to the client.

According to the client's Agreement, custody of client assets will be held by one of RMR's (or the Third-Party Manager's, as applicable) chosen independent and separate Qualified Custodians who will take possession of the cash, securities, and other assets within the client's portfolio account. RMR delivers a report to the Qualified Custodian, and fees are then typically automatically directly debited from the client's account. RMR urges clients to review Qualified Custodial account statements received promptly upon receipt and compare them against the client's executed Advisory Agreement, the appropriate benchmark for their portfolio, and any periodic portfolio report, data or statement they may request from us to ensure the accuracy of account transactions.

RMR will then supervise and direct the account's investments, subject to the objectives, limitations, and restrictions listed in the client's written Wrap Fee Program Services Agreement as applicable to the type of account opened and according to the Adviser's standard Fee Schedule as reflected herein and more fully explained in each client's executed Agreement. Clients should consult their Agreement for complete details.

As account goals and objectives will often change over time, suggestions are made and implemented ongoing as the client and IAR review their financial situation and portfolio through regular contact and annual meetings to determine fluctuations in their financial situation or investment objectives, confirm realistic restrictions on account management and verify if the client wishes to modify any existing restrictions reasonably.

#### Independent Third-Party Manager ("TPM")

As Overlay Manager, your IAR will recommend, select, monitor, and replace the Wrap Fee Program's Independent Third-Party Manager ("TPM") if necessary. The TPM will offer a selection of Model Portfolios that use a variety of investment strategies as described in Item 6: Portfolio Manager Selection & Evaluation and in each TPM's Form ADV Disclosure Brochure, with varying levels of risk from which clients can choose. RMR or your IAR do not manage TPM assets. One or more third-party asset managers manage TPM assets on a discretionary basis.



### Trading Authorization & Account Management Style

RMR advisory services are offered either on a **discretionary** or **non-discretionary** basis.

- **TPM** investment accounts are offered only on a discretionary basis.
- **CIP** investment accounts are offered on either a discretionary or non-discretionary basis.

An explanation of each type of management style follows:

#### *Discretionary Authority*

Under discretionary account management authority, RMR has the discretion to select and replace the TPM Investment Manager, and the TPM Investment Manager has the discretion to select and manage the assets in the client's investment account. Securities transactions will be executed for clients without obtaining specific client consent before each transaction.

Discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell,
- determine the amount of security to buy or sell, and
- determine the timing of when to buy or sell.

For this type of management style, clients will provide discretionary management style authority via written authorization granting complete and exclusive discretion to manage all investments, reinvestments, and other transactions for their account as deemed appropriate in furtherance of their investment risk profile and IPS, with such changes as the client and the client and IAR/TPM may agree to from time to time - collectively, the "Investment Guidelines." We will not wire or transfer funds to third parties without your written approval.

Discretionary authority is limited to investments within a client's Managed Accounts. Clients may impose restrictions on investing in particular securities or types or limit authority by providing written instructions. They may also amend/change such limitations by providing written instructions. Clients will sign a "Limited Power of Attorney" as a stand-alone document or as part of the account opening paperwork through their custodian. Client consent will only be required for trades on positions explicitly discussed and designated as requiring consent during the introductory interview, such as inherited stock that the client would like to hold on to for sentimental reasons or as otherwise specified.

In all cases, the discretionary authority will be exercised consistent with the stated investment objectives for the particular client account and remain in full force and effect, notwithstanding the incompetence or disability of the client, until terminated in a written notice to the Adviser.

#### *Non-Discretionary Authority*

Non-discretionary account management authority requires clients to initiate or pre-approve investment transactions in their accounts before they occur. Clients may decide not to invest in securities or other types of securities and refuse to approve securities transactions. Clients will execute all documents RMR or their custodian requires to establish the account trading authorization. RMR will recommend and direct the investment and reinvestment of securities, cash, and financial instruments held in the client's accounts as deemed appropriate in furtherance of the client's investment guidelines, with such changes as the client and their IAR may agree to from time to time. Under this management style, RMR must receive approval from the client before placing any trades in the client's account. As a result, *until RMR reaches the client*, no transactions will be placed in the client's account(s). Similar to discretionary authority, the non-discretionary authority will remain in full force and effect, notwithstanding the incompetence or disability of the client, until terminated in a written notice to the Adviser.

For both account management styles, if clients object to any investment decision, a mutually agreed-upon decision will be made and documented if necessary. It is always preferred that the client and RMR engage in discussions to resolve any potential opinion differences. However, if the client repeatedly acts inconsistent with the jointly agreed upon investment objectives, RMR reserves the right to cancel the client's Agreement after written notice. Similarly, the client reserves the right to cancel their Agreement with the Adviser according to the Agreement provisions if they so desire.



## Fees

RMR's **Wrap Fee Program** fees generally use a tiered or "blended" annual fee calculation. Based on the account's value at the end of the last billing period, the fee schedule identifies specific portions of the account value to be charged at different rates. The account's total value is compared against this schedule, and based on the account size, the separate fee rates are blended to determine the total quarterly account fee for that period according to the following schedule:

### Annual Advisory Fee Schedule

Assets Under Management ("AUM")	Maximum Annual Fee
\$0 - \$250,000	2.65%
\$250,001 - \$500,000	2.50%
\$500,001 - \$1,000,000	2.00%
\$1,000,001 - \$2,500,000	1.75%
\$2,500,001 - \$5,000,000	1.50%
\$5,000,001 +	1.25%

*\*Lower fees for comparable services can sometimes be available from other sources.*

The annual account management fee is billed quarterly based on the number of days in the quarter divided by 365 multiplied by the AUM fee. The first quarterly fee will be prorated based on the number of billing days in the initial quarter. Subsequent fees will not be prorated unless additional funds or securities are added to the account or the client Agreement is terminated. Fees are negotiable based on account value and type but will not exceed the maximum Annual Fee.

The final fee schedule is documented in the client's executed Agreement. Additional funds and/or securities deposits during a particular calendar quarter will be subject to billing on a pro-rata basis. Clients who withdraw funds from a managed account during a billing period are not generally entitled to a pro-rata refund unless they terminate their client Agreement.

### Annual Account Administration Fee

Effective April 1, 2024, RMR increased its annual Administrative Fees for accounts billed directly from \$52 to \$80. In return for such fees, which are prorated daily and charged quarterly based on the number of days in the quarter x 365 (same as below), they are assessed to RMR fee-based program clients according to their executed Advisory Agreement. Regardless of the number of assets under management and as illustrated in the Advisory Agreement, clients receive access and use of the *BlackDiamond Wealth Platform*, an online trading and reporting system that provides them with direct login and access to their portfolio information, wherein they – either independently or with the assistance of a Dedicated Service Team Member, can review their holdings, obtain account summaries, reports, education and training materials and other forms of client communications and support intended to aid clients in monitoring their investments.

**IAR Client Investment Portfolio Wrap Fee Program Services Fees** - clients who elect to receive asset management services through RMR's CIP Program will pay for the services according to this Brochure with an ongoing asset management fee based on a schedule of percentage of assets under management ("AUM"), according to the above Annual Advisory Fee Schedule. The maximum annual account management fee charged in any RMR Managed Account Program is **2.65%**.

**Third-Party Manager Wrap Fee Program Services Fees** - clients participating in RMR's TPM Program services will pay Program fees according to this Brochure, based on a percentage of assets managed within the TPM Program. Clients are informed of the amount to be received by RMR via the Form ADV disclosure documents, Agreement, and Fee Disclosure Statement they receive/accept at the time of relationship inception. The fee arrangement is also detailed within each referred manager's Form ADV Part 2A disclosure brochure and the separate manager's contract the client enters with the manager. Fees can be structured in one of the following ways and are disclosed in each client's Agreement:

- RMR receives a split of management fees with the TPM,
- a fixed flat percentage fee on total assets in the account,
- a tiered fee schedule calculated by applying different rates to different levels of assets, or
- a linear fee schedule where a breakpoint percentage fee is assessed to the total account assets.

The first pay period's fees will be calculated pro rata at the account's inception. The fee is calculated via Black Diamond and debited from the custodian. While RMR generally remits payment to the TPM, in some instances, the TPM will directly bill the

client's account, resulting in the client seeing two line items for the single fee they pay for this service. Fees will be paid to referred managers according to Agreement provisions.

RMR's fees are charged in addition to each referred third-party manager's fee. RMR's portion of the total management fee represents the maximum fee we may earn under the TPM Program and will not exceed the limits imposed by any regulatory agency. It is important to note that the client's TPM can charge fees in addition to those reflected in RMR's Annual Advisory Fee Schedule and will typically reserve the right to reduce or waive the fee at their sole discretion. Added fees and expenses can also be charged by investments within the portfolio's model(s).

Each month, clients participating in the TPM Program will receive either a written statement or electronic notice via established secure online access from their TPM custodian, alerting them to statement availability and detailing all account activity. The client is encouraged to promptly review their account statement(s) upon receipt to verify the accuracy of all information. Fee payment in full is expected for fees upon invoice presentation. Clients should refer to their respective RMR Advisory Agreement and the referred manager's contract for complete details on services, costs, and fees.

RMR may change its standard Annual Advisory Fee Schedule at any time by providing the client with 30 days advance written notice.

### Fees & Fee Billing

Clients have two options to pay their RMR advisory fees, either via (1) direct debit or (2) billed, and will select their chosen method by indicating their preference in the Agreement they execute with RMR.

RMR or its administrative agent, as authorized by the client, typically requests that for discretionary accounts, the Qualified Custodian directly debits account management fees from the client's account automatically. For non-discretionary accounts, the client will be contacted to provide consent. Clients may also be billed fees by directly writing a check to RMR or its administrative agent for the fee amount. For all advisory services, fee payment in full is expected promptly upon invoice presentation.

The exact process for fee payment is as follows:

*Directly Debited Fees* - for directly debited fees, clients will authorize RMR in writing to directly deduct advisory fees due from their custodial account and provide the custodian with authorization to deduct such fees and instructions to remit them straight to RMR.

- For this type of fee payment, when fees are due, RMR will provide the Qualified Custodian with an advisory fee calculation based on the terms of the client's Agreement and direct the Qualified Custodian to remit the client a statement of the activity to the client's address of record - or another authorized address, as otherwise designated in writing by the client, reflecting the fee amounts paid to RMR for the quarter in question.
- If paid directly, the Qualified Custodian will automatically deduct the client's advisory fees due, as instructed by RMR, at the end of each calendar quarter, regardless of the market performance of the portfolio during the quarter just ended. The account management fee will be payable first from free credit balances, money market funds, or cash equivalents, if any, and second from the liquidation of a portion of the client's securities holdings, according to the discretionary authority granted by the client to RMR, IAR and referred third-party manager, as applicable for the type of account established.

When authorized by the client to debit advisory fees from client accounts, RMR is deemed to have custody of client assets to the extent that the adviser can instruct custodians to deduct the fees. *RMR urges clients to compare their custodial account statements with any periodic portfolio report or data they may receive from us promptly upon receipt to ensure the accuracy of account transactions. Information obtained from us may vary based on accounting procedures, reporting dates, or valuation methodologies.* If a client is not receiving statements directly from their custodian, in addition to advising their IAR promptly, RMR also recommends that they contact their custodian directly.

*Billed Fees* - clients who wish to be directly billed by RMR for their advisory services fees will authorize this form of payment in writing on their advisory services contract and request that RMR invoice them directly quarterly for any fees due. Clients will then make their fee payments to RMR by separate check or credit card, and under no circumstance will any RMR advisory fees be deducted from amounts they hold within their custodial account(s).

## Other Fees & Expenses

The fees clients pay for RMR's investment advisory services are separate and distinct from administrative fees, annual custody fees, brokerage costs, commissions, debit and credit interest, default charges, direct investments (such as limited partnerships and limited liability companies), margin and trade extensions, mailgrams, money market fees, physical reorganization costs, renege assessments, legal return/bounced check/stop payment/transfer and ship or safekeeping fees, transfer and sub-transfer agent and distributor fees, and other miscellaneous charges when purchasing or selling securities or for products and services customarily assessed by product manufacturers (which include but are not limited to, insurance companies, mutual or exchange-traded funds, real estate, oil and gas, and other providers of direct investments, as described in each product sponsors product prospectus to their shareholders) and the client's account Broker-Dealers/Qualified Custodians. RMR does not share in any portion of such additional fees or expenses imposed. Additional details on some of the above-mentioned and other customary fees and expenses clients may pay to other parties in connection with their portfolio accounts and investments follow:

*Margin Interest* - is the interest the client pays to a Broker-Dealer/Qualified Custodian on loans made to finance the purchase or sale of securities or securities in the client's investment account. The interest rate charged and other information about the loan, including how interest is calculated and other disclosures of risk and liability, will be described to the client in the margin agreement the client executes with their Broker-Dealer/Qualified Custodian. Fees for advice and execution on these securities are based on the total asset value of the account, which includes the value of the securities purchased on margin. While a negative amount may show on a client's statement for the margined security due to a lower net market value, the fee amount is based on the *absolute market value*. This could create a conflict of interest where RMR may have the incentive to encourage using margin to create a higher market value and, therefore, receive a higher fee. Using margin may also result in interest charges and all other fees and expenses associated with the security involved.

As noted previously, third-party managers responsible for managing a portion of or all of a client's account can also receive a portion of the advisory fees clients pay RMR, depending on the specific third-party manager disclosure and agreement. Clients should be aware that sharing in a portion of any fee presents a potential conflict of interest because IARs will have a greater incentive to recommend - or make investment decisions regarding investments that provide additional compensation to RMR and your IAR. Any mutual fund share class that pays 12b-1 fees received by RMR will be credited back to the client. Further information regarding fees and charges assessed by a mutual fund is available in the appropriate prospectus.

## Revenue Sharing & Other Considerations

RMR recommends a broad selection of investment products and mutual funds. Some of the investment products and mutual funds we endorse have marketing and distribution agreements with third parties designed to help facilitate the distribution of such investment products. As a result of these arrangements, RMR's IARs can attend educational sessions, seminars, due diligence presentations, and conferences that provide education and training on various industry topics, including, but not limited to, securities markets, regulations, and company-specific products. Clients should be aware that different products charge different commissions, and our IARs do not receive a greater or lesser percentage of the commission for sales of these products. Regardless, the marketing and educational activities paid for by a product sponsor could lead to a potential conflict where IARs focus more on such offerings.

Clients are under no obligation, contractually or otherwise, to purchase insurance or securities products through any person affiliated with RMR. Clients can purchase recommended investment products through other brokers or agents not affiliated with RMR. Further, clients are encouraged to consider and speak to their IAR, tax, and other Investment Professionals regarding the following before transferring securities into an account with our firm:

- whether a commission was previously or will be paid pursuant to a previously disclosed deferred compensation agreement,
- if you want the security to be managed as part of an account subject to an advisory fee, and
- if you prefer to hold the security in an unmanaged brokerage account not subject to an advisory fee.

To fully understand the total account costs they will pay, the client's responsibility is to read and understand RMR's advisory Agreement and those of any referred third-party manager and the prospectus, disclosures, and legal documentation provided that explains the difference in the fees, costs, expenses, commissions and other matters for securities purchased or sold in their investment account as well as the disclosures made regarding all fees charged by our firm, their Broker-Dealer/Qualified Custodian, and others, as applicable for the type of account established. Clients are again encouraged to contact their IAR, tax, and other Investment Professionals to help resolve any questions.

### Account Additions, Withdrawals, Terminations & Assignments

Clients may make **additions** to their accounts in cash or securities at any time. RMR reserves the right to liquidate any transferred securities or decline to accept particular securities into the client's account. If RMR liquidates transferred securities, clients may be subject to additional fees such as transaction fees, other fees assessed at the mutual fund level such as contingent deferred sales charges, and tax ramifications.

Clients may make **withdrawals** from their RMR accounts at any time in cash or securities. Withdrawals are subject to the usual and customary securities settlement procedures. Additionally, if the client transfers their account to another firm, they may pay an outgoing account transfer fee.

Generally, **terminations** can be made to an RMR services Agreement by written notice without penalty within five (5) business days after the Agreement execution date. After that, the Advisory Agreements between RMR and the client will continue in effect until either party terminates the Agreement following the terms of the Agreement, which state that Agreements may be terminated by either party upon at least thirty (30) days' written notice to the other party. A "business day" shall be any day when the New York Stock Exchange is open for trading. Terminations become effective on receipt of such notice and will not affect:

- the validity of any action previously taken by the Adviser under the Agreement,
- liabilities or obligations of the parties from transactions initiated before termination of the Agreement, or
- the client's obligation to pay management and other fees due, pro-rated through the termination date.

RMR will refund any unearned fees resulting from client advance payments to the Adviser. Likewise, if RMR bills the client in arrears for services that have already been rendered, RMR will prorate those fees up to the termination date of the client Agreement. Any pre-paid, unearned fees will be promptly refunded to the client pro rata based on the termination date.

If the client is a natural person, the client's death, disability, or incompetency will not terminate or change the terms of an Agreement. Instead, the Agreement shall immediately terminate upon the Adviser's receipt of written notice of the client's death. The disability or incompetency of the client will not terminate or change the terms of this Agreement; however, the client's executor, guardian, attorney-in-fact, or other authorized representative may terminate this Agreement by giving written notice to RMR. Before termination, all directions given or actions taken or omitted by RMR before the effective Agreement termination shall be binding upon the client and any successor or legal representative. The Adviser will no longer be entitled to receive fees from the termination date and has no obligation to recommend or act concerning an account's securities, cash, or other investments on the terminated Agreement.

The executed TPM Investment Management Agreement will govern additions, withdrawals, and terminations to third-party manager services. Each third-party manager's Agreement will continue until the client or TPM is terminated by written notice to the other. The third-party manager is responsible for refunding unearned fees per their contract terms. If the total value of the client's account or aggregated accounts falls below the TPM's minimum account size because of a withdrawal or other reasons, the TPM may terminate the Program Agreement. Before participating in any TPM offering, clients should review all applicable disclosure brochures, investor profiles, and third-party manager contracts.

Finally, no RMR Agreement may be **assigned** - within the meaning of the Investment Advisers Act of 1940, as amended, by the Adviser - without the prior consent of the client. *(Note: Transactions that do not result in a change of actual control or management of the Adviser within the meaning of the Investment Advisers Act of 1940, as amended, shall not be considered an assignment.)*

### Brokerage Practices

RMR does not maintain custody of the assets we manage on your behalf. Client assets must be held in an account at a "Qualified Custodian," generally a Broker-Dealer or bank.

At the end of 2020, Charles Schwab & Co., Inc. ("Charles Schwab") completed its acquisition of TD Ameritrade. As of September 5, 2023, RMR's preferred Qualified Custodians are **Fidelity Investments Institutional Services Company, Inc.** ("Fidelity") and **Charles Schwab & Co., Inc.** ("Charles Schwab" or "Schwab"), both independent and separate registered Broker-Dealers, Members of [FINRA](#) and the [SIPC](#), who will take possession of the cash, securities, and other assets within the client's portfolio account and buy and sell securities upon our instructions, as indicated within each client's written Agreement and the documents they execute to establish their custodial account with each Qualified Custodian unless the client directs otherwise.

### Research & Other Benefits

An investment adviser receives custodial soft dollar benefits when the firm obtains custodial research or other products and services related to client securities transactions. RMR may receive certain benefits from our Broker-Dealers/Qualified Custodians. These benefits include but are not limited to electronic access and download of trades, balances and positions, confirmation and statements in the Broker-Dealer or Qualified Custodian's portfolio management software and access to related blotters, duplicate and batched client statements, confirmations and year-end summaries. RMR also receives a dedicated trading desk and service group that assists our clients, an account services manager dedicated to our accounts, access to a real-time order matching system, mutual funds with no transaction fees, and select institutional money managers. In addition, we can receive discounts on compliance, marketing, research, technology and practice management products or services provided to us by third-party vendors and the ability to have advisory fees directly debited from client accounts following applicable federal and state requirements.

Our approved, Qualified Custodians provide some of these services themselves. In other cases, they will arrange for third-party vendors to provide the services, discount, or waive fees for some of these services or pay all or a part of a third party's fees. In effect, the fees paid by our clients generate the soft dollars used to pay for such administrative services. The Adviser will not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

The availability of the above services, commonly called "soft dollars," benefits us because we do not have to produce, purchase, or pay for them as long as our clients collectively keep a minimum amount of assets in our Qualified Custodian accounts. Beyond that, these services are not contingent upon us committing any specific amount of business in trading commissions or assets in custody.

A conflict exists in such situations because RMR can be incentivized to select or recommend a Broker-Dealer based on the Adviser's interest in receiving research or other products or services rather than the Adviser's clients' interest in receiving the best value in custody services and most favorable execution of their transactions. While the conflict of interest exists, our clients also measure our overall performance; the cost of these services necessarily reduces portfolio performance. It is in our best interests to minimize these costs to improve the overall performance of client portfolios. Furthermore, we believe that the selection of any Qualified Custodian and Broker-Dealers is in the best interests of our clients. The scope, quality, and price of services received primarily support our selection, not services that benefit only us. *(Please contact us directly for the most current qualifying amount of client assets numbers.)*

### Directed Brokerage

RMR's Wrap Fee program requires that clients open and maintain a brokerage account through our pre-approved Broker-Dealer/Qualified Custodian.

Clients are free to use the Broker-Dealer/Qualified Custodian or financial institution of their choice for any recommendation. However, clients who select RMR as their investment manager must maintain their accounts at one of our approved Broker-Dealers/Qualified Custodians. *Clients should be aware that not all advisers require their clients to direct brokerage.*

Clients who wish to direct brokerage will do so in writing and shall be responsible for negotiating the terms and arrangements with the Broker-Dealer/Qualified Custodian of their choosing. RMR will not be obligated to seek better execution services or prices or aggregate client account transactions for execution through other custodians with orders for different accounts we manage. As a result, a disparity in commission charges can exist between those charged to clients who do not direct brokerage and those who do, resulting in potentially higher trading expenses, costs, and less favorable transaction execution for clients with directed brokerage transactions. Directing brokerage may cost the client money. Clients wishing to direct brokerage should consider the costs or disadvantages of such requests, including paying higher commissions or other transaction costs and greater spreads, being unable to aggregate orders to reduce transaction costs, or receiving less favorable prices on transactions for the account that would otherwise be the case. Accordingly, the client should satisfy themselves that their designated broker can provide adequate prices and execution of their transactions.

Subject to its duty to seek best execution, RMR may also decline a client's request to direct brokerage if, at our discretion, such brokerage arrangements would result in operational difficulties.



### *Directed Brokerage - Special Considerations for ERISA Clients*

A retirement or ERISA Plan client may direct all or part of portfolio transactions for its account through a specific custodian to obtain goods or services on behalf of the Plan. Such direction is permitted if the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business. Otherwise, it would be obligated and empowered to pay. *(Note: ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the Plan.)*

### **Block Trades**

RMR does not aggregate orders for block trading purposes under its Wrap Fee Program.

### **Types of Investments**

Clients will invest by establishing one or more accounts (the "Managed Accounts" or "accounts"), each of which is reviewed for qualification and suitability. Assets managed as part of the Wrap Fee Program are regularly monitored, with investment strategy purchase and sale transactions based on the client's specific needs and investment goals.

Wrap Fee Program Services typically provide investment advice for various types of investments and security types, including, but not limited to, stocks, bonds, mutual funds, exchange-traded funds ("ETFs"), unit investment trusts, derivatives, and other investments as discussed herein. The client's Suitability Information helps us in selecting and allocating assets as follows:

*Capital Preservation* - a portfolio geared towards capital preservation that invests predominately in the fixed-income sleeve while striving to minimize potential losses. This option is focused on clients who prefer more loss protection than a stock-invested portfolio may offer.

*Conservative* – a portfolio designed for clients with interest primarily concerned with reducing asset risk – such as those approaching retirement or who desire decreased risk of loss but still desire some exposure to stocks to provide asset growth potential.

*Conservative Growth* - this portfolio is designed for clients who want the potential for some asset growth. Most assets are invested in the fixed-income sleeve, yet there is a reasonable exposure to equity sleeves.

*Moderate* - this portfolio seeks capital preservation and investment growth as near-equal objectives. The risk/return goal is designed to address a client's wish for the potential for higher returns from stocks over time without the extreme variations that can occur in the short term.

*Moderate Growth* - a portfolio weighted more toward equity sleeves but with a significant amount of funds in the fixed-income sleeve. This option is designed for clients with a medium to long-term investment horizon.

*Growth* - this portfolio seeks growth through equities while attempting to balance risk using fixed-income funds. It is designed for clients who are comfortable accepting some risk in exchange for the potential for higher returns provided by stocks over time.

*Aggressive* – a portfolio invested predominately in equity with only a small proportion invested in bonds. The goal is to produce investment growth. This portfolio is designed for clients willing to accept a much higher percentage of equities in exchange for the potential for higher returns. Clients should typically have an investment time horizon of more than five years.

## **Item 5: Account Requirements & Types of Clients**

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### **Types of Clients**

RMR primarily provides investment advisory services to individuals, high-net-worth individuals, partnerships, trusts, corporations, retirement/pension and profit-sharing plans, charitable organizations, and other institutions and business entities.

### **Minimum Account Size**

There is no account minimum for RMR's services and no ongoing contribution requirements for client accounts, although this practice is highly recommended for continuing savings, asset allocation, and tax efficiency.

Accounts managed by unaffiliated third-party managers are subject to the independent TPM's account minimums (typically between \$25,000 and \$1,000,000), as disclosed in each referred manager's contract. In selecting a referred manager, the client is responsible for understanding the account minimums, requirements, and fee agreement they execute with their referred TPM.

The following are considerations and other information for your review:

## Item 6: Portfolio Manager Selection & Evaluation

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We are the sponsor and Portfolio Manager for CIP and TPM investment accounts. Should we choose to utilize one or more portfolio managers throughout serving you, the evaluation of each portfolio manager will be based on data and information from several sources, including the manager and independent databases. Among the types of information analyzed are historical performance, investment philosophy, investment style, historical volatility, and correlation across asset classes.

### Performance-Based Fees & Side-by-Side Management

Performance-based fees are fees based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

RMR does not accept performance-based fees or participate in side-by-side management.

### Methods of Analysis

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

*Cyclical Analysis* - a technical analysis involving evaluating recurring price patterns and trends. With this type of analysis, economic/business cycles may not be predictable and fluctuate between long-term expansions and contractions, and the lengths of economic cycles may be difficult to predict accurately. Therefore, the risk of cyclical analysis is the difficulty in predicting economic trends and, consequently, the changing value of securities that would be affected by these changing trends.

*Fundamental Analysis* - a security evaluation method that measures 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 (e.g., the overall economy and industry conditions) and company-specific factors (e.g., financial condition and management). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price to determine what position to take with that security (underpriced = buy, overpriced = sell or short). This security analysis method is considered the opposite of technical analysis. The risk of fundamental analysis is that information obtained may be incorrect, and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

*Quantitative Analysis* - an analysis technique that seeks to understand behavior using complex mathematical and statistical modeling, measurement, and research. By assigning a numerical value to variables, quantitative analysts try to replicate reality mathematically. Some believe that it can also be used to predict real-world events, such as changes in a share price.

*Technical Analysis ("Charting")* - 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. Instead, they use charts and other tools to identify patterns that can suggest future activity. When looking at individual equities, a person using technical analysis generally believes that the performance of the stock, rather than the performance of the company itself, has more to do with the company's future stock price. Some risks of this type of analysis include biased opinions or indicators that – while providing possible entry and exit points and information for consideration, can produce false or conflicting signals or not be 100% accurate in their forecasting.

Our investment strategies and advice will vary depending on each client's financial situation. Therefore, it is *essential that clients notify us immediately regarding any material changes to their financial circumstances, including, for example, a change in their current or expected income level, tax circumstances, or employment status.*

While RMR's IARs may provide advice on any investment held in a client's portfolio at the inception of the advisory relationship and explore other investment options at the client's request, they reserve the right to advise clients on any other type of investment deemed suitable based on the client's stated goals and objectives. Additionally, when balancing portfolios, IARs will consider only the account's managed assets, not other investments the client may hold elsewhere.



## Investment Strategies

Our investment strategies and advice will vary depending on each client's financial situation as we determine investments and allocations based on their predefined objectives, risk tolerance, time horizon, financial information, liquidity needs, and other suitability factors appropriately identified and included in their best interest objective. Client restrictions and guidelines will also affect the composition of their portfolio. In addition to the "Risks of Loss & Other Types of Risks" provided for review herein, the following are other items that can also be items for consideration when determining investment strategies and practices:

**Asset Allocation** - an investment strategy that aims to balance risk and reward by allocating assets among various asset classes. At a high level, there are three main asset classes - (1) equities (stocks), (2) fixed income (bonds), and (3) cash and cash equivalent, each with different risk and reward profiles and behaviors. Asset classes are often further divided into domestic and foreign investments. Equities are frequently divided into small, intermediate, and large capitalization and fixed income into short, intermediate, and long-term durations. The general theory behind asset allocation is that each asset class will perform differently from others in changed market conditions. By diversifying a portfolio of investments among various asset classes, advisors seek to reduce a portfolio's overall volatility and risk by avoiding overexposure to any asset class during different market cycles. Asset allocation does not guarantee a profit or protect against loss.

**Capital Growth and/or Income Strategy** - a "growth and income strategy" often invests in companies with earnings growth and those that pay dividends. Risks associated with a capital growth and income strategy are similar to those experienced with income and growth strategies. For example, bonds can be called when interest rates drop, and replacing a called bond with another paying the same interest may be impossible. Companies can suspend dividends for certain stocks if they experience financial problems. A growth investing strategy includes the search for stocks that have growth potential. The latter means that the stock price will rise at a certain point in time. As a result, growth investors may target young companies that have the potential to exceed their peers in the industry or sector. By its very nature, growth investing implies risk because some of the young companies may fail.

**Dollar Cost Averaging** - the technique of regularly buying a fixed dollar amount of a particular investment, regardless of the share price ("DCA"). More shares are purchased when prices are low and fewer when prices are high. This investment strategy is believed to lessen the risk of investing a large amount at a single investment at a higher price. DCA strategies are ineffective and do not prevent loss in declining markets.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year.

**Short-Term Purchases** - securities are purchased with the expectation that they will be sold within a relatively short period, generally less than one year, to take advantage of the securities' short-term price fluctuations.

**Margin Transactions** - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan. Buying on margin means borrowing money from a Broker-Dealer to purchase stock. Margin trading allows investors to buy more stock than they would typically be able to buy. An initial investment of at least \$2,000 is required for a margin account, although some brokerages require more. This deposit is known as the minimum margin. Once the account is operational, the holder can borrow up to 50% of the stock purchase price. This portion of the deposit purchase price is the initial margin. Investors can be required to deposit more than 50% of the purchase price. Not all stocks qualify to be bought on margin. When selling the stock in a margin account, the proceeds go to the Broker-Dealer against the repayment of the loan until it is fully paid. A maintenance margin restriction also exists - the minimum account balance that must be maintained before the Broker-Dealer forces the deposit of additional funds or sell stock to pay down the loan (when this happens, it is known as a "margin call.") If, for any reason, a margin call is unmet, the Broker-Dealer has the right to sell account securities to increase the account equity until above the maintenance margin. Additionally, the Broker-Dealer may not be required to consult the account holder before selling. Under most margin agreements, a firm can sell the account securities without waiting for the account holder to meet the margin call, and the account holder cannot control which stock is sold to cover the margin call. Interest on the loan must also be paid. The interest charges are applied to the account unless separate payments are made. Over time, the debt level increases as interest charges accrue. As debt rises, the interest charges increase, and so on. Therefore, buying on margin is mainly used for short-term investments. The longer an investment is held, the greater the return needed to break even. In volatile markets, prices can fall quickly, and more money can be lost than invested. (Note: RMR requires the pre-approval of a designated Home Office Principal before implementing any margin strategy.)

**Options Writing** - a securities transaction that involves selling options, which are the right, but not the obligation, to buy or sell a particular security at a specified price before the option's expiration date. When an investor sells an option,

they must deliver a specified number of shares to the buyer if the buyer exercises the option. The buyer pays the seller a premium (the option's market price at a particular time) in exchange for the seller writing the option.

**Short Selling** - clients participating in these portfolios will receive additional disclosure information regarding the risks of short-sale investments. Unhedged, short selling is very risky. Unlike a straightforward investment in stocks, where shares are purchased with the expectation that their price will increase to sell at a profit, in a "short sale," stock is borrowed from a brokerage firm and then immediately sold in hopes that the price will have dropped when they are required to be purchased at a later date. Thus, a short seller hopes a stock's price will decrease in the future to use market declines to their advantage. Short sellers make money when the stock prices fall and lose money when prices increase. The SEC has strict regulations regarding short selling. No ceiling exists on how much a short seller can lose in a trade - if the share price keeps increasing, the short seller must pay the prevailing stock price to buy back the shares. However, a ceiling exists on gains that can be made because a stock's price cannot fall below zero. In addition, a short seller must undertake to pay the earnings on their borrowed securities as long as they choose to keep their short position open. If a company declares huge dividends or issues bonus shares, the short seller must also pay that amount to the lender. Any such occurrence can skew the entire short investment and make it unprofitable. Finally, a broker can use the funds in the short seller's margin account to buy back the loaned shares or issue a "call away" to require the short seller to return the borrowed securities. If this call is made by the broker when the stock price is significantly higher than the price at the time of the short sale, the investor can suffer tremendous losses.

### Tax Considerations

RMR's strategies and investments can have unique and significant tax implications. However, unless expressly agreed upon otherwise and in writing, tax efficiency is not the primary consideration in managing client assets. Regardless of client account size or any other factors, RMR strongly recommends that our clients continuously consult with a tax professional before and throughout investing their assets. Qualified Custodians will typically default to the FIFO ("First-In, First-Out") accounting method for calculating portfolio investment cost basis. Clients are responsible for contacting their tax advisor to determine if this accounting method is the right choice for them. If a client or their tax advisor believes another accounting method is more advantageous, immediately notify our firm and the account Qualified Custodian of the selected accounting method in writing. *(Note: Decisions about cost-basis accounting methods must be made before trades settle, as the cost-basis method cannot be changed after settlement.)*

### Types of Investments

RMR's investment advisory and management services suite is designed to accommodate a wide range of investment philosophies and objectives. RMR will generally provide investment advice and money management for a varied range of product offerings and securities including, but not limited to, business development companies, commercial paper, certificates of deposits, derivatives, digital assets, equities, exchange-traded funds ("ETFs") exchange-traded notes ("ETNs"), fixed income securities, hedge funds, insurance products including annuities (fixed, indexed, and variable), limited liability companies, limited partnerships in real estate, oil, and gas, load and no-load mutual funds, options, real estate investment trusts, private placements, bonds (treasury inflation protected/inflation-linked), unit investment trusts, warrants, and non-U.S. securities. RMR typically avoids market timing but will increase cash holdings when necessary.

When recommending investments in mutual funds, it is RMR's policy to consider all available share classes and select the most appropriate share classes based on various factors, including but not limited to minimum investment requirements, trading restrictions, internal expense structure, transaction charges, availability, and other factors. Institutional share class mutual funds typically have a lower cost than other share classes. Generally, institutional class shares do not have an associated 12b-1 fee, leading to a lower overall expense ratio than other class shares of the same mutual fund. Therefore, in most cases, it will be in the client's best interest to recommend or purchase share classes with the lowest cost. Although RMR provides advice predominantly on the products listed above, the Adviser reserves the right to offer advice on any investment product deemed suitable for a client's specific circumstances, needs, individual goals, and objectives. We will also use other securities to help diversify a portfolio when appropriate. *(For additional information, see Item 8: Methods Of Analysis, Investment Strategies, Type of Investments & Risk of Investment Loss.)*

### Cash Management

As indicated below, RMR usually invests clients' cash balances in Federal Deposit Insurance Corporation ("FDIC") insured deposit accounts, money market funds, or certificates of deposit. In managing the cash maintained in client accounts, we will typically utilize the sole exclusive cash vehicles made available by the custodian, according to their parameters. Other cash

management and money-market options may be available away from the custodian with higher yields or safer underlying investments. In most cases, at least a partial cash balance will be maintained in a money market or FDIC-insured deposit account to allow for the debit of Advisory Fees or anticipated cash distributions to clients. We will manage client account cash balances based on the yield and the financial soundness of money markets and other short-term instruments. *(Note: This type of investment product is usually not FDIC insured, insured by any Federal government agency, a deposit, other obligation, or guaranteed by the adviser.)*

### Risks of Specific Securities Utilized

While RMR seeks investment strategies that do not involve significant or unusual risk beyond the general domestic and international equity markets, in some instances, methods that hold a higher risk of capital loss may be utilized. IARs will recommend various types of securities, as indicated herein and deemed appropriate for each client's situation, restrictions (if any) and goals.

Although advice is provided predominantly on the products listed within this Brochure, RMR reserves the right to advise on any suitable investment product for a client's specific circumstances, needs, and individual goals and objectives. We will use other securities to help diversify a portfolio when applicable and appropriate. Investing also risks missing more favorable returns that could be achieved by investing in alternate securities or commodities. Any of the above investment strategies may lead to a loss of investments, especially if the markets move against the client. Additionally, we may advise on other investments held in the portfolio at the inception of the advisory relationship.

Since investment strategies and advice are based on each client's financial situation, the advice we provide to one client may differ or conflict with that provided for the same security or investment for another, as each client's needs and risk tolerance differ. Clients should be aware of the material risk of loss when using any investment strategy.

The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

*Clients are advised that investing in securities involves the risk of losing the entire principal amount invested, including any gains - they should not invest unless they can bear these losses.*

### Recommendation of Particular Security Types

RMR recommends various types of securities and does not primarily recommend one type over another since each client has different needs and risk tolerance. As each security type has its unique set of associated risks, it would be impossible to present every specific risk of each investment type. Even within the same kind of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

A description of some of the security types we may recommend and some of their inherent risks follow:

**Annuities** - annuities are financial products that pay out a fixed stream of payments to an individual, primarily used as an income stream for retirees. The period when an annuity is funded before the payouts begin is called the accumulation phase. The annuitization phase begins once payments commence. Annuities can be structured as fixed or variable. Fixed annuities provide regular periodic payments to the owner/annuitant. Variable annuities allow the owner/annuitant to receive larger periodic payments if the investments in the annuity do well; however, if the investments do poorly, the owner/annuitant will receive smaller payments. In addition, the annuity services offered by RMR will incur additional charges, expenses, and miscellaneous fees that are separate and distinct from the Advisory fee charged by the Adviser.

**Bank Obligations** - including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are affected by interest rates and may be adversely affected by downturns in the US and foreign economies or banking regulation changes.

**Bonds** - corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on the financial health of the issuer, the risk that the issuer might default when the bond is set to mature; and, whether the bond can be "called" before maturity. When a bond is called, it may be impossible to replace it with a bond of equal character, paying the same rate of return.

**Bond Funds** - have higher risks than money market funds, primarily because they typically pursue strategies to produce higher yields. Unlike money market funds, the SEC's rules do not restrict bond funds to high-quality or short-term

investments. Because there are many different bonds, these funds can vary dramatically in their risks and rewards. Some risks associated with bond funds include credit, interest rate, and prepayment risks.

***Certificates of Deposit Risk*** - certificates of deposit ("CDs") are generally a safe type of investment since they are insured by the Federal Deposit Insurance Company ("FDIC") up to a certain amount. However, because the returns are generally low, there is a risk that inflation outpaces the CD's return. Certain CDs are traded in the marketplace and not purchased directly from a banking institution. In addition to trading risk, the FDIC does not cover the price when CDs are purchased at a premium.

***Corporate Bond Risk*** - corporate bonds are debt securities to borrow money. Issuers pay investors periodic interest and repay the amount borrowed periodically during the life of the security or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest but are priced at a discount from their face values, and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the higher its interest rate risk.

***Digital Assets*** - As used herein, "Digital Assets" refers to an asset issued and/or transferred using a distributed ledger or blockchain technology. The investment objective of RMR's Digital Asset Account allocation is to offer interested clients exposure to the Digital Assets market via a portfolio comprised of Digital Assets available through our Gemini Trust Company, LLC custodial relationship. An investment in Digital Assets is appropriate only for clients who (1) understand the speculative nature of such securities, (2) can bear the economic risk of the investment, (3) have no urgent need for liquidity with the assets committed to this type of investment, and (4) are willing to accept the risks of loss of their entire investment in exchange for the potential benefits and returns Digital Assets may offer.

Given the complexity of this product, investment decisions made for the allocation of any portfolio of Digital Assets are expressly subject to various potential risks, including but not limited to the following:

***Custody Risk*** - under the Advisers Act, SEC-registered investment advisers must hold securities with "Qualified Custodians," among other requirements. Certain Digital Assets may be deemed to be securities. Some Digital Assets do not currently fall under the SEC definition of security. Therefore, many companies providing Digital Assets custodial services fall outside the SEC's definition of "Qualified Custodian." Accordingly, clients seeking to purchase actual digital coins/tokens/currencies may need to use non-Qualified Custodians to hold all or a portion of their Digital Assets. Further, Digital Asset holdings are not considered legal tender or insured by the government like U.S. bank deposits. Therefore, investors do not have the same protections as a bank account can offer. Unlike most traditional currencies, such as the U.S. dollar, the value of a Digital Asset is not tied to promises by a government or a central bank - Digital Asset investments are uninsured.

***Exchange & Business Hours Risk*** - exchanges can stop operating due to security breaches, fraud, insolvency, market manipulation, market surveillance, KYC/AML procedures, non-compliance with applicable rules and regulations, technical glitches, hackers, malware or other reasons. Blockchain technology is a relatively new and untested technology that operates as a distributed ledger. Blockchain systems could be subject to internet connectivity disruptions, consensus failures or cybersecurity attacks, and the date or time an investor initiates a transaction may differ from when the transaction is recorded on the blockchain. Digital Asset prices can fluctuate, sometimes heavily, after traditional market hours. RMR accepts no responsibility for being unable to buy or sell Digital Assets outside of standard industry trading hours.

***Government Oversight of Digital Assets Risk*** - regulatory agencies and/or the constructs responsible for oversight of Digital Assets or a Digital Asset network may not be fully developed and subject to change. Regulators may adopt laws, regulations, policies or rules directly or indirectly affecting Digital Assets, their treatment, transacting, custody, and valuation.

***Liquidity Risk*** - any liquidity may be limited or disrupted, and there can be no guarantees of the ability to sell or exchange Digital Assets at any price. There is a possibility that trades cannot be settled, may be challenging to settle, or can be traded only at significantly adverse prices depending on the market situation or market volume.

***Loss of Confidence Risk*** - Digital Assets are part of a new and rapidly evolving "Digital Assets industry," subject to high uncertainty. For a relatively small use of Digital Assets in the retail and commercial marketplace, online platforms have generated a large trading activity by speculators seeking to profit from the



short-term or long-term holding of Digital Assets. Most Digital Assets are not backed by a central bank, national or international organization, assets or other credit. Their value is strictly determined by the value that market participants place on them through their transactions, which means that a loss of confidence may bring about a collapse of trading activities and an abrupt drop in value.

*Peer-to-Peer Transaction Risk* - Digital Assets can be traded on numerous online platforms through third-party service providers and peer-to-peer transactions between parties. Many marketplaces bring together counterparties without providing clearing or intermediary services or being regulated. In such a case, all risks (such as double-selling) remain between the parties directly involved in the transaction.

*Price Volatility of Digital Assets Risk* - a principal risk in trading Digital Assets is the rapid market price fluctuation. The value of client portfolios relates in part to the value of the Digital Assets held in the client portfolio; fluctuations in the price of Digital Assets could adversely affect the value of a client's portfolio. There is no guarantee that a client will achieve a better-than-average market price for Digital Assets or purchase Digital Assets at the most favorable price available. The price of Digital Assets achieved by a client may be affected generally by a wide variety of complex factors such as supply and demand, availability and access to Digital Asset service providers (such as payment processors), exchanges, miners or other Digital Assets users and market participants; perceived or actual security vulnerability; and traditional risk factors including inflation levels; fiscal policy; interest rates; and political, natural and economic events.

*Protocol & Governance Risk* - Digital Assets are a relatively recent technological innovation. Bitcoin, invented in 2009, is widely considered the first popular Digital Asset. Other Digital Assets in which we may invest were created after Bitcoin. There can be no assurance that the Digital Asset industry will continue in its current form. Digital Assets are generally designed and supported by an underlying blockchain or protocol, such as the Bitcoin Protocol or the Ethereum Protocol. Any malfunction, malicious attack, breakdown or abandonment of the network may have an adverse effect on the Digital Asset's protocol or network, which could lead to loss of value of the Digital Asset. Moreover, advances in cryptography, or technical advances such as quantum computing, could present risks to Digital Assets by rendering the cryptographic consensus mechanism that underpins a Digital Asset's protocol ineffective. There can be no assurance that changes or developments in Digital Asset protocols will not adversely impact your Account.

*Regulatory Risk* - regulatory uncertainties surrounding blockchain and distributed ledger technologies abound. Because global and national standards are far from being fully established, fund managers face the heavy disclosure obligation to disclose existing regulatory considerations and the potential outcome of various regulatory issues that have yet to be decided. The comprehensive regulation facilitating institutional investment will require coordinating global standards, particularly for the exchanges. For U.S. governance, regulatory standards will likely be set not by a single authority but by a combination of state, national, international and industry bodies, judicial precedent, international agreements, and industry associations.

*Service Providers Risk* - service providers that support Digital Assets and the Digital Asset marketplace(s) may not be subject to the same regulatory and professional oversight as traditional securities service providers. Further, there is no assurance that the availability of and access to virtual currency service providers will not be negatively affected by government regulation or the supply and demand for Digital Assets. Accordingly, companies or financial institutions that currently support virtual currency may not do so.

*Taxation Risk* - it should be noted that there is substantial uncertainty concerning the tax treatment of an investment in Digital Assets. Digital Assets may be considered assets in certain jurisdictions and currency in others. Sales or value-added taxes may be imposed on purchases and sales of Digital Assets. Based on their home jurisdiction, the investors may require specific tax advice regularly to ensure the tax treatment of their investments in Digital Assets.

*Technology & Security Risk* - Digital Assets are computer-coded entries on a digital ledger, or blockchain, visible to and verifiable by nodes. Ownership is reflected in a string of numbers on a distributed ledger, accessible only by a public and private key in "wallets." A custodian could hold a "private key" and a "public key" to the Digital Asset to satisfy regulatory requirements. A custodian can maintain private keys in digital form on a computer hard drive unconnected from the internet and protected by layers of cybersecurity. The custodian can also preserve and secure the private key in a "cold wallet" by, for example, locking it in a physical vault. In any event, the technology used for safeguarding Digital Assets is emerging. Digital Assets are essentially bearer assets. In general, anyone who obtains possession of the private key can, in theory, misappropriate the asset, no matter where the private key is maintained.

*Unanticipated Risks* - Digital Assets are new and still largely untested. In addition to the risks disclosed, there are other risks associated with purchasing Digital Assets that RMR cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the risks discussed. Digital Asset investments are inherently global; therefore, exchange platforms, custodians, counterparties, and issuers are rarely located within a single jurisdiction. The industry does not have a standard regulation or auditing practice for accounts holding Digital Assets to verify ownership. The Investment has counterparty and custody risks, including loss or theft of the Digital Asset Itself.

*Valuation Risk* - the valuation of Digital Assets can differ significantly depending on the price source or otherwise due to factors including, but not limited to, market fragmentation, unregulated markets, illiquidity and volatility. There is no guarantee that a client will achieve a better-than-average market price for Digital Assets or purchase Digital Assets at the most favorable price available.

*Volatility & Loss Risks* - Digital Assets are highly speculative and involve high risk. Prices of Digital Assets are incredibly volatile and can have higher volatility than other traditional investments such as stocks and bonds, and market movements can be challenging to predict. If the value goes down, it is not guaranteed to rise again. As a result, there is a significant risk of losing the entire principal investment. Gains or losses are unpredictable, and there can be no guarantee of returns. Interests should not be purchased by anyone who cannot afford the loss of their entire investment. Transactions in Digital Assets may be irreversible, and losses due to fraudulent or accidental transactions may not be recoverable. No regulation or standard auditing practice currently exists for accounts holding digital assets to verify ownership. There are counterparty and custody risks associated with Digital Assets, including loss or theft of the Digital Asset.

*Exchange-Traded Funds ("ETFs")* - are typically investment companies classified as open-end mutual funds or UITs. However, they differ from traditional mutual funds, particularly when ETF shares are listed on a securities exchange. An ETF is designed to track the price of an index or a collection of underlying assets as closely as possible. Shares can be bought and sold like shares of publicly traded companies throughout the day and may trade at a discount or premium to their NAV. This difference between the bid and ask prices is often called the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and it is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as investment companies under the Investment Company Act of 1940, like traditional mutual funds, some ETFs (particularly those that invest in commodities such as gold and precious metals) are not registered as investment companies. ETFs may be closed and liquidated at the discretion of the issuing company. *Leveraged ETFs*, in particular, present distinct risks and are not appropriate for all investors. Leveraged ETFs should be utilized only by those investors who understand the risks of seeking daily leveraged and inverse investment results, generally for short-term active trading in an actively monitored and managed investment program. Investors must be aware of the daily nature of the leveraged and inverse investment strategies employed, high expense ratios, and lack of guarantee of long-term inverse returns, among other considerations, before participating in this type of investment.

*Exchange-Traded Notes ("ETNs")* - an ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to various assets, such as commodity futures, foreign currency, and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows. The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption depends on the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may carry specific risks. ETNs may be closed and liquidated at the discretion of the issuing company.

*Fixed Income Call Option Risk* - including agency, corporate and municipal bonds and all mortgage-backed securities, contain a provision that allows the issuer to "call" all or part of the issue before the bond's maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are disadvantages to the call provision: the cash flow pattern of a callable bond is not known with certainty because the issuer will call the bonds when interest rates have dropped. There is exposure to reinvestment rate risk - investors will have to reinvest the proceeds received when the bond is called at lower interest rates. The capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

*Limited Partnerships, Limited Liability Companies & Business Development Company Risks* - limited partnerships, limited liability companies and business development companies represent different forms of ownership of investment assets. These entities are investment vehicles that may own full or partial interest in various operating businesses. The types of operating companies may include but are not limited to equipment leasing, oil and gas, alternative energy, and real estate.

*Managed Futures Funds Risk* - a managed futures mutual fund invests in other funds. The underlying funds will typically employ various actively managed futures strategies that trade various derivative instruments, including options, futures, forwards, or spot contracts, which may be tied to commodities, financial indices and instruments, foreign currencies, or equity indices. Managed futures strategies involve substantial risks that differ from traditional mutual funds. Each underlying fund is subject to specific risks, depending on the fund's nature. These risks include liquidity, sector, foreign currency, fixed-income securities, commodities, and other derivatives. Investing in underlying funds could affect the timing, amount, and character of distributions to you and, therefore, increase the amount of taxes you pay. Each underlying fund is subject to investment advisory and other expenses, including potential performance fees. An investor's cost of investing in a managed futures fund will be higher than investing directly in underlying funds. It may be higher than other mutual funds that invest directly in stocks and bonds. Investors will indirectly bear fees and expenses charged by the underlying funds and the fund's direct fees and costs. Each underlying fund will operate independently and pay management and performance-based fees to each manager. The underlying funds will pay various management fees from assets and performance fees of each underlying fund's returns. There could be periods when fees are paid to one or more underlying fund managers even though the fund has lost the period.

*Money Market Fund Risks* - a money market fund is technically a security. The fund managers attempt to keep the share price constant at \$1/share. However, the share price is not guaranteed to stay at \$1/share. You can lose some or all of your principal if the share price decreases. The U.S. Securities and Exchange Commission notes, "While investor losses in money market funds have been rare, they are possible." In return for this risk, you should earn a greater return on your cash than you would expect from a Federal Deposit Insurance Corporation ("FDIC") insured savings account (money market funds are not FDIC insured). Next, money market fund rates are variable. In other words, you do not know how much you will earn on your investment next month. The rate could go up or down. If it goes up, that may result in a positive outcome. However, if it goes down and you earn less than expected, you may need more cash. A final risk you are taking with money market funds is inflation. Because money market funds are considered safer than other investments like stocks, long-term average returns on money market funds tend to be less than long-term average returns on riskier investments. Over long periods, inflation can eat away at your returns.

*Municipal Securities Risks* - municipal securities, while generally thought of as safe, can have significant risks associated with them, including, but not limited to, the creditworthiness of the governmental entity that issues the bond, the stability of the revenue stream that is used to pay the interest to the bondholders, when the bond is due to mature, and, whether or not the bond can be "called" before maturity. When a bond is called, it may not be possible to replace it with one of equal character paying the same amount of interest or yield to maturity. Municipal securities are backed by either the full faith and credit of the issuer or by revenue generated by a specific project - like a toll road or parking garage for which the securities were issued. The latter type of securities could quickly lose value or become virtually worthless if the expected project revenue does not meet expectations.

*Mutual Fund Risks* - mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. Mutual funds can also be "closed-end" or "open-end." So-called "open-end" mutual funds allow new investors indefinitely, whereas "closed-end" funds have a fixed number of shares to sell, limiting their availability to new investors. Some mutual funds are "no-load" and charge no fee to buy into or sell out of the fund; others charge such fees, which can also reduce returns. Mutual funds are sold with different share classes and will offer investors discounts on sales charges, as described and explained in each fund's prospectus. Funds will have a manager who trades the fund's investments following the fund's investment objective. Mutual fund shares held in client accounts may also be subject to 12b-1 fees, short-term redemption fees, and other fund annual expenses. No-load or load-wave mutual funds used in client portfolios would not have initial or deferred sales charges; however, if a fund that imposes sales charges is selected, the client may pay an initial or deferred sales charge. Non-advisory accounts typically have upfront or back-end charges. Each fund's prospectus fully describes these fees and costs. If clients have mutual funds in their portfolio, they will pay their adviser and any third-party manager, custodian, and mutual fund manager to manage their assets and other fund expenses paid by the fund's shareholders. If clients transfer in particular share classes of mutual funds and liquidate the shares after the transfer, those shares can also incur contingent deferred sales charges ("CDSCs") from the mutual fund company if they are within the CDSC holding period.



While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small-cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates on a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. In short, all these costs of managing the funds can reduce the fund's returns.

**Options** - options are complex securities involving risks that are not necessarily in everyone's best interest. Options trading can be speculative and carry a substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

1. A call gives the holder the right to buy an asset at a certain price within a specific period. Calls are similar to having a long position on a stock. Buyers of calls hope the stock will increase substantially before the option expires.
2. A put gives the holder the right to sell an asset at a certain price within a specific period. Puts are very similar to having a short position on a stock. Put buyers hope that the stock price will fall before the option expires.

The option trading risks of options buyers are the risk of losing your entire investment in a relatively short period. This risk increases if, as expiration nears, the stock is below the call's strike price (for a call option) or if the stock is higher than the put's strike price (for a put option). European-style options that do not have secondary markets on which to sell the options before expiration can only realize their value upon expiration. In addition, specific exercise provisions of a specific option contract may create risks, and regulatory agencies may impose exercise restrictions, which stop you from realizing value. Selling options is more complicated and can be even riskier. The option trading risks for options sellers include but are not limited to:

- options sold may be exercised at any time before expiration,
- covered call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock,
- writers of naked calls risk unlimited losses if the underlying stock rises,
- writers of a naked put are exposed to a maximum loss of the strike price less the premium received from the sale,
- writers of naked positions run margin risks if the position goes into significant losses, and such risks may include liquidation by the broker,
- writers of call options can lose more money than a short seller of that stock on the same rise on that underlying stock - an example of how the leverage in options can work against the options trader,
- writers of naked calls must deliver shares of the underlying stock if those call options are exercised,
- call options can be exercised outside of market hours such that the writer of those options cannot perform effective remedy actions,
- writers of stock options are obligated under the options that they sold even if a trading market is not available or they cannot perform a closing transaction, and
- the value of the underlying stock may surge or drop unexpectedly, leading to automatic exercises.

Other option trading risks include the complexity of some option strategies carrying a significant risk on their own, option trading exchanges or markets and options contracts are open to changes at all times, options markets have the right to halt the trading of any options, thus preventing investors from realizing value, there is a risk of erroneous reporting of exercise value, investors trading through that firm may be affected. If an options brokerage firm goes insolvent, and Internationally traded options have unique risks due to timing across borders. Risks not specific to options trading include market, sector, and individual stock risks. Option trading risks are closely related to stock risks, as stock options are a derivative of stocks. *(Note: RMR requires the pre-approval of a designated Home Office Principal before any naked option writing strategy can be implemented.)*

**Options Contracts Risks** - Options are complex securities that involve risks and are not suitable for everyone. Options trading can be speculative and carry a substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts. A call gives the holder the right to buy an asset at a certain price within a specific period. Calls are similar to

having a long position on a stock. Buyers of calls hope the stock will increase substantially before the option expires. A put gives the holder the right to sell an asset at a certain price within a specific period. Puts are very similar to having a short position on a stock. Put buyers hope that the stock price will fall before the option expires. Selling options is more complicated and can be even riskier. Option buyers and sellers should know the option trading risks associated with their investment(s).

**Real Estate Risks** - real estate is increasingly being used as part of a long-term core strategy due to increased market efficiency and growing concerns about the future long-term variability of stock and bond returns. Real estate is known for its ability to serve as a portfolio diversifier and inflation hedge. However, the asset class still bears a considerable amount of market risk. Real estate has shown itself to be very cyclical, somewhat mirroring the ups and downs of the overall economy. In addition to employment and demographic changes, real estate is also influenced by changes in interest rates and the credit markets, which affect the demand and supply of capital and, thus, real estate values. Along with changes in market fundamentals, investors wishing to add real estate as part of their core investment portfolios need to look for property concentrations by area or property type. Because property returns are directly affected by local market basics, real estate portfolios that are too heavily concentrated in one area or property type can lose their risk mitigation attributes and bear additional risk by being too influenced by local or sector market changes.

**Real Estate Investment Trust Risk** - a real estate investment trust ("REIT") is a corporate entity that invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations. Hence, cash flow has to be strong, or the REIT must either dip into reserves, borrow to pay dividends or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding and getting harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, leading to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends. REITs have specific risks, including valuation due to cash flows, dividends paid in stock rather than cash, and debt payment resulting in the dilution of shares.

**Securities Futures Contracts** - a futures contract (on tangibles and intangibles) is a standardized, transferable, exchange-traded contract requiring delivery of a commodity, bond, currency, or stock index specified price on a selected specified price future date. Unlike options the holder may or may not choose to exercise, futures contracts must purchase the underlying asset at a set future date. The holder of a futures contract must have sold it by that date or be prepared to pay for and take delivery of the underlying asset. Material risks can include but are not limited to futures contracts that have a margin requirement that must be settled daily, there is a risk that the market for a particular futures contract may become illiquid, and the market price for a specific commodity or underlying asset might move against the investor requiring that the investor sell futures contracts at a loss.

### Risks of Loss & Other Types of Risk

clients should remember that investing in securities involves a risk of loss that they should be prepared to bear, and past performance does not indicate future results. Over time, assets will fluctuate and be worth more or less than the initial invested amount. Depending on the investment type, differing risk levels will exist. RMR cannot guarantee or promise that a client's financial goals and objectives will be met. When evaluating risk, financial loss may be viewed differently by each client. It may depend on many distinct risks, each affecting the probability and magnitude of potential losses. The following risks, which are not all-inclusive, are additional risks provided for careful consideration by a prospective client before retaining our services.

*(Note: Items are presented alphabetically for ease of reading, not in order of importance.)*

**Adviser's Investment Activities** – an adviser's investment activities involve risk. The performance of any investment is subject to numerous factors that are neither within the control of nor predictable. As further detailed within this section, decisions made for client accounts are subject to various market, currency, competitive, economic, political, technological, and business risks, and a wide range of other conditions - including pandemics or acts of terrorism or war, which may affect investments in general or specific industries or companies. The securities markets may be volatile, and market conditions may move unpredictably or behave outside the range of expectations, adversely affecting a client's ability to realize profits or resulting in material loss. Client and advisor investment decisions will not always be profitable.

**Business Risk** - is the risks associated with a specific industry or company.

*Competition Risk* - the securities industry and advisers' varied strategies and techniques are incredibly competitive. Advisory firms, including many larger securities and investment banking firms, may have more significant financial resources and research staff than this firm.

*Conflicts of Interest* - advisers face inherent conflicts when administering client portfolios and financial reporting. They mitigate these conflicts through comprehensive written supervisory compliance policies and procedures and COE, which ensures that the client's interest is always held above that of the firm and its associates.

*Credit Risk* - credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond-issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

*Currency/Exchange Risk* - overseas investments are subject to fluctuations in the dollar's value against the investment's originating country's currency.

*Diversification Risk* - a portfolio may not be widely diversified among sectors, industries, geographic areas, or security types or may not necessarily be diversified among many issuers. These portfolios might be subject to more rapid change in value than would be the case if the investment vehicles were required to maintain a broad diversification among companies or industry groups.

*Equity Investment Risk* - generally refers to buying shares of stocks by an individual or firm in return for receiving a future payment of dividends and capital gains if the stock's value increases. An inherent risk is involved when purchasing a stock that may decrease value; the investment may incur a loss.

*Financial Risk* - is the possibility that shareholders will lose money when they invest in a company with debt if its cash flow proves inadequate to meet its financial obligations. When a company uses debt financing, its creditors will be repaid before its shareholders should the company become insolvent. Financial risk also refers to the possibility of a corporation or government defaulting on its bonds, which would cause those bondholders to lose money.

*Foreign/Non-U.S. Investments* - from time to time, advisers may invest and trade a portion of client portfolios in non-U.S. securities and other assets (through ADRs and otherwise), which will give rise to risks relating to political, social, and economic developments abroad, as well as risks resulting from the differences between the regulations to which US and foreign issuers and markets are subject. Such risks may include political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, limitations on the use or transfer of portfolio assets, enforcing legal rights in some foreign countries is difficult, costly, and slow. There are sometimes unique problems enforcing claims against foreign governments, and foreign securities and other assets often trade in currencies other than the US dollar. Advisers may directly hold foreign currencies and purchase and sell foreign currencies through forward exchange contracts. Changes in currency exchange rates will affect an investment's net asset value, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the US dollar relative to these other currencies may cause the value of an asset to decline. Some foreign currencies are particularly volatile. Foreign governments may intervene in the currency markets, causing a decline in the value or liquidity of an investor's foreign currency holdings. If an investor enters forward foreign currency exchange contracts for hedging purposes, it may lose the benefits of advantageous changes in exchange rates. On the other hand, if an investor enters forward contracts to increase return, it may sustain losses. Non-U.S. securities, commodities, and other markets may be less liquid, more volatile, and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing, and financial reporting standards, and there may be less public information about issuers' operations in such markets.

*Hedging Transaction Risk* - investments in financial instruments such as forward contracts, options, commodities and interest rate swaps, caps and floors, other derivatives, and other investment techniques are commonly utilized by investment funds to hedge against fluctuations in the relative values of their portfolio positions because of changes in currency exchange rates, interest rates, and the equity markets or sectors thereof. Any hedging against a decline in portfolio positions' value does not eliminate fluctuations in portfolio positions' values or prevent losses if such positions decline but establishes other positions designed to gain from those same developments, thus moderating the portfolio positions' decline value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions increases.

*Horizon & Longevity Risk* - The risk that your investment horizon is shortened because of an unforeseen event, such as losing your job. This may force you to sell investments you were expecting to hold for the long term. You may lose money if you must sell when the markets are down. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for retired people or those nearing retirement.

***Inflation & Interest Rate Risk*** - Security prices and portfolio returns will likely vary in response to inflation and interest rate changes. Inflation causes future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates, which may cause the value of many fixed-income investments to decline.

***Lack of Registration Risk*** - Funds, private placements, or LP interests have neither been registered under the Securities Act, securities, or "blue sky" laws of any state and, therefore, are subject to transfer restrictions and legislative changes or court rulings may impact the value of investments or the securities' claim on the issuer's assets and finances.

***Leverage Risk*** - leverage requires the pledging of assets as collateral, and margin calls or changes in margin requirements could result in the need to pledge additional collateral or liquidate account holdings, requiring the account to close positions at substantial losses not otherwise be realized. There can be an increase in the risk of loss and volatility for accounts that use leverage by engaging in short sales, entering swaps and other derivatives contracts, or different leveraging strategies.

***Limited Partnerships Risk*** - a limited partnership is a financial affiliation with at least one general partner and several limited partners. The partnership invests in a venture, such as real estate development or oil exploration, for financial gain. The general partner runs the business and has management authority and unlimited liability. And, in the event of bankruptcy, it is responsible for all debts not paid or discharged. The limited partners have no management authority, and their liability is limited to the amount of their capital commitment. Profits are divided between general and limited partners according to an arrangement formed at the creation of the partnership. The range of risks depends on the nature of the partnership and is disclosed in the offering documents if privately placed. Publicly traded limited partnerships have similar risk attributes to equities. However, like privately placed limited partnerships, their tax treatment differs from the equities' tax regime. Investors should consult with their tax adviser regarding their tax treatment.

***Liquidity Risk*** - The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price, or selling the investment may not be possible.

***Long-Term Trading Risk*** - long-term trading is designed to capture return and risk market rates. Due to its nature, the long-term investment strategy can expose clients to risks that typically surface at multiple intervals when they own the investments. These risks include but are not limited to inflation (purchasing power) risk, interest-rate risk, economic risk, market risk, and political/regulatory risk.

***Margin Risk*** - securities purchased on margin in a client's account are a firm's collateral for a client's loan. If the account securities decline in value, so does the value of the collateral supporting the loan, and, as a result, the firm can act by issuing a margin call or selling securities or other assets in any of the accounts the investor may hold with the member, to maintain the required equity in the account. Understanding the risks involved in trading securities on margin is essential. These risks include but are not limited to losing more funds than deposited in the margin account, the firm forcing the sale of securities or other assets in the account(s) or selling securities or other assets without contacting the investor, or the investor not being entitled to choose which securities or other assets in their account(s) can be liquidated or sold to meet a margin call. Further, a firm can increase its "house" maintenance margin requirements without providing an advance written notice, without entitlement to an extension of time on the margin call.

***Market Risk*** - market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the investment value regardless of the issuer's operational success or financial condition. The price of a security, option, bond, or mutual fund can drop due to tangible and intangible events and situations. External factors cause this risk, independent of a security's underlying circumstances. The adviser cannot guarantee that it will accurately predict market, price, or interest rate movements or risks.

***Market Timing Risk*** - The risk of market timing based on charting and technical analysis is that charts may not accurately predict future price movements. Current securities prices may reflect all information known about the security. Daily changes in market prices of securities may follow random patterns and may not be predictable with reliable accuracy. The risk of fundamental analysis is that information obtained may be incorrect, and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance. The risk of cyclical analysis is that economic/business cycles may not be predictable and have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict accurately. Therefore, the risk of cyclical analysis is the difficulty in predicting economic trends and, consequently, the changing value of securities that would be affected by these changing trends.



*Material Non-Public Information Risk* - because of their responsibilities in connection with other adviser activities, individual advisory Associates may occasionally acquire confidential or material non-public information or be restricted from initiating transactions in specific securities. The adviser will not be free to act upon any such information. Due to these restrictions, the Adviser may be unable to initiate a transaction that it otherwise might have started and may not be able to sell an investment it otherwise might have sold.

*Non-U.S. Investment Risk* - investment in non-U.S. issuers or securities principally traded outside the United States may involve certain unique risks due to economic, political, and legal developments, including but not limited to favorable or unfavorable changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the rules to which U.S. and foreign issuers and markets are subject and the imposition of withholding taxes on dividend or interest payments.

*Political & Legislative Risk* - companies face a complex set of laws and circumstances in each country they operate in. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the U.S. or those conducting a substantial amount of their business outside the U.S.

*Portfolio Turnover Risk* - an account's investment strategy may require active portfolio trading. As a result, turnover and brokerage commission expenses may significantly exceed those of other investment entities of comparable size.

*Private Investment Risk* - investments in private funds, including debt or equity investments in operating and holding companies, investment funds, joint ventures, royalty streams, commodities, physical assets, and other similar types of investments, are highly illiquid and long-term. A portfolio's ability to transfer or dispose of private investments is expected to be highly restricted. The ability to withdraw funds from LP interests is usually restricted following the withdrawal provisions contained in an Offering Memorandum. In addition, substantial withdrawals by investors within a short period could require a fund to liquidate securities positions and other investments more rapidly than would otherwise be desirable, possibly reducing the value of the fund's assets or disrupting the fund's investment strategy.

*Private Placement Risks* - a private placement (non-public offering) is an illiquid security sold to qualified investors and not publicly traded or registered with the Securities and Exchange Commission. Private placements generally carry a higher degree of risk due to this illiquidity. Most securities acquired in a private placement will be restricted and must be held for an extended time and, therefore, cannot be easily sold. The range of risks depends on the nature of the partnership and is disclosed in the offering documents.

*Public Information Accuracy Risk* - an adviser can select investments, in part, based on information and data filed by issuers with various government regulators or other sources. Even if they evaluate all such information and data or seek independent corroboration when it's considered appropriate and reasonably available, the Adviser cannot confirm its completeness, genuineness, or accuracy. In some cases, complete and accurate information is not available.

*Recommendation of Particular Types of Securities Risk* - we may advise on other investments as appropriate for each client's customized needs and risk tolerance. Each security type has its unique set of risks, and it would be impossible to list all the specific risks of every investment type here. Even within the same type of investment, risks can vary widely. However, the higher the anticipated investment return, the greater the risk of associated loss.

*Reinvestment Risk* - the risk that future investment proceeds must be reinvested at a potentially lower return rate. Reinvestment Risk primarily relates to fixed-income securities.

*Reliance on Management & Key Personnel Risk* - occurs when investors have no right or power to participate in a firm's management. Investors must be willing to entrust all management aspects to a company's management and key personnel. The investment performance of individual portfolios depends mainly on the skill of key personnel of a firm, including its sub-advisors, as applicable. If key staff were to leave the firm, the firm might not find equally desirable replacements, and the accounts' performance could be adversely affected.

*Short-Sales Risk* - short sales can, in certain circumstances, increase the impact of adverse price movements on the portfolios. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, resulting in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

*Small & Medium Cap Company Risk* - securities of companies with small and medium market capitalizations are often more volatile and less liquid than larger companies' investments. Small and medium-cap companies may face a higher risk of business failure, increasing the client's portfolio's volatility. While smaller companies generally have the potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, trading

frequency and volume may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to broader price fluctuations.

*Stock Risk* - There are numerous ways of measuring the risk of equity securities, also known simply as "equities" or "stock." In very broad terms, the value of a stock depends on the company's financial health issuing it. However, stock prices can be affected by many other factors, including but not limited to the class of stock, such as preferred or common, the health of the issuing company's market sector, and the economy's overall health. In general, larger, better-established companies ("large cap") tend to be safer than smaller start-up companies ("small cap"). Still, the sheer size of an issuer is not, by itself, an indicator of the safety of the investment.

*Stock Fund Risk* - although a stock fund's value can rise and fall quickly (and dramatically) over the short term, stocks have performed better over the long term than other investments—including corporate bonds, government bonds, and treasury securities. Overall, "market risk" poses the most significant potential danger for investors in stock funds. Stock prices can fluctuate for various reasons, such as the economy's overall strength of demand for products or services.

*Stock Market Risk* - a stock's market value will fluctuate with market conditions. While stocks have historically outperformed other asset classes over the long term, they tend to fluctuate over the short term because of factors affecting individual companies, industries, or the securities market. The past performance of investments is no guarantee of future results.

*Strategy Restrictions Risk* - individual institutions may be restricted from directly utilizing some investment strategies the Adviser may engage. Such institutions, including entities subject to ERISA, should consult their advisors, counsel, and accountants to determine what restrictions apply and whether certain investments are appropriate.

*Strategy Risk* - an adviser's investment strategies and techniques may not work as intended.

*Structured Products Risk* - a structured product, also known as a market-linked product, is generally a pre-packaged investment strategy based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances, and/or foreign currencies, and to a lesser extent, swaps. Structured products are usually issued by investment banks or affiliates thereof. They have a fixed maturity and have two components: a note and a derivative. A derivative component is often an option. The note provides periodic interest payments to the investor at a predetermined rate, and the derivative component provides for the payment at maturity. Some products use the derivative component as a put option written by the investor that gives the buyer of the put option the right to sell the security or securities at a predetermined price to the investor. Other products use the derivative component to provide for a call option written by the investor that gives the buyer the right to buy the security or securities from the investor at a predetermined price. A feature of some structured products is a "principal guarantee" function, which offers protection of the principal if held to maturity. However, these products are not always insured by the Federal Deposit Insurance Corporation; the issuer may only insure them and thus have the potential for loss of principal in the case of a liquidity crisis or other solvency problems with the issuing company. Investing in structured products involves many risks, including but not limited to fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality; substantial loss of principal; limits on participation in any appreciation of the underlying instrument; limited liquidity; credit risk of the issuer; conflicts of interest; and other events that are difficult to predict.

*Supervision of Trading Operations Risk* - an adviser, with assistance from its brokerage and clearing firms, intends to supervise and monitor trading activity in the portfolio accounts to ensure compliance with firm and client objectives. However, despite their efforts, there is a risk of unauthorized or otherwise inappropriate trading activity in portfolio accounts. Depending on the nature of the investment management service selected by a client and the securities used to implement the investment strategy, clients can be exposed to risks specific to the securities in their respective investment portfolios.

*Systematic Risks* - these are risks related to a broad universe of investments. These risks are also known as non-diversifiable risks, as diversification within the system will not reduce risk if the system loses value.

*Trading Limitation Risk* - for all securities, instruments, or assets listed on an exchange, including options listed on a public exchange, the exchange has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render specific strategies challenging to complete or continue, subjecting the Adviser to loss. Such a suspension could make it impossible for an adviser to liquidate positions and expose the Adviser to potential losses.

*Turnover Risk* - at times, the strategy may have a higher portfolio turnover rate than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect an account's performance.

*Undervalued Securities Risk* - identifying investment opportunities in undervalued securities is complex, and there are

no assurances that such opportunities will be successfully recognized or acquired. While undervalued securities can sometimes offer above-average capital appreciation opportunities, these investments involve high financial risk and can result in substantial losses. Returns generated may not compensate for the business and financial risks assumed.

*Unsystematic Risks* - these are risks uniquely related to a specific investment. Also known as "diversifiable risks," theoretically, diversifying different investments may reduce unsystematic risks significantly.

*Warrant Risks* - a warrant is a derivative (security that derives its price from one or more underlying assets) that confers the right, but not the obligation, to buy or sell a security – typically equity – at a specific price before the expiration. The price at which the underlying security can be bought or sold is the exercise or strike price. Warrants that confer the right to buy a security are called warrants; those that confer the right to sell are known as put warrants. Warrants are in many ways similar to options. The main difference between warrants and options is that warrants are issued and guaranteed by the issuing company. In contrast, options are traded on an exchange and are not issued by the company. Also, the lifetime of a warrant is often measured in years, while the lifetime of a typical option is measured in months. Warrants do not pay dividends or come with voting rights.

*Withdrawal of Capital Risks* - an Offering Memorandum's withdrawal provisions usually restrict the ability to withdraw funds from the funds, private placement, or LP interests. Investors' substantial withdrawals within a short period could require a fund to liquidate securities positions and other investments more rapidly than would otherwise be desirable, reducing the value of the fund's assets and disrupting the fund's investment strategy.

RMR attempts to address the above risks by diversifying among multiple asset classes and asset strategies, creating different portfolio segments. Any security eligible for inclusion in the portfolio with low or no liquidity may be removed and replaced by the next highest-ranked security in the same asset segment. Due to the fluctuating nature of security prices, the weighting of an individual security or sector in the portfolio may change after the portfolio is established.

RMR does not represent or guarantee that the services provided or any analysis methods provided can predict future results, successfully identify market tops or bottoms, or insulate investors from losses due to market corrections or declines. There is no guarantee of client account future performance or any level of performance, the success of any investment decision or strategy used, overall account management, or that any investment mix or projected or actual performance shown will lead to expected results or perform in any predictable manner. Past performance is not indicative of future results. The investment decisions made for client accounts are subject to various market, currency, economic, political, and business risks (including many above) and will not always be profitable. The outcome(s) described, and any strategies or investments discussed may not be suitable for all investors. Further, there can be no assurance that advisory services will result in any particular result, tax, or legal consequence.

*An investment could lose money over short or even long periods. Clients should expect their account value and returns to fluctuate within a wide range, such as the overall stock and bond market fluctuations.*

Before acting on RMR's analysis, advice, or recommendation, clients should consult with their legal counsel, tax, and other financial Investment Professionals, as necessary, to aid in due diligence as proper for their situation and decide the suitability of the risk associated with any investment. Clients are encouraged to direct questions regarding risks, fees, and costs to their applicable IAR.

## *Voting Client Securities*

### *Proxy Voting*

RMR will not ask for or accept voting authority for client securities and is not obligated to forward proxy notices to clients or their agents. Clients will receive proxy material directly from the security issuer, their Qualified Custodian, or the Insurance Company and/or its approved Custodian(s). Clients are responsible for exercising their right to vote for proxies.

For accounts subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan Fiduciary holds proxy voting authority and responsibility for the Plan account in accordance with the requirements of Plan documentation. If the Investment Manager is listed as the fiduciary responsible for voting proxies, the obligation will be designated to another fiduciary and reflected in the Plan document.

RMR may recommend and refer certain clients to third-party asset allocation or Managed Account programs. Depending on the referred manager's proxy voting policies and procedures - and as disclosed within the TPM's Form ADV 2A and separate



advisory contract, clients participating in one of these programs may appoint the referred manager as their agent and attorney-in-fact with discretion to vote proxies for securities held in their account. Clients should carefully review the TPM's disclosure brochures and advisory contract to understand the referred manager's proxy voting policies and procedures.

While RMR will assist a client with their proxy questions, it shall not be deemed to have proxy voting authority solely because it supplies client information about a particular proxy vote in any of the above situations. The client must vote for their proxy. Clients should contact the security issuer before making any final proxy voting decisions.

#### **Class Action Suits, Claims, Bankruptcies, Other Legal Actions & Proceedings**

A class action is a procedural device used in litigation to determine the rights and remedies for many people whose cases involve common questions of law and fact. Class action suits often arise against companies that publicly issue securities, including those recommended by investment advisers to clients. RMR has no duty or obligation to evaluate a client's eligibility, advise, or submit claims to participate in the proceeds of securities class action settlements or other related legal actions, determine if securities held by the client are subject to a pending or resolved class-action lawsuit, or act for the client in any manner concerning legal proceedings involving securities currently or previously held by the client's account or securities issuers.

RMR does not provide legal or tax advice, engage in any activity that might be deemed to constitute the practice of law or accountancy, or act for the client in any manner concerning legal proceedings involving securities held or previously held by the client's account or the issuers of such securities. RMR is not obligated to forward copies of written or electronic notices of any legal actions, proceedings, or materials affecting such securities. It is the client's responsibility to respond to any legal actions or proceedings involving the securities purchased or held in their account and/or initiate litigation to recover damages if they may have been injured as a result of the actions, misconduct, or negligence by the corporate management of issuers of such securities.

For TPM investment accounts, depending on the TPM's proxy voting policies and procedures, the TPM may require that you appoint them as your agent and attorney-in-fact with discretion to vote proxies on your behalf. Please review the TPM's disclosure brochure carefully to understand their proxy voting policies and procedures.

#### **Item 7: Client Information Provided to Portfolio Managers**

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In addition to the personal data required to open an account, such as your name, address, birth date, Social Security number and employment information, we supply the Portfolio Manager and/or Program sponsor with information regarding your financial background and investment objectives to the extent such information is provided by you, at the time it is received from you, and when it is of benefit to the manager for performance of their responsibilities. We communicate changes in your policy to the Portfolio Manager as they occur.

#### **Item 8: Client Contact with Portfolio Managers**

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There are no restrictions on clients contacting managers directly. Each Managed Account is managed individually and separate from the accounts of other managed clients. You receive confirmations of each securities transaction placed by the manager for your account and periodic custodian account statements and reports. There are no restrictions on a client's ability to contact their Portfolio Manager or us directly with any questions regarding their account. RMR, through its IARs, is available to clients on an ongoing basis to discuss client financial circumstances, the selected portfolio and the securities therein or to process instructions from clients concerning advisory assets. Clients are encouraged to contact us directly with questions regarding their Wrap Fee Program account, investment objectives, risk tolerance changes, or restrictions on managing their Wrap Fee Program assets.

#### **Item 9: Additional Information**

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##### **Legal or Disciplinary Event Disclosure**

Registered investment advisers such as RMR must disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the investment adviser or the integrity of its management. A

federal or state regulatory agency took specific disciplinary actions against certain of RMR's management for alleged violations of particular securities regulations, rules, and/or statutory provisions. The matters have been resolved. The details on these matters related to RMR's disciplinary history can be found on the IAPD. Neither RMR nor its management has any additional disciplinary or legal proceedings to disclose material to a client's evaluation of this advisory practice. RMR has no outstanding issues, and the firm and all Control Persons are appropriately registered without restriction.

Certain RMR's IARs may have disciplinary actions against them for alleged violations of specific securities regulations, rules, and/or statutory provisions by Federal or state regulatory agencies. Clients may view our current disclosure documents at the SEC's Investment Adviser Public Disclosure ("IAPD") website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching our firm name or CRD # 169005. The SEC's website also provides information about any affiliated person registered or required to be registered as an IAR of the firm, including their disclosure items (if any). Copies are also available by contacting us at 201.836.2460 or visiting our website at [www.rmrwealthbuilders.com](http://www.rmrwealthbuilders.com).

#### Broker-Dealer & Registered Representatives of A Broker-Dealer

RMR is not registered and does not intend to register as a Broker-Dealer. In connection with their approved outside business activities, certain RMR Investment Professionals are Registered Representatives ("RRs") of non-affiliated Broker-Dealers, Member [FINRA](#) and [SIPC](#). When acting in the capacity of RRs of such unaffiliated Broker-Dealers, these Associates will sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, variable annuity, or others to clients and receive commission-based compensation in connection with the purchase and sale of such securities, including 12b-1 fees for the sale of investment company products. (See "Conflicts of Interest" at the end of this section for additional important information.)

#### IARs of Other Unaffiliated Investment Advisory Firms

Certain RMR IARs are also registered IARs of other non-affiliated registered investment advisory firms. IARs who maintain outside business activities with such firms must provide the disclosure documents of outside investment adviser's disclosure brochures and documentation. RMR clients should understand that any assets they place under the management or within any other outside investment advisory firm's programs are separate and distinct from their advisory Agreement and assets managed by RMR. Further, a conflict of interest exists to the extent that while the services offered by RMR and another unaffiliated adviser may be similar, clients' fees and other costs for such services may differ.

RMR does not share any portion of the client's fees in connection with relationships established due to an Associate's approved outside business activity. Commissions or other compensation earned by our Associates in their capacities as RRs or IARs of separate and unaffiliated firms are separate from and in addition to the advisory fees paid to RMR under our Advisory Agreements. (See "Conflicts of Interest" at the end of this section for additional important information.)

#### Registration as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor

Neither the Adviser nor any management persons are registered or intend to register as a futures commission merchant, commodity pool operator, commodity trading adviser, or an Associated Person of the preceding entities.

#### Insurance Sales & Services

##### *Affiliated & Unaffiliated Insurance Agencies*

RMR Wealth Builders, Inc., the investment adviser, is affiliated with RMR Wealth Builders, Inc., a New Jersey Insurance Producer of a similar name (Insurance Producer License # [8729246](#)). RMR's insurance-licensed Investment Professionals will offer variable life, variable annuity, accident & health, sickness and life or other insurance products from time to time and when appropriate to their RMR advisory clients in connection with their approved outside business activities for these products and recommend advisory clients consider either insurance products and services. Insurance company personnel also retain the discretion to introduce non-advisory clients to the investment adviser for advisory services.

In this capacity, in addition to their compensation from RMR, insurance-licensed Investment Professionals can recommend to firm clients and receive separate, yet customary, commission compensation, including bonuses and trail commissions, resulting from the purchases and sales of insurance products from the insurance agencies with whom they are presently or with whom they may become appointed in the future. The insurance commissions earned by these individuals are separate from and in addition to RMR's Advisory Fees. Commissions are based on the standard commission schedule of the insurance products provider and are generally not negotiable.

This presents a conflict of interest since, to the extent that clients of the investment adviser can also use an insurance company's services, the activities and fees of such companies are essential to understand. RMR Associates, licensed as Insurance Agents, are incentivized to effect suitable insurance transactions based on the potential for commission compensation received rather than the client's best interests. Advisory clients should be aware that when using the services of any such insurance entity, such services are not provided by RMR, the investment adviser. Any insurance services offered are separate and distinct from the client's relationship, Advisory Agreement and services provided by RMR (the investment adviser). Any insurance commission paid to licensed insurance agents is in addition to the investment advisory fees, which clients will pay RMR for investment advisory services and advice. Such commissions will be based on the standard commission schedule of the insurance products provider and are generally not negotiable. Insurance commissions are separate and in addition to RMR's Advisory Fees.

The services of companies other than the Adviser are also subject to separate and distinct contractual arrangements. Further, the protections afforded to clients under applicable investment advisory laws and regulations generally do not apply to those provided by any RMR affiliate or an unaffiliated company. Clients are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with the Adviser or utilize the services of any affiliate or other industry relationship. Advisory clients maintain complete discretion regarding whether to use the services of RMR, RMR-affiliated entities, or other industry relationships that may be recommended. *(See "Conflicts of Interest" at the end of this section for additional important information.)*

#### Designations & Other Outside Business Activities

Our IARs can, with approval, operate their own independent companies outside of RMR. These unaffiliated companies include, among others, accounting and tax practices and insurance services. As such, there is a potential conflict of interest because RMR's Investment Professionals can earn compensation from RMR and the unrelated business activity. In addition, RMR Associates hold various other designations in connection with these approved outside business activities, separate from their role as IARs with RMR. RMR does not solicit clients to utilize any services offered by Associates in this capacity. Associates' recommendations or compensation for such designation services are separate from RMR's advisory services and fees. *(See "Conflicts of Interest" at the end of this section for additional important information.)*

#### Recommendation of Other Advisers & Third-Party Money Managers

RMR may allocate all or a portion of client assets to a third-party adviser or manager. RMR receives compensation from the third-party referred managers and advisers, who we recommend that you use their services, and, in such instances, the fees can be shared between RMR and the third-party adviser or manager. Before selecting any outside manager, RMR will review the manager to ensure they fit the adviser's models' criteria and conduct initial background due diligence. Referred managers must be registered with an appropriate regulatory body and enter RMR's Terms and Conditions Agreement before being included as a potential client referral. Fees shared will not exceed any limit imposed by any regulatory agency.

Referred clients will enter a separate Program Agreement with the referred manager and receive the manager's disclosure documents, which clients are encouraged to read. The relationship - including any conflicts of interest involving providing advice, service, or account management style, will be disclosed in each contract between the RMR, the third-party money managers, and the client. RMR reserves the right to add or delete managers as deemed necessary.

These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the third party. Clients are not obligated to use the services of any referred advisor we recommend, contractually or otherwise. Beyond the information disclosed herein, RMR has no other business relationships with the recommended referred managers. *(See "Conflicts of Interest" at the end of this section for additional important information regarding this activity.)*

#### Future Clients

RMR may provide investment advisory services to other clients in the future. Other future clients may have investment objectives, programs, strategies and positions that are similar to or may conflict with those of our current clients or may compete with or have interests adverse to our current clients. This conflict could affect the prices and availability of financial instruments in which the current clients invest. However, there can be no assurance that other future clients with similar investment objectives, programs or strategies will hold the same positions or perform substantially similar to our current clients. Furthermore, our activities concerning other future clients could conflict with our activities relating to our current clients.

RMR may give advice or take action for the investments and transactions in one client account that may differ from the advice given or the timing or nature of action taken for financial instruments and transactions for other client accounts due to a variety of factors such as regulatory and tax issues and differences in investment programs. As a result, even though our clients may have similar investment objectives and pursue similar investment strategies, they may have substantially different portfolios and investment returns. Conflicts of interest may also arise when we make decisions on behalf of clients where the interests of some clients differ from the interests of others. (See “Conflicts of Interest” at the end of this section for additional important information regarding this activity.)

#### Other Business Relationships

RMR uses third-party resources to help run its business and provide services to its clients, mostly back-office related. RMR sources these professionals striving to act in a client's best interest with fiduciary responsibility while focusing on finding the highest value-added providers to service clients. While the Adviser has developed a network of professionals - accountants, lawyers, and otherwise, neither RMR nor its Associates receive compensation for such use or referrals.

#### Conflicts of Interest

The practice of making clients aware of the above other financial activities, affiliations, designations, and relationships and the services discussed above presents a conflict of interest since RMR's Investment Professionals may have an economic incentive to submit advisory clients to certain companies or services over others due to potential compensation received in connection with the transaction. This can incentivize them to introduce their clients to the professionals or services based on their compensation rather than client needs. Likewise, persons associated with the affiliated companies or outside relationships may refer their non-advisory clients to RMR.

RMR addresses this conflict of interest by requiring Associates to always act in each client's best interests. Before the transaction, RMR's Investment Professionals must fully disclose such relationships when making recommendations. If offering clients advice or products outside of RMR, they satisfy this obligation by advising and revealing the nature of the transaction or relationship, their role and involvement in the transaction, and any compensation to be paid/received before transaction execution. When acting in this capacity, RMR's Investment Professionals are not acting on behalf of RMR, the investment adviser, concerning the client's services under an RMR Advisory Agreement.

Clients are not obligated to act upon any recommendations or purchase additional products or services. Further, they are not obligated to place the transaction through RMR if they elect to act on any recommendation received. The client may act on recommendations received by placing their business and securities transactions with any brokerage firm or third party. RMR makes no assurances that another entity's products or services are at the lowest available cost. Clients may obtain the same products or services at a lower price from other providers. The ultimate decision to retain products or services remains at the client's sole discretion. Additional details of how RMR mitigates conflicts of interest can be found in the firm's comprehensive written compliance supervisory policies and procedures and Code of Ethics. RMR's Code is available for review free of charge to any client or prospective client upon request.

Outside of the information referenced herein, neither the adviser nor its management persons have any other material relationships or conflicts of interest with other financial industry participants.

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

##### Code of Ethics

Rule 204A-1 of the Investment Advisers Act of 1940 requires all investment advisors registered with the Securities and Exchange Commission to adopt a Code of Ethics that sets forth standards of conduct and requires compliance with federal securities laws. RMR takes its regulatory and compliance obligations seriously and recognizes its statutory duty to oversee the advisory activities of the Supervised Personnel who act on its behalf. The Adviser believes each of its advisory clients is owed the highest level of trust and fair dealing and holds Associates to a very high standard of business practices and integrity. To that end, RMR has adopted a Code of Ethics (“Code”) that sets forth the firm's conduct standards in keeping with its fiduciary obligation.

RMR strives to comply with applicable laws and regulations governing our practices. The adviser's Code requires all Associates to exercise a fiduciary duty by acting in each client's best interest while consistently placing the client's interests first and foremost. The Code applies to all RMR Associates, including individuals registered with the adviser as IARs or considered ‘Supervised Persons’ under the Advisers Act Rules. The Code may also be applied to any other person the Chief Compliance Officer designates.

RMR's Code outlines and prohibits certain activities deemed to create conflicts of interest (or at least the potential for or the appearance of such a conflict) and specifies reporting requirements and enforcement procedures. Associates are required to abide fully by all applicable industry regulations and the firm's guiding principles as outlined in its written supervisory Policies & Procedures Manual and Code, including any updates.

The Code requires an affirmative commitment by Associates that they will abide by all state and federal securities laws and provisions relating to client information confidentiality, a prohibition on insider trading, restrictions on the acceptance of significant gifts, outside activities reporting, and personal securities trading procedures for Covered Persons, among others. Associates are required to attest no less than annually to their compliance with and understanding of the above matters - including confirmation and acknowledgment by every licensed IAR of the firm's expectations regarding their conduct, given the duties, responsibilities, and principles required. Additional details of how RMR mitigates conflicts of interest can be found in the firm's comprehensive written compliance supervisory policies and procedures and Code of Ethics.

RMR's Code is available for review free of charge to any client or prospective client upon request. An electronic copy of our Code of Ethics is also available for your review at [www.mmrwealth.com](http://www.mmrwealth.com).

#### Participation or Interest in client Transactions

Neither our firm nor any persons associated with our firm have any material financial interests in client transactions beyond the provision of investment advisory services as disclosed herein. Further, RMR's policy is that neither the firm nor any Associates may share in the gains and losses associated with any purchase or sale of a security on your behalf.

#### Personal Trading Practices

RMR or persons associated with our firm may buy or sell securities that we recommend to you or securities in which you are already invested; at the same time, we buy or sell such securities for our account. This act can allow them to buy or sell the same securities before or after, suggesting them to clients and profiting from the recommendations provided. RMR's policy is that neither our firm nor persons associated with our firm shall have priority over client accounts in the purchase or sale of securities; we will always transact client business before their own when similar securities are being bought or sold and document any transactions that could be construed as a conflict of interest, per firm procedures. Regardless, a conflict of interest exists in such cases because we can trade ahead of clients and potentially receive more favorable prices than they will receive.

RMR recognizes that the individual investment transactions of members and Associates of the adviser demand the application of a high Code of Ethics and require all such transactions to be carried out in a way that does not endanger the interest of any client. At the same time, RMR believes that if the investment goals of clients and firm members are similar, having common ownership of some securities is logical and desirable. RMR has instituted within its Code of Ethics ("Code") a Personal Securities Transactions & Trading Policy, which consists of personal trading and pre-clearance procedures for Associate account transactions and a transaction reporting system to monitor compliance with this policy. The firm's Code also includes policies and procedures to address insider trading, other personal securities transactions, and many other essential safeguards required of its Associates. Upon employment or affiliation and at least annually after that, Associates must sign an acknowledgment stating they have read, comprehend, and agree to comply with its Code. And execute an affirmation stating they will conduct business honestly, ethically, and fairly, avoiding all circumstances that might negatively affect or appear to affect its duty of complete loyalty to all clients. RMR does not permit insider trading and has implemented procedures to ensure that Associates observe its insider trading policy. Associates know the rules regarding material non-public information and insider trading and seek to ensure they do not benefit personally from the short-term market effects of their client recommendations. Associates may buy or sell specific security for their accounts based on personal investment considerations, which the adviser does not deem appropriate to buy or sell for clients. In all cases, transactions are affected based on the client's best interests.

Additional details on how RMR mitigates conflicts of interest can be found in the firm's comprehensive written compliance supervisory policies and procedures and Code of Ethics. RMR's Code of Ethics is available for review free of charge to any client or prospective client, who can contact us directly.

#### Conflicts of Interest

RMR's policy prohibits the firm, its Associates, and any related person from participating in trading that may be detrimental to any advisory client or in conflict with the Adviser's written supervisory compliance policies and procedures, Code of Ethics, or



any applicable rules of state and federal securities laws, including prohibitions on personal and insider trading. Associates must disclose, pre-clear, and report specific trades and maintain compliance with the firm's policies and procedures, including maintaining transaction records, to ensure that no Associate receives preferential treatment over advisory clients or affects the markets. RMR performs an Access Person trade review quarterly, annually, and as needed to verify Associate compliance with the firm's trading policies and procedures and confirm that no conflicts have occurred. Additional details of how RMR mitigates conflicts of interest can be found in the firm's comprehensive written compliance supervisory policies and procedures and Code of Ethics. RMR's Code is available for review free of charge upon request by any client or prospective client contacting us directly.

### Review of Accounts

Initial client Agreements are reviewed and approved by the Director of Compliance & Operations, their Designee or another firm Principal, as appropriate. Designated Supervisors will also periodically review ongoing client account transactions and oversee IAR annual account review obligations. All portfolio management accounts are monitored annually or more frequently as agreed upon with the client.

### Content & Frequency of Regular Reports Provided to Clients

#### *Firm Statements & Reports*

RMR client communications occur at several levels. Client meetings will generally be held annually to review the client's account and determine the appropriateness of its holdings. Meetings, telephone calls, emails, and letters will provide information from time to time as circumstances warrant. Market commentaries, articles and newsletters on investment and financial planning topics can also be provided to all clients throughout the year. While clients will not receive additional reviews, statements, and reports outside of those required under Rule 206(4)-2 of the Adviser's Act or beyond the services contracted for in the client's Agreement, additional reporting may be made available on an ad-hoc basis as agreed to between RMR and the client.

#### *Custodial Statements & Reports*

At the time of account inception, clients will direct their Qualified Custodian to send them statements at least quarterly, (1) reflecting all account transactions that occurred during the previous reporting period, the funds, securities, and other property in the account at the end of the period, and (2) provide RMR duplicate copies of all periodic statements and other reports for the account the custodian sends to the client.

The client's Qualified Custodian will then provide quarterly account statements describing all activity in the account during the preceding quarter, including holdings, account transactions, contributions, withdrawals, fees and expenses, and the account value at the period beginning and ending. Statements may also include performance, other pertinent, appropriate information, and documents necessary for tax preparation. Clients may also receive trade confirmation documents from their custodians for each buy or sell transaction within their account. Client statements will be sent to the address provided by the client to RMR or such other address to which the client may request in writing that they be sent.

*RMR urges clients to promptly review any statements they receive from their custodian upon receipt to ensure account transaction accuracy. Clients should also compare their account(s) ' investment performance against the appropriate blended benchmark applicable to the type of investments held in the account and any periodic report or information from us. The information obtained from RMR may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodology of particular securities.*

RMR encourages clients to ask us questions about their assets' custody, safety, or security or any statements received. Clients may request a verbal or written report at any time. *If a client believes there are any inaccuracies or discrepancies in any reports received, or if they do not understand the information reflected in any document received, they should promptly, and in all cases before the next statement cycle, report their concerns to RMR.* Unless the client indicates otherwise, by promptly notifying us in writing of concerns regarding statements received or specific investment restrictions on the account(s), investments made in line with the client's stated investment objectives RMR recommends or makes on behalf of a client shall be deemed to conform with the client's investment objectives.

### Client Referrals & Other Compensation

#### *Preferred Qualified Custodians*

RMR receives an economic benefit from our preferred Qualified Custodians through the support products and services available to us and other independent investment advisers who also recommend their clients maintain accounts with them. Because of

such arrangements, we benefit from referral arrangements because the cost of these services would otherwise be borne directly by our firm. While clients do not pay more for assets maintained at our preferred Qualified Custodians, clients should consider these conflicts - the products and services provided by each custodian, their benefits to us, and any related conflicts of interest described herein, when making a custodian selection. *(See Item 12: Brokerage Practices for disclosures on research and other benefits we may receive from our relationship with your account custodian.)*

#### *Economic Benefits Provided by Third Parties*

Custodians and certain mutual funds participate in activities designed to help facilitate the distribution of their products by providing RMR's Investment Professionals with sales awards and other prizes, instruction about their products, and through marketing activities or instructive programs including, but not limited to, fund representative conference attendance, one-on-one marketing efforts and/or due diligence presentations. When RMR participates in these activities, the Adviser receives additional compensation such as 12b-1 fees disclosed in a fund's prospectus fee table and expense reimbursements. These payments are generally paid from the fund or fund affiliate's assets. Therefore, certain expenses not paid out of fund assets would not appear in a fund's expense table. No portion of these payments to RMR or an IAR is made using brokerage commissions generated by the fund.

It is important to understand that no payments other than 12b-1 fees received by RMR are paid or directed to any IAR recommending these funds. RMR IARs do not receive a greater or lesser percentage of the commission for sales of mutual funds. You should be aware that different funds charge different commissions. Because RMR IARs receive no direct increase or change in the percent of commissions they are paid for selling shares of one fund over another, we do not believe that they are subject to a conflict of interest based on the percent of commission each IAR receives when recommending one fund's shares over another's. However, the marketing and educational activities paid for by a fund could lead our IARs to focus more on those funds.

#### *Promoter Relationships*

RMR has entered into solicitor ("Promoter") relationships with qualified individuals who are paid to refer clients to the Adviser, which can result in the provision of investment advisory services. When engaging Promoters, RMR will ensure all are licensed and otherwise qualified as required. Unlicensed Promoters may only provide impersonal investment advice by recommending our services and not comment on using the Adviser's services or portfolio construction. The terms of all Promoter arrangements are defined by a contract between the Promoter and RMR, which sets forth the terms of the Agreement and form of compensation to the Promoter, a percentage of the Advisory Fees received from referred clients.

As a consultant and independent contractor, and not an employee of Advisor, the Promoter will use its best efforts to solicit and refer as clients to Advisor those individuals or entities which it believes are in the best interest of the client to be introduced to the investment advisory services provided by Advisor. The Promoter has no authority to accept any client(s) on behalf of the Adviser, and the Adviser has no responsibility to accept any prospective client referred by the Promoter.

The Promoter's primary role is to introduce and assist each prospective client in establishing a relationship with the Adviser, including introducing prospective clients and providing information about RMR. The Promoter's services may also include periodic contacts to update client information on behalf of the Adviser. The Promoter will keep confidential any client information obtained in connection with this arrangement, which will not be disclosed without the appropriate consent obtained. For the solicitation services provided by the Promoter, the Adviser will either pay a flat one-time fee for any solicited client or a percentage of investment Advisory Fees received from any solicited client over a period agreed upon in the Promoter's contract with RMR. This fee is not passed on to the client. RMR will also make available and refer clients to the FICA® | For Advisors Cash Management Program sponsored by StoneCastle Cash Management, LLC and earn a referral fee from StoneCastle if clients participate. *(See Item 8: Methods of Analysis, Investment Strategies, Type of Investments & Risk of Investment Loss" for complete details.)*

#### *Conflicts of Interest*

Referral arrangements inherently give rise to potential conflicts of interest, particularly when the person recommending an Adviser receives an economic benefit, as the payment received could incentivize the Promoter's referral. Additionally, Promoters that refer business to more than one investment adviser could be financially incentivized to recommend advisers with more favorable compensation arrangements; comparable services and/or lower fees may be available through other firms. Accordingly, RMR requires its Promoters to disclose to referred clients, in writing, (1) whether they are a client or a non-client, (2) that they will be compensated for the referral, (3) the material conflicts of interest arising from the relationship and



compensation arrangement, and (4) all material terms of the arrangement, including a description of the compensation to be provided for the referral. RMR satisfies similar requirements when serving as a StoneCastle Cash Management, LLC Promoter.

Besides our clients' fees and those disclosed herein, RMR does not receive additional economic benefits. Further details of mitigating conflicts of interest can be found in the firm's comprehensive written compliance supervisory policies and procedures and Code of Ethics. A copy of RMR's Code of Ethics is available for free review to any client or prospective client upon request.

## Financial Information

### *Balance Sheet*

RMR does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore does not need to include a balance sheet with this Brochure.

### *Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients*

Neither RMR nor its management has any financial conditions that will likely impair its ability to meet contractual commitments to investors. Nor has it been involved in an award or otherwise found liable in an arbitration claim alleging damages in excess of \$2,500 or any investment or investment-related activity concerning fraud, false statements or omissions, theft, embezzlement or the other wrongful taking of property, bribery, forgery, counterfeiting or extortion, dishonest, unfair or unethical practices, or found liable in a civil, self-regulatory organization or administrative proceeding involving investment or investment-related activity involving the preceding. RMR has no additional financial circumstances to report.

### *Bankruptcy Petitions in The Previous Ten Years*

RMR has no financial impairment that will preclude it from meeting contractual client commitments. The Adviser meets all net capital requirements to which it is subject and has not been the subject of a bankruptcy petition in the last ten years.

## Disciplinary Disclosures

Registered investment advisers such as RMR are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the investment adviser or the integrity of its management. RMR has no disciplinary or legal proceedings to disclose.

Certain of RMR's financial professionals have legal or disciplinary histories to disclose. RMR encourages clients to perform their due diligence on the topic. Please visit the United States Securities and Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) for a free and simple search tool to research RMR and its Investment Professionals, Management Members, Officers, and firm Principals.

## Privacy Practices

Your relationship with us is based on trust and confidence. This privacy policy ("Privacy Policy" or "Policy") describes the ways RMR collects, stores, uses, discloses, and protects the privacy of the personally identifiable and non-personally identifiable information we may collect from you or that you may provide. Our goal is to treat the information you furnish us with the utmost respect following this Policy and safeguard and protect the information you have provided securely and professionally. We remain committed to this objective.

### *What is Personally Identifiable Information?*

Personally identifiable information ("PII") describes the information associated with you. It can be used to identify you and includes your name, address, phone number, zip code, e-mail address, and other similar data. Non-personally identifiable information ("Non-PII") does not identify a specific person or is publicly available. Non-PII may include, for example, your IP address, browser type, domain names, access dates, and similar information.

### *Categories of Information We Collect*

The personal information we collect, and share will depend on the product or service. Confidential personal data collected about you can include but not be limited to:

- information we receive from you via applications or other forms, such as your name, address, phone or social security number, occupation, assets, income,
- investment experience and other financial and family information, and
- information about your transactions with us or the brokerages, banks, and custodians with whom you hold

investment or cash accounts, including account numbers, holdings, balances, transaction history, and other financial and investment activities.

#### *How We Collect Your Information*

We collect your personal information; for example, when you seek investment advice, tell us about your investment portfolio(s), open an account, make account deposits or withdrawals, or provide your income details. We also collect your personal information from others, such as other companies. We do not knowingly solicit information from or market our products or services to children.

#### *How We Use Your Information*

We may use information that we collect about you or that you provide to us, including any personal information, for any purpose, including but not limited to:

- personalize our contact with you, or verify your identity when accessing our services,
- compare information for accuracy and record verification,
- provide information, materials, products, or the services you request,
- improve, modify, customize, and measure our services,
- develop new products and services,
- send you administrative messages, content, and other services and features in which we believe you may be interested,
- provide you with information about our products and services, including while you are on our website online services or after you visit such online services,
- contact you for the potential purchase of insurance or other financial products,
- operate, provide, improve, and maintain our website to prevent abusive and fraudulent use of our website or enforce our Terms of Use and any other agreements between you and our firm, and
- for any other administrative and internal business purposes permitted by law.

#### *Sharing Non-Public Personal & Financial Information*

Financial companies must share customers' personal information to run their everyday business and provide services. Even when required to do this, we are committed to the protection and privacy of your personal and financial information. We will share your personal information with only those non-affiliated third-party service providers authorized to use your data as necessary to support our business operations, such as:

- when necessary to complete an account transaction, such as with the clearing firm or account custodians,
- when required to maintain or service an account,
- for marketing services,
- when requested by a fiduciary or beneficiary on the account,
- when required by a regulatory agency or for other reasons required or permitted by law,
- to our attorneys, accountants, or compliance consultants,
- to provide customer service or resolve customer disputes,
- to provide data storage, payment, or technology support and services, or
- for risk solution provisions, analytics, or fraud prevention,
- in connection with a sale or merger of our business, or
- in any circumstance that has your instruction or consent.

The personal information we share for business purposes may include any categories of personal information identified in this Privacy Policy that we may collect.

#### *Protection of Personal Information*

We maintain various security measures to protect against the loss, misuse, and alteration of the information under our control. We restrict access to personal and account information to only those employees who need to know the information to provide products or services to you. Physical, electronic, and procedural safeguards are in place to guard client data using security measures that comply with federal law, such as computer protection, secured files, and buildings. Finally, although no business can wholly guarantee that information will remain free from unauthorized access, use, disclosure, or alteration, we make

consistent, diligent, and good-faith efforts to maintain information security, utilizing safety measures designed to prevent unauthorized access or usage.

#### *Internet Use*

You can visit us on the Internet at [www.rmrwealthbuilders.com](http://www.rmrwealthbuilders.com) without telling us who you are or revealing any information about yourself, including your e-mail address. In this case, our web servers may collect the domain name you used to access the Internet, such as [www.aol.com](http://www.aol.com), the website you came from and visited next, and other data. We use this data to monitor site performance and make the site more accessible and convenient.

#### *Sharing Information & Consumer Choice*

When you provide information to us, we may share your information, to the extent provided by applicable law, with any affiliated companies and third parties to fulfill your requests and offer you other services that may interest you. Your information is not shared with any third party unless you request it or it is legally permitted. Under no circumstance will we sell or transfer your information to any ad network, ad exchange, data broker, or other advertising or monetization-related service. We may also aggregate statistics about our customers, sales, traffic patterns, and services and provide these statistics to third parties; however, when we do, the statistics will exclude any personal information that identifies individuals. We will not provide your personal information to mailing list vendors or Promoters. We require strict confidentiality in our agreements with unaffiliated third parties that need access to your personal data, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your records as the law permits. Federal law allows you to limit sharing information about your creditworthiness for affiliates' everyday business purposes, affiliates from using your information to market to you, and sharing for non-affiliates to market to you. State and international laws and individual companies may provide additional rights to limit sharing. *(Please contact us directly for specific state and residence privacy requirements.)*

#### *Notification In the Event of A Data Breach*

Although we make reasonable faith efforts to maintain your information securely, no firm or individual can guarantee that shared information will remain free from unauthorized access, use, disclosure, or alteration. If an unauthorized party breaches your personally identifiable information, we will comply with applicable state laws in notifying you of the breach.

#### *Former Customers*

Personally identifiable information about you will be maintained while you are a client and for the crucial period after that, as federal and state securities laws require if you close your account(s) or become an inactive customer. After that time, information may be destroyed.

#### *Accessing or Correcting Your Information*

You may access the data we collect from you by sending a request to the address below. If you believe that an error has been made in the accuracy of the information collected from you, we will correct such error upon adequate verification of the error and the person's identity seeking the correction. If you wish to access, remove, or correct any personally identifying information you have supplied to us or have any questions about this Privacy Policy, you may contact us by sending a letter to the address on the cover of this Brochure.

#### *Changes to Our Privacy Policy*

We reserve the right to modify or supplement RMR's Privacy Policy statement at any time. If we make any material changes, we will notify our existing clients and update our website to reflect such changes, including disclosing the Policy's last revised date.

#### *Questions*

Please contact us as follows if you have any questions or concerns regarding our privacy business practices:

#### **RMR WEALTH BUILDERS, INC.**

111 Grove Street  
Suite 203

Montclair, New Jersey 07042

Telephone: 201.836.2460

[www.rmrwealthbuilders.com](http://www.rmrwealthbuilders.com)