

ITEM 1: COVER SHEET

FORM ADV PART 2A  
INFORMATIONAL BROCHURE



Timothy P. White, Chief Compliance Officer

February 15, 2024

**This brochure provides information about the qualifications and business practices of Johnson & White Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (717) 430-0001. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Our registration does not imply a certain level of skill or training.**

**Additional information about Johnson & White Wealth Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2: STATEMENT OF MATERIAL CHANGES**

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Johnson & White Wealth Management, LLC is required to include in this Item 2 any material changes to this Informational Brochure. There are currently no material changes to report.

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## INFORMATIONAL BROCHURE

### JOHNSON & WHITE WEALTH MANAGEMENT, LLC

#### **ITEM 4: ADVISORY BUSINESS**

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Johnson & White Wealth Management, LLC (“JWWM”) has been in business since May 2014. Timothy P. White, Christopher L. Johnson and Robert W. Allan are the firm’s principal owners.

JWWM provides personalized financial planning and/or investment management services. Clients advised may include individuals, trusts, foundations, pensions, and corporations.

##### Financial Planning

In most cases, the client will supply to JWWM information including income, investments, savings, insurance, age and many other items that are helpful to the firm in assessing your financial goals. The information is typically provided during personal interviews and supplemented with written information. Once the information is received, we will discuss your financial needs and goals with you and compare your current financial situation with the goals you state. Once these are compared, we will create a financial and/or investment plan to help you meet your goals.

The plan is intended to be a suggested blueprint of how to meet your goals. Plans will not be the same for every client. Each one is specific to the client who requested it. Because the plan is based on information supplied by you, it is very important that you accurately and completely communicate to us the information we need. We determine these objectives by reviewing new client questionnaires and then interviewing the client for additional background and clarity so we can gather a more complete picture of a client’s needs. It is very important that you continually update us with any changes so that if the updates require changes to your plan, we can make those changes. Otherwise, your plan may no longer be accurate.

If you request, JWWM may recommend the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from JWWM. If you engage any professional recommended by JWWM, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

##### Asset Management

JWWM requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of JWWM.

Asset management services may be provided on a “discretionary” or on a “non-discretionary” basis. When JWWM is engaged to provide asset management services on a discretionary basis, we will monitor

your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive statements at least quarterly from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and JWWM.

When a client engages us to provide investment management services on a non-discretionary basis, we monitor the accounts in the same way as for discretionary services. The difference is that changes to your account will not be made until we have confirmed with you (either verbally or in writing) that our proposed change is acceptable to you.

### Wrap Program

For some clients, JWWM may include certain transactional costs in the client's management fee. This arrangement is referred to a "Wrap Program". For accounts in the Wrap Program, JWWM pays the cost of each client transaction, thus taking on many of the clients' transactions cost. Fees included in the wrap fee include transaction fees for the purchase or sale of securities, but do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs, mark-ups and mark-downs, spreads, odd-lot differentials, fees charged by regulatory agencies, and any transaction fees for securities trades executed by a broker-dealer other than Schwab Advisor Services. Expenses for the management fees of third-party managers are also not included in the Wrap Program, and to the extent utilized, you will be responsible for such fees. Because JWWM will be managing the assets of wrap fee program clients the same way as other non-wrap fee program clients, the use of external portfolio managers within the wrap program is expected to be limited. To the extent a third-party manager is utilized, the fees payable to such managers will not be included in the wrap program. Therefore, there is no difference between how JWWM manages wrap fee accounts and how JWWM manages other accounts.

Because of the nature of a wrap fee program, where wrap fees are not tied to an account's frequency of trading and apply to generally all assets in the account, the wrap fee program client may pay more or less than if the client had compensated JWWM outside of the wrap fee program. For example, if a client's account is rarely traded, the transaction fees the client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees. Clients whose accounts will be rarely traded should carefully consider whether the Wrap Program is appropriate. Clients are not required to participate in the Wrap Program.

JWWM does not engage other portfolio managers to manage assets within the wrap fee program. To the extent a third-party manager is utilized, the fees payable to such managers will not be included in the wrap program. JWWM is the sole portfolio manager in the wrap program, which means that JWWM receives

a portion of the wrap fee for our services. Transaction fees are paid to various broker-dealers, mutual funds and ETFs. The remainder of the wrap fee is the management fee payable to JWWM.

JWWM will receive no additional compensation for offering the wrap fee program.

Please see the separate Wrap Fee Brochure for a more complete description of the Wrap Program.

#### Assets Under Management

As of December 31, 2023, JWWM has \$ 364,768,820 in assets under management. Of this total, \$ 332,066,571 was managed on a discretionary basis.

## **ITEM 5: FEES AND COMPENSATION**

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### **A. Fees Charged**

All investment management clients will be required to execute an Investment Management Agreement that will describe the type of management services to be provided and the fees, among other items.

Financial planning fees can be either hourly or on a fixed fee basis. Our hourly charge is \$200 to \$400 per hour. Fixed fee rates vary from \$2,000 to \$15,000. The fee range stated is a guide. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable and will depend on the anticipated complexity of your plan. Some clients may also engage JWWM on a project basis to provide advice on isolated matters, such as an evaluation of a client's employer-sponsored retirement plan.

Generally, fees vary from 0.00% to 1.25% per annum of the market value of a client's assets managed by JWWM. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors. Fees may be "household" meaning that accounts of related persons in a household may be aggregated for the purpose of determining the fee rate. Further, JWWM may also provide reduced rates as asset values increase. For example, a client may pay 1.00% on the first million dollars and 0.90% on the next million dollars, thus lowering the overall rate. All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

### **B. Fee Payment**

Investment advisory fees will be debited directly from each client's account. The advisory fee is paid quarterly, in advance, and the value used for the fee calculation is the net value as of the last market day of the previous quarter. This means that we will multiply your asset value by the applicable annual fee rate. This result will then be divided by the number of days in the year, and then multiplied by the number of days in the particular billing quarter. JWWM's fee will include any allocation to cash or cash-like instruments, such as money market funds or accounts, of the client's investable assets. Investable cash

means cash that is in client account as an asset allocation. Cash that is not in investable cash is cash that has been identified by the client as designated for a specific purpose.

Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to JWWM. While almost all our clients choose to have their fee debited from their account, we will invoice clients upon request. Invoices may be paid either by check or ACH payment. Included in the value of assets upon which the advisory fee is based may be “legacy” assets, or those that we consider in managing assets, but which were initially purchased by the client or another adviser on client’s behalf.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will receive a statement from their account custodian showing all transactions in their account, including the fee.

#### C. Other Fees

There are several other fees that can be associated with holding and investing in securities. You will be responsible for fees including transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund, or commissions for the purchase or sale of a stock. To the extent you participate in JWWM’s Wrap Program, you will not be responsible for these fees, as they will be paid by JWWM as part of your management fee. Expenses of a fund will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. JWWM can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

#### D. Pro-rata Fees

If you become a client during a quarter, you will pay a management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will be entitled to a refund of any management fees for the remainder of the quarter. Once your notice of termination is received, we will refund the unearned fees to you in whatever way you direct (check, wire back to your account). JWWM will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within 30 (thirty) days of termination may be “de-linked”, meaning they will no longer be visible to JWWM and will become a retail account with the custodian.

#### E. Compensation for the Sale of Securities.

To permit Johnson & White Wealth Management clients to have access to as many investment solutions as possible, one of the Johnson & White Wealth Management team is a registered representative of Purshe Kaplan Sterling Investments, Inc. (“PKS”), a FINRA member broker-dealer. The relationship with PKS allows for additional products to clients’ portfolios that would not otherwise be available. Because PKS supervises these activities, the relationship may be deemed material. However, PKS is not affiliated with Johnson & White Wealth Management or considered a related party. PKS does not make investment

decisions for client accounts. Registered representative status enables anyone registered in this manner to receive customary commissions for the sales of various securities, including those recommended to clients. Commissions charged for these products will not offset management fees owed to Johnson & White Wealth Management.

Receipt of commissions for investment products that are recommended to clients gives rise to a conflict of interest for the representative, in that the individual who will receive the commissions is also the individual that is recommending that the client purchase a given product. This conflict is disclosed to clients verbally and in this brochure. Clients are advised that they may choose to implement any investment recommendation through another broker-dealer that is not affiliated with Johnson & White Wealth Management. Johnson & White Wealth Management attempts to mitigate this conflict by requiring that all investment recommendations have a sound basis for the recommendation, and by requiring employees to acknowledge their fiduciary responsibility toward each client.

## ITEM 6: PERFORMANCE-BASED FEES

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JWWM will not charge performance-based fees.

## ITEM 7: TYPES OF CLIENTS

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Clients advised may include individuals, trusts, foundations, endowments, and corporations. JWWM requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of JWWM.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

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It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

Each client's portfolio will be invested according to that client's investment objectives. We determine these objectives by interviewing the client and/or asking the client to put these objectives in writing. Once we ascertain your objectives for each account, we will develop a set of asset allocation guidelines. An asset allocation strategy is a percentage-based allocation to different investment types. For example, a client may have an asset allocation strategy that calls for 40-60% of the portfolio to be invested in equity securities, with 20% of that allocated to international equities and the remaining balance in fixed income. Another client may have an asset allocation of 50-60% in fixed income securities and the remainder equities. The percentages in each type that we recommend are based on the typical behavior of that security type, individual securities we follow, current market conditions, your current financial situation, your financial goals, and the timeline to get you to those goals. Because we develop an investment strategy based on your personal situation and financial goals, your asset allocation guidelines may be similar to or different from another client's. We may use one or more investment software tools to

determine your allocation guidelines, risk tolerance, time horizon, and how to achieve these results. With the assistance of these tools, JWWM, will produce an investment policy to guide all parties involved in the execution of these goals, including but not limited to, JWWM, the client, the custodian, and the investment managers.

Upon completion of the asset allocation policy, we will periodically recommend securities transactions in your portfolio to meet the guidelines of the asset allocation strategy. It is important to remember that because market conditions can vary greatly, your asset allocation guidelines are not necessarily strict rules. Rather, we review accounts individually, and may deviate from the guidelines as we believe necessary.

The specific securities we recommend for your account will depend on market conditions and our research at the time. Specific funds are chosen based on where its investment objective fits into the asset allocation recommended by JWWM, its risk parameters, past performance, peer rankings, fees, expenses, and any other aspects of the fund JWWM deems relevant to that particular fund. We base our conclusions on predominantly publicly available research, such as regulatory filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses. We also participate in regular communications with the investment managers of mutual funds and separate accounts, which helps us achieve insight into their outlook, strategies, and security choices. We will also utilize technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future.

Additionally, part of the JWWM process includes, where appropriate, involving multiple generations in order to facilitate family financial planning. This can increase the financial education of the later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. JWWM attempts to minimize these conflicts by treating each household as its own fiduciary relationship. Information can only be shared across generations with each household's consent.

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.

- **Tax Risks Related to Short Term Trading:** Clients should note that JWWM may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. JWWM endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Risks specific to sub-advisors and other managers.** If we invest some of your assets with another advisor, including a private placement, there are additional risks. These include risks that the other manager is not as qualified as we believe them to be, that the investments they use are not as liquid as we would normally use in your portfolio, or that their risk management guidelines are more liberal than we would normally employ.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Margin Risk.** "Margin" is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. JWWM may utilize margin on a limited basis for clients with higher risk tolerances.
- **Short Sales.** "Short sales" are a way to implement a trade in a security JWWM feels is overvalued. In a "long" trade, the investor is hoping the security increases in price. Thus, in a long trade, the amount of the investor's loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus, in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. JWWM utilizes short sales only when the client's risk tolerances permit.
- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.

- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short-term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.
- **Concentration Risk.** While JWWM selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector specific issue analysis. This means that a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.
- **Transition Risk.** As assets are transitioned from a client's prior advisers to JWWM there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by JWWM. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, tax concerns, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of JWWM may adversely affect the client's account values, as JWWM's recommendations may not be able to be fully implemented.
- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.
- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.
- **Structured Notes Risk.** Structured notes are a security issued by a financial institution that is based on equity indexes, equity securities, interest rates or foreign currencies. Risks of structured notes include but are not limited to, market risk, liquidity, call risk, and tax considerations. If the linked currency or security loses value in a volatile market, you may lose your principal in the structured note. Liquidity risks are based on the limited resale potential for structured notes since they are not traded on security exchanges. Call risk for structured notes is due to the ability of the issuer to redeem the note before it matures, regardless of the current face value of the note. This would have the effect of lessening the return. Tax treatment of structured notes can be complicated, and it may be important to speak to a tax professional before purchasing.

- **REITs, general:** JWWM may recommend that portions of client portfolios be allocated to real estate investment trusts, otherwise known as “REITs”. A REIT is an entity, typically a trust or corporation, that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.
- **Non-Public REITs:** Non-public REIT investments can be very difficult to sell, it is therefore advisable for investors to avoid buying non-public REITs with money they may need in the near future. Non-public REITs do not trade on a public exchange; therefore it can be difficult for investors to determine the true value of their REIT shares. Non-public REITs can also have higher up-front fees than publicly traded REITs.
- **MLPs:** JWWM may recommend that portions of client portfolios be allocated to master limited partnerships, otherwise known as “MLPs”. An MLP is a publicly traded entity that is designed to provide tax benefits for the investor. In order to preserve these benefits, the MLP must derive most, if not all, of its income from real estate, natural resources and commodities. While MLPs may add diversification and tax favored treatment to a client’s portfolio, they also carry significant risks beyond more traditional investments such as stocks, bonds and mutual funds. One such risk is management risk-the success of the MLP is dependent upon the manager’s experience and judgment in selecting investments for the MLP. Another risk is the governance structure, which means the rules under which the entity is run. The investors are the limited partners of the MLP, with an affiliate of the manager typically the general partner. This means the manager has all of the control in running the entity, as opposed to an equity investment where shareholders vote on such matters as board composition. There is also a significant amount of risk with the underlying real estate, resources or commodities investments. Clients should ask JWWM any questions regarding the role of MLPs in their portfolio.

## ITEM 9: DISCIPLINARY INFORMATION

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There are no disciplinary items to report.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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### A. Broker-dealer

To permit JWWM clients to have access to as many investment solutions as possible, one of the Johnson & White professionals is a registered representative of Purshe Kaplan Sterling Investments, Inc. (“PKS”), a FINRA member broker-dealer. The relationship with PKS allows for the availability

of additional products to clients' portfolios that would not otherwise be available. Because PKS supervises these activities the relationship may be deemed material. However, PKS is not affiliated with Johnson & White Wealth Management or considered a related party. PKS does not make investment decisions for client accounts. Registered representative status enables those registered as representatives to receive customary commissions for the sales of various securities, including those recommended to clients. Commissions charged for these products will not offset management fees owed to JWWM.

Receipt of commissions for investment products that are recommended to clients gives rise to a conflict of interest for the representative, in that the individual who will receive the commissions is also the individual that is recommending that the client purchase a given product. This conflict is disclosed to clients verbally and in this brochure. Clients are advised that they may choose to implement any investment recommendation through another broker-dealer that is not affiliated with JWWM. JWWM attempts to mitigate this conflict by requiring that all investment recommendations have a sound basis for the recommendation, and by requiring employees to acknowledge their fiduciary responsibility toward each client.

One of the members of JWWM is separately licensed as an independent insurance agent, which markets and sells insurance. As such, this member may conduct insurance product transactions for JWWM clients, in their capacity as a licensed insurance agent, and will receive customary commissions for these transactions in addition to any compensation received in his capacity as an employee of JWWM. Employees with insurance licenses, therefore, have an incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees or commissions for insurance is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to JWWM implement any insurance. JWWM attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with JWWM or to determine not to purchase the insurance product at all. JWWM also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of JWWM, which requires that employees put the interests of clients ahead of their own. Commissions from the sale of insurance products or estate planning will not be used as a credit against or to offset advisory fees.

**B. Futures Commission Merchant/Commodity Trading Advisor**

Neither the principals of JWWM, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

**C. Relationship with Related Persons**

This item is not applicable.

D. Recommendations of Other Advisers

JWWM may recommend the use of an independent third party manager but will only do so if it is deemed in the best interests of the client. JWWM will not recommend any third-party manager in exchange for any sort of referral fee.

## ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

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A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

*401(k) Rollovers and Conflict of Interest*

By recommending that you rollover your Employer Plan assets to an IRA, JWWM may earn an asset-based fee as a result, if you decide to have JWWM manage those assets. In contrast, leaving assets in your Employer Plan or rolling the assets to a plan sponsored by your new employer likely results in little or no compensation to us. Therefore, we have an economic incentive to encourage investors to rollover Employer Plan assets into an IRA maintained at our firm.

We mitigate this conflict of interest by explaining that you are under no obligation to rollover Employer Plan assets to an IRA managed by JWWM. JWWM's advice must be based on the investment objectives, risk tolerance, financial circumstances and needs of the retirement investor. We do this by reviewing the options available to the investor through a rollover form. Our advice made without regard to the financial interest of JWWM.

B. Not applicable. JWWM does not recommend to clients that they invest in any security in which JWWM or any principal thereof has any financial interest.

C. On occasion, an employee of JWWM may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade, so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. On occasion, an employee of JWWM may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client

trade, so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

## **ITEM 12: BROKERAGE PRACTICES**

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### **A. Recommendation of Broker-Dealer**

JWWM does not maintain custody of client assets, although JWWM may be deemed to have custody if a client grants JWWM authority to debit fees directly from their account (see Item 15 below). Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. JWWM recommends that investment accounts be held in custody by Schwab Advisor Services (“Schwab”), which is a qualified custodian. JWWM is independently owned and operated and is not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when JWWM instructs them to, which JWWM does in accordance with its agreement with you. While JWWM recommends that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. JWWM does not open the account for you, although JWWM may assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and custody costs”).

#### **How we select brokers/custodians**

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including quantitative (Ex: costs) and qualitative (execution, reputation, service) factors. We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to JWWM as part of our evaluation of these broker-dealers.

#### **Your brokerage and custody costs**

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). If you are participating in our wrap program, many of these fees will be paid by JWWM, on an incurred basis.

#### **Products and services available to us from Schwab**

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like JWWM. They provide JWWM and our clients with access to its institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help JWWM manage or administer our clients' accounts, while others help JWWM manage and grow our business.

*Services that benefit you.* Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

*Services that may not directly benefit you.* Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

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

*Services that generally benefit only us.* Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

### **Our interest in Schwab's services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. We may have an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving

Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to JWWM as part of our evaluation of these broker-dealers.

**B. Aggregating Trades**

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. For clients not working with JWWM through the wrap program, JWWM may place trades for the same security needed in multiple accounts by executing one trade, and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, if a *pro rata* division would result in a client receiving a fraction of a share, or a position in the account of less than 1%.)

## **ITEM 13: REVIEW OF ACCOUNTS**

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Although it is JWWM practice to review accounts continuously throughout the year, all accounts will be reviewed by a senior professional on at least an annual basis. Additionally, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

All clients will receive statements and confirmations of trades directly from Schwab. Additionally, all clients will receive quarterly itemized bills from JWWM. Please refer to Item 15 regarding Custody.

Additionally, JWWM utilizes various account aggregation software programs. Depending on the services a client elects, programs may have a vault for client documents, reporting, and links to outside accounts, planning assistance, retirement tools and other various features to assist in the financial planning process.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

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**A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.**

*Please refer to Item 12, where we discuss recommendation of Broker-Dealers.*

B. Compensation to Non-Advisory Personnel for Client Referrals.

JWWM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **ITEM 15: CUSTODY**

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There are two avenues through which JWWM has custody of client funds; by directly debiting its fees from client accounts pursuant to applicable agreements granting such right, and potentially by permitting clients to issue standing letters of authorization (“SLOAs”). SLOAs permit a client to issue one document that directs JWWM to make distributions out of the client’s account(s).

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by JWWM against the information in the statements provided directly from Schwab. Please alert us of any discrepancies.

In addition to the account custodian’s custody procedures, clients issuing SLOAs will be requested to confirm, in writing, that the accounts to which funds are distributed are parties unrelated to JWWM.

## **ITEM 16: INVESTMENT DISCRETION**

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When JWWM is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive quarterly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and JWWM.

When a client engages JWWM to provide investment management services on a non-discretionary basis, the accounts are monitored by JWWM. The difference is that changes to your account will not be made until JWWM has confirmed with you (either verbally or in writing) that the proposed change is acceptable to you.

## **ITEM 17: VOTING CLIENT SECURITIES**

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Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. JWWM will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. JWWM will not give clients advice on how to vote proxies.

## **ITEM 18: FINANCIAL INFORMATION**

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JWWM does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.

## **ITEM 1: COVER SHEET**

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### **INFORMATIONAL BROCHURE**

#### **WRAP FEE PROGRAM**

**JOHNSON & WHITE WEALTH MANAGEMENT, LLC**

224 St. Charles Way, Suite 200 York, PA 17402

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

Timothy P. White

717-430-0001

**February 15, 2024**

**This wrap fee program brochure provides information about the qualifications and business practices of Johnson & White Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (717) 430-0001. Information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Johnson & White Wealth Management, LLC is a registered investment adviser. Registration does not imply any certain level of skill or training.**

**Additional information about Johnson & White Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2: MATERIAL CHANGES

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Johnson & White Wealth Management, LLC is required to include in this Item 2 any material changes to this Wrap Brochure. There are currently no material changes to report.

### ITEM 3: TABLE OF CONTENTS

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## ITEM 4: SERVICES, FEES, AND COMPENSATION

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The Johnson & White Wrap Program (the “Program”) is a wrap fee program sponsored by Johnson & White Wealth Management, LLC (“JWWM”) which has been in business since May 2014. Timothy P. White, Christopher L. Johnson and Rob Allan are the firm’s principal owners.

JWWM provides personalized financial planning and/or investment management services. Clients advised may include individuals, trusts, foundations, pensions and corporations.

### **A. Description of the Program**

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#### Asset Management

JWWM requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of JWWM.

Asset management services within the Program may be provided on a “discretionary” or on a “non-discretionary” basis. When JWWM is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive quarterly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and JWWM.

When a client engages us to provide investment management services on a non-discretionary basis, we monitor the accounts in the same way as for discretionary services. The difference is that changes to your account will not be made until we have confirmed with you (either verbally or in writing) that our proposed change is acceptable to you.

As of December 31, 2023, JWWM has \$ \$364,768,820 in assets under management. Of this total, \$ \$332,066,571 was managed on a discretionary basis.

#### Schwab’s Brokerage Services.

In addition to the foregoing portfolio management and other services, the Program includes the brokerage services of Charles Schwab & Co., Inc. (“Schwab”) a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. JWWM is independently owned and operated and not affiliated with Schwab. Schwab will act solely as a broker-dealer and not as an investment advisor to you. It will have no discretion over your account and will act solely on instructions it receives from us [or you]. Schwab has no responsibility for our services and undertakes

no duty to you to monitor our management of your account or other services we provide to you. Schwab will hold your assets in a brokerage account and buy and sell securities and execute other transactions when we [or you] instruct them to. While we require that you use Schwab as custodian/broker to participate in our program, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you. If you do not wish to place your assets with Schwab, then we cannot manage your account in the program. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account, as described below.

## **Fees and Compensation**

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### *Fees Charged*

All clients will be required to execute a written agreement that will describe the type of services to be provided and the fees, among other items.

### *Our Wrap Fees*

Generally, fees vary from 0.00% to 1.25% per annum of the net value of a client's accounts managed by JWWM. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

Because our wrap fees are not tied to an account's frequency of trading and apply generally to all assets in the account, this fee arrangement is not appropriate for all accounts. For example, a wrap fee arrangement would not be appropriate for an account that holds primarily cash and cash equivalents, fixed income securities or no-transaction-fee mutual funds for a substantial period of time.

Investment advisory fees will be debited directly from each client's account. The advisory fee is paid quarterly, in advance, and the value used for the fee calculation is the net value as of the last market day of the previous quarter. This means that we will multiply your asset value by the applicable annual fee rate. This result will then be divided by the number of days in the year, and then multiplied by the number of days in the particular billing quarter. The value used to calculate JWWM's fee will include any allocation to cash or cash-like instruments, such as money market funds or accounts, of the client's investable assets. Investable cash means cash that is in client account as an asset allocation. Cash that is not in investable cash is cash that has been identified by the client as designated for a specific purpose.

Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to JWWM. While almost all of our clients choose to have their fee debited from their account, we will invoice clients upon request. Invoices may be paid either by check or ACH payment.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

### **Fees We Pay Schwab.**

In addition to compensating us for our portfolio management, other investment advisory, and other services to you, the wrap fees you pay us also allow us to pay Schwab for the brokerage services it provides to you, as described above, as well as additional services Schwab provides us, as described below. The fees we pay Schwab consist primarily of fees assessed related to cash transactions in our account.

The fees we pay Schwab may be more than what we would pay solely for Schwab's brokerage services.

### **Relative Cost of Our Wrap Fee Program to You.**

The program may cost you more or less than purchasing our investment advice and Schwab's brokerage services separately. The relative cost of our wrap fee program to you is influenced by various factors, including the cost of our investment advice and Schwab's brokerage services if you purchased them separately, the types of investments held in your account, and the frequency and size of trades we make for your account. For example, if the number of transactions in your account is low enough, the wrap fee you pay us may exceed the stand-alone investment advisory fee and separate brokerage commissions that you otherwise would have paid.

Our fees for stand-alone investment advisory services that are comparable to those we provide as part of the program fall in the same range as fees for account in the Program.

We have agreed with Schwab that the wrap fee we charge you will not be more than the ticket charges we pay Schwab plus the stand-alone investment advisory fee we would otherwise separately charge you (i.e., we don't markup Schwab's fees).

### **B, C Additional Fees and Costs You May Pay.**

Our wrap fee does not cover the fees and costs listed below, which may apply to assets in your enrolled accounts to which our wrap fee also applies, and to transactions in your accounts.

- Commissions and other fees for services provided by broker-dealers other than Schwab for transactions executed or effected by or through them that settle into or from your account at Schwab such as through our use of Schwab's Prime Brokerage or Trade Away Services. You will be responsible for paying any commissions and other fees or compensation charged by broker-dealers other than Schwab. Because you will pay our wrap fee in addition to any commissions and/or other charges paid to broker-dealers other than Schwab who execute transactions for your account, we may have an incentive to execute transactions for your accounts through Schwab, and this incentive could, in some circumstances, conflict with our duty to seek best execution.
- Fees charged by mutual fund companies, unit investment trusts (UITs), closed-end funds and other collective investment vehicles, including, but not limited to, sales loads (a portion of which are paid to Schwab) and/or charges and short-term redemption fees.
- Short-term redemption fees charged by Schwab for funds other than those available through the Schwab Mutual Fund OneSource® service.

- Markups and markdowns, bid-ask spreads, selling concessions and the like received by Schwab in connection with transactions it executes as principal by selling or buying securities to or from you for its own account. Principal transactions contrast with those in which Schwab acts as your agent in effecting trades between you and a third party. Schwab may make a profit or incur a loss on trades in which it acts as principal. Markups and markdowns and bid-ask spreads are not separate fees, but rather are reflected in the net price at which a trade order is executed.
- Transfer taxes, odd-lot differentials, certificate delivery fees, reorganization fees, fees required by law, and any other fees or charges similar to those described above.

A complete list of Schwab's charges and fees is contained in the Charles Schwab Institutional Pricing Guide, which you will receive promptly following the opening of your account with Schwab.

#### *Pro-rata Fees*

If you become a client during a quarter, you will pay a management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will be refunded the portion of the prepaid management fee for the remainder of the quarter. Once your notice of termination is received, we will refund the unearned fees to you in whatever way you direct (check, wire back to your account).

#### **D. Additional Compensation We Receive.**

We may receive more compensation from your participation in our wrap fee program than if you purchased our investment advisory services and Schwab's (or another broker/custodian's) services separately. This is a potential conflict of interest. We believe, however, that our recommendation of our wrap fee program, including the use of Schwab as custodian and broker, is in the best interests of those of clients to whom we recommend it based on an assessment of their investment objectives, financial situation, our investment plans and anticipated trading activity in their accounts and all other relevant factors.

Some of the products, services and other benefits provided by Schwab benefit JWWM and may not benefit JWWM's client accounts. JWWM's recommendation or requirement that a client place assets in Schwab's custody may be based in part on benefits Schwab provides to JWWM, or JWWM's agreement to maintain certain assets under management at Schwab, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

## **ITEM 5: ACCOUNT REQUIREMENT AND TYPE OF CLIENTS**

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Clients participating in the program may include individuals, trusts, foundations, endowments and corporations. JWWM requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of JWWM.

## **ITEM 6: PORTFOLIO MANAGER SELECTION AND EVALUATION**

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The wrap fee program offered by JWWM is sponsored by the firm, and JWWM is the only portfolio manager. The only fees covered under the wrap fee program are transaction fees associated with the

purchase and sale of securities in an account managed by JWWM. All client accounts managed by JWWM, including wrap fee program clients, are managed with similar processes, although account recommendations may differ.

## **ITEM 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

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Please see response to Item 6, above

## **ITEM 8: CLIENT CONTACT WITH PORTFOLIO MANAGERS**

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Clients may contact JWWM, the only portfolio manager, at any time.

## **ITEM 9: ADDITIONAL INFORMATION**

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### **Disciplinary Information**

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Neither the firm nor any of its employees or principals has any disciplinary information to report.

### **Other Financial Industry Activities and Affiliations**

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#### ***Broker-dealer***

To permit JWWM clients to have access to as many investment solutions as possible, one of JWWM's professionals is a registered representative of Purshe Kaplan Sterling Investments, Inc. ("PKS"), a FINRA member broker-dealer. The relationship with PKS allows for the availability of additional products to clients' portfolios that would not otherwise be available. Because PKS supervises these activities, the relationship may be deemed material. However, PKS is not affiliated with Johnson & White Wealth Management or considered a related party. PKS does not make investment decisions for client accounts. Registered representative status enables the registered representative to receive customary commissions for the sales of various securities, including those recommended to clients. Commissions charged for these products will not offset management fees owed to JWWM.

Receipt of commissions for investment products that are recommended to clients gives rise to a conflict of interest for the representative, in that the individual who will receive the commissions is also the individual that is recommending that the client purchase a given product. This conflict is disclosed to clients verbally and in this brochure. Clients are advised that they may choose to implement any investment recommendation through another broker-dealer that is not affiliated with JWWM. JWWM attempts to mitigate this conflict by requiring that all investment recommendations have a sound basis for the recommendation, and by requiring employees to acknowledge their fiduciary responsibility toward each client.

### Insurance Agent

One of the members of JWWM is separately licensed as an independent insurance agent, which markets and sells insurance. As such, this member may conduct insurance product transactions for JWWM clients, in their capacity as a licensed insurance agent, and will receive customary commissions for these transactions in addition to any compensation received in his capacity as an employee of JWWM. Employees with insurance licenses, therefore, have an incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees or commissions for insurance is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to JWWM implement any insurance. JWWM attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with JWWM or to determine not to purchase the insurance product at all. JWWM also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of JWWM, which requires that employees put the interests of clients ahead of their own. Commissions from the sale of insurance products or estate planning will not be used as a credit against or to offset advisory fees.

### Futures Commission Merchant/Commodity Trading Advisor

Neither members of management, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

### Relationship with Related Persons

This item is not applicable.

### Recommendations of other Advisers

See response to Item 10.D of the Information Brochure regarding third-party managers.

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

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- A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

### *401(k) Rollovers and Conflict of Interest*

By recommending that you rollover your Employer Plan assets to an IRA, JWWM may earn an asset-based fee as a result, if you decide to have JWWM manage those assets. In contrast, leaving assets in your Employer Plan or rolling the assets to a plan sponsored by your new employer likely results in little or no compensation to us. Therefore, we have an economic incentive to encourage investors to rollover Employer Plan assets into an IRA maintained at our firm.

We mitigate this conflict of interest by explaining that you are under no obligation to rollover Employer Plan assets to an IRA managed by JWWM. JWWM's advice must be based on the investment objectives, risk tolerance, financial circumstances and needs of the retirement investor. We do this by reviewing the options available to the investor through a rollover form. Our advice made without regard to the financial interest of JWWM.

- B. Not applicable. JWWM does not recommend to clients that they invest in any security in which JWWM or any principal thereof has any financial interest.
- C. On occasion, an employee of JWWM may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade, so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.
- D. On occasion, an employee of JWWM may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade, so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

## **Review of Accounts**

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All accounts will be reviewed by a senior professional on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

The annual report in writing provided by JWWM is intended to review asset allocation. All clients will receive statements and confirmations of trades directly from Schwab. Additionally, all clients will receive quarterly itemized bills from JWWM. Please refer to Item 15 of the Information Brochure regarding Custody.

Additionally, JWWM utilizes various account aggregation software programs. Depending on the services a client elects, programs may have a vault for client documents, reporting, and links to outside

accounts, planning assistance, retirement tools and other various features to assist in the financial planning process.

## **Client Referrals and Other Compensation**

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### **A. Other Products and Services Available to Us from Schwab.**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us as long as we keep a total of at least \$10 million of the assets of our firm's advisory clients in accounts at Schwab. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Here is a more detailed description of Schwab's support services:

*Services that Benefit You.* Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

*Services that May Not Directly Benefit You.* Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

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

*Services that Generally Benefit Only Us.* Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and

- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

#### **Our Interest in Schwab's Services.**

The availability of the services described above (under the caption "Other Products and Services Available to Us from Schwab") from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as we keep a total of at least \$10 million of client assets in accounts at Schwab. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Schwab's services and not Schwab's services and Schwab's payment for third party services that benefit only us. We have adopted policies and procedures designed to ensure, at account opening and thereafter, that our wrap fee program and our use of Schwab's services is appropriate for each of our clients.

#### **B. Compensation to Non-Advisory Personnel for Client Referrals.**

Clients may be introduced to Johnson & White Wealth Management via other third parties. In the event that Johnson & White Wealth Management compensates any party for the referral of a client to Johnson & White Wealth Management, any such compensation will be paid by Johnson & White Wealth Management, and not the client. If the client is introduced to Johnson & White Wealth Management by an unaffiliated third party, that third party will disclose to the client the referral arrangement with Johnson & White Wealth Management, including the compensation for the referral, and provide the client a copy of Johnson & White Wealth Management ADV Part 2A, 2B and Form CRS. The referral source will also provide a written disclosure to the client regarding the relationship between Johnson & White Wealth Management and the referral source, including the fact that referral fees will be paid.

#### **Financial Information**

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JWWM does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.