



Disclosure Brochure

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March 21, 2024

This Brochure provides information about the qualifications and business practices of Alliance Wealth Strategies, LLC d/b/a Brown Edwards Wealth Strategies ("BEWS"). If you have any questions about the contents of this Brochure, please contact us at (540) 345-0936. 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.

BEWS is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about BEWS also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for BEWS is 173559.

Item 2 – Material Changes

This Item of the Brochure discusses only specific material changes that are made to the Brochure since the last annual update and provides clients with a summary of such changes.

We had the following material changes to our Brochure:

- We updated our name to include d/b/a Brown Edwards Wealth Strategies
- Item 12 was amended to update ownership of the Flourish Securities program.
- Item 4 was amended to disclose that Buckingham Strategic Partners, LLC (“BSP”) will act as a sub-advisor for certain client accounts.
- Item 10 was amended to disclose the affiliated real estate company Covenant Real Estate Services.

Additionally, please note that we have updated the Assets Under Management information in Item 4 in accordance with the filing of our Annual Updating Amendment.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting our Chief Compliance Officer, Ryan McEntire at (540) 777-6068.

(Brochure Date: March 21, 2024)

(Date of Most Recent Annual Updating Amendment: August 28, 2023)

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Item 4 – Advisory Business

BEWS was founded in 2014 and is owned by Brown, Edwards & Company, L.L.P.

As of May 31, 2023, BEWS had \$232,085,420 in assets under management on a discretionary basis and \$26,110 on a nondiscretionary basis. We also have \$16,779,231 of assets under advisement for participant-directed retirement plans.

Investment Management Services

BEWS manages investment portfolios for individuals, qualified retirement plans, trusts, charitable organizations, corporations and small businesses. BEWS will work with a client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement. BEWS uses investment and portfolio allocation software to evaluate alternative portfolio designs. BEWS evaluates the client's existing investments with respect to the client's investment policy statement. BEWS works with new clients to develop a plan to transition from the client's existing portfolio to the portfolio recommended by BEWS. BEWS will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the account as necessary.

BEWS will typically create a portfolio of no-load mutual funds, exchange traded funds (ETFs) and individual securities and may use model portfolios if the models match the client's investment policy. BEWS will allocate the client's assets among various investments, taking into consideration the overall management style selected by the client. BEWS primarily recommends portfolios consisting of passively managed asset class and index mutual funds. BEWS recommends mutual funds and/ETFs offered by Vanguard, Dimensional Fund Advisors (DFA) and other fund families. Mutual funds and ETFs that follow a passive investment philosophy generally have low holdings turnover. Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

BEWS manages mutual fund and equity portfolios on a discretionary or nondiscretionary basis. Clients may impose reasonable restrictions on BEWS's discretionary authority, including restrictions on the types of securities in which BEWS may invest client's assets and on specific securities, which the client may believe to be appropriate.

BEWS has retained Buckingham Strategic Partners, LLC ("BSP") to act as a sub-advisor for certain client accounts. BSP shall provide various model asset allocation portfolios (each a "Portfolio", collectively "Portfolios") for selection by BEWS. Each Portfolio strives to achieve long-term risk and return objectives through diversification among multiple asset classes using investment options available to BSP, which may include, but not limited to, mutual funds and/or exchange traded funds from Dimensional Fund Advisors LP, Bridgeway Capital Management, Inc., AQR Capital Management, LLC, The Vanguard Group, Inc., Stoneridge Asset Management, LLC or other providers selected by BSP. Each Portfolio is designed to meet a particular investment goal which BEWS has determined is suitable based on the client's circumstances. Once the appropriate Portfolio(s) has been determined, the Portfolio will continuously be managed based on the portfolio's goal and BSP will have the discretionary authority to manage the Portfolio(s), including periodically rebalancing. However, Adviser, on behalf of its client, will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Should material life events occur, clients should immediately contact BEWS to determine if changes to an account and the allocation of the assets held in the account are necessary.

Selection of other Advisors: Fixed Income Subadvisor: BEWS may also recommend fixed income portfolios to investment management clients, which consist of managed accounts of individual bonds. BEWS will request discretionary authority from investment management clients to manage fixed income portfolios, including the discretion to retain a third party fixed income manager. BEWS will prepare a Fixed Income Investment Policy Statement for any client qualifying for separate fixed income portfolio services.

Pursuant to its discretionary authority, BEWS will retain a fixed income securities manager. The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Fixed Income Investment Policy Statement. The manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The manager will obtain BEWS's consent prior to the sale of any client securities. BEWS will provide

to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services.

On an ongoing basis, BEWS will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. BEWS will at least annually review client's investment policy and risk profile and will re-balance clients' accounts as necessary.

In addition to managing the client's investment portfolio, BEWS may provide financial planning services to clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things. BEWS will not charge a separate fee for this service.

In performing its services, BEWS shall not be required to verify any financial information received from the client or from the client's other professionals, and is expressly authorized to rely on the information provided. Moreover, clients are advised that it remains their responsibility to promptly notify BEWS if there is ever any change in their financial situation or investment objectives for the purpose of reviewing/evaluating/revising their previous recommendations and/or services.

Employee Benefit Plan Services

BEWS also provides advisory services to participant-directed retirement plans through third party administration services, which are online bundled service providers offering an opportunity for plan sponsors to provide their participants with daily account access, valuation, and investment education.

BEWS will analyze the plan's current investment platform, and assist the plan in creating an investment policy statement defining the types of investments to be offered and the restrictions that may be imposed. BEWS will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles.

BEWS will recommend changes in the plan's investment vehicles as may be appropriate from time to time. BEWS generally will review the plan's investment vehicles and investment policy as necessary.

For certain retirement plans, BEWS also works in coordination and support with other independent 3(38) service providers ('401(k) Providers'). Retirement plan clients will engage both BEWS and the 401(k) Provider. BSP will provide to the client additional discretionary investment management services and will exercise discretionary authority to select the plan investments made available to the plans' participants by selecting and maintain the plans' investments according to the goals and investment objectives of the plan.

BEWS will continue to work with plans to monitor plan investments, provide fiduciary plan advice including regular considerations of the goals and objectives of the plan, and provide participant education services to the plan.

Trustee Accounts

For a limited number of client accounts, the Firm is deemed to have custody due to an adviser being a named co-trustee on a client account. When these situations arise, they are evaluated on a case by case basis, with the facts and circumstances documented and submitted to the COO for review. If approved by the COO, the accounts are listed on our custody report and included in our annual surprise examination. Please see Item 15 for further information.

Item 5 – Fees and Compensation

Fees and account minimums may be negotiable under certain circumstances, including certain individual client circumstances such as the client's age, complexity of the client's situation, total size of financial assets, propensity to add funds to accounts, and total client relationship, including with an affiliated entity.

BEWS has contracted with BSP, for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. BEWS has also contracted with BSP for sub-advisory services with respect to clients' fixed income accounts. BEWS pays a fee for BSP services based on management fees paid to BEWS on accounts which use BSP Advisory fees are paid to BEWS and the fee paid by BEWS to BSP consists of a portion

of the fee paid by clients to BEWS and varies based on the total client assets participating in BSP through BEWS. These fees are not separately charged to advisory clients. The fees disclosed below are the total fees paid by a client and includes all sub-advisory fees charged by BSP.

The specific manner in which fees are charged by BEWS is established in a client's written agreement with BEWS. BEWS will request authority from Investment Management clients to receive quarterly payments directly from the client's account held by an independent qualified custodian. Clients may provide written limited authorization to BEWS, which may be delegated to BSP, to withdraw fees from the account.

Investment Management and Employee Benefit Plan clients will be invoiced in advance at the beginning of each calendar quarter based upon the value of the client's account at the end of the previous quarter. New accounts are charged a prorated fee for the remainder of the quarter in which the account is inception (date of first trade). Market value will be based on independent third party sources or fair market value in the absence of market value. Client account balances on which BEWS calculates fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements. Clients will receive custodial statements showing the advisory fees debited from their account(s). Certain third party administrators will calculate and debit BEWS's fee and remit such fee to BEWS.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

BEWS's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and ETFs also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to BEWS for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders.

Such charges, fees and commissions are exclusive of and in addition to BEWS's fee, and BEWS shall not receive any portion of these commissions, fees, and costs.

Advisory Fees

Investment Management Services

The annual fee for investment management services will be charged as a percentage of assets under management, according to the schedule below:

<u>Assets under management</u>	<u>Annual Fee (%)</u>
On the first \$500,000	1.25%
On the next \$500,000	0.90%
On the next \$1,000,000	0.70%
On the next \$1,000,000	0.50%
On the next \$2,000,000	0.40%
On all amounts thereafter	0.35%

All accounts for members of the client's family (husband, wife, and dependent children) or related businesses may be assessed fees based on the total balance of all accounts.

BEWS generally requires a minimum assets under management per client (or immediate family group) of \$500,000 for Investment Management Services. BEWS imposes a minimum annual fee of \$5,000 for Investment Management Services. This minimum fee could cause a smaller size account to have a fee higher than the stated fee above. Other advisors may charge fees for their services which are lower than BEWS.

Employee Benefit Plan Services

The annual fee for plan services will be charged as a percentage of assets with the plan. For those clients utilizing the services of Buckingham Strategic Partners for 401(k) services, the fee will be as follows:

<u>Value of Included Assets</u>	<u>BEWS' Annual Fee</u>	<u>BSP's Annual Fee</u>	<u>Total Annual Fee</u>
On the first \$1 million	0.70%	0.20%	0.90%
On the next \$4 million	0.45%	0.15%	0.60%
On the next \$5 million	0.25%	0.08%	0.33%
On all amounts > \$10 million	0.15%	0.05%	0.20%

For clients utilizing Other Record Keepers, the fee will be as follows:

<u>Value of Included Assets</u>	<u>BEWS' Annual Fee</u>
On the first \$1 million	0.70%
On the next \$4 million	0.45%
On the next \$5 million	0.25%
On all amounts > \$10 million	0.15%

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

BEWS does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

Item 7 – Types of Clients

BEWS provides services to individuals, qualified retirement plans, trusts, charitable organizations, corporations and small businesses.

BEWS generally requires a minimum assets under management per client (or immediate family group) of \$500,000 for Investment Management Services. BEWS imposes a minimum annual fee of \$5,000 for Investment Management Services.

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

Methods of Analysis and Investment Strategy

BEWS's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. BEWS's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. BEWS recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds. BEWS selects or recommends to clients portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, BEWS's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients the investment directly in conservative fixed income securities to represent the fixed income class. BEWS's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that BEWS's strategy seeks to minimize.

In the implementation of investment plans, BEWS therefore primarily uses mutual funds, exchange traded funds (ETFs), and as appropriate, portfolios of conservative fixed income securities.

Clients may hold or retain other types of assets as well, and BEWS may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client. BEWS may impose a fee on these assets which will be fully disclosed within the investment advisory agreement with the client.

BEWS's strategies do not utilize securities that we believe would be classified as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

BEWS receives supporting research from BSP and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). BEWS utilizes Vanguard, DFA, and other fund families mutual funds and ETFs in client portfolios. Mutual funds and ETFs that follow a passive investment philosophy generally have low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to BEWS.

Analysis of a Client's Financial Situation

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, BEWS relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, BEWS may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs, individual stocks and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by BEWS may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in BEWS's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by BEWS may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of BEWS or the integrity of BEWS's management. BEWS has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Affiliated Accounting Firm

Associated persons of BEWS are partners with Brown, Edwards & Company, L.L.P., (hereinafter "BEC") an accounting and consulting firm providing audit, compliance, and tax consulting services to clients. These associated persons expect to spend the majority of their business time providing audit, compliance, and tax services within BEC. In addition, they expect to spend a portion of their business time providing investment advisory services under an Asset Management Agreement or Wealth Advisory Agreement as the case may be, and on compliance and business issues at BEWS. When these associated persons are providing any investment advisory services to BEWS clients, they do so only as agents of BEWS and not of BEC. BEWS will share facilities, equipment and clerical personnel as needed with BEC. BEC may recommend BEWS to accounting clients in need of advisory services. BEWS may recommend BEC to advisory clients in need of accounting services. Accounting services provided by BEC are separate and distinct from the advisory services of BEWS, and are provided for separate and typical compensation. No BEWS client is obligated to use BEC for any accounting services.

Employees of Brown, Edwards & Company, L.L.P. may make referrals to BEWS for investment advisory services. Those employees will receive discretionary cash bonuses for successful advisory client referrals. Those affiliated employees are required to disclose the affiliation with BEWS at the time of making the referral.

Affiliated Real Estate Company

Covenant Real Estate Services, a subsidiary of Brown Edwards, is a full-service title and settlement company offering title insurance, in-house underwriting, and settlement services for residential, commercial and investment clients.

Covenant Real Estate Services may make referrals to BEWS for investment advisory services. Those employees will receive discretionary cash bonuses for successful advisory client referrals. Those affiliated employees are required to disclose the affiliation with BEWS at the time of making the referral.

Individual Outside Business Activities

Certain individuals associated with BEWS may also participate in other private businesses involving commercial real estate and private investments, which have no material relationship to BEWS and its services.

Insurance Services

Certain individuals associated with BEWS are licensed insurance agents and may offer and sell term and permanent life insurance products. These individuals are licensed in their individual capacity and are therefore able to recommend and sell insurance products. As such, they will be able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients are under no obligation to obtain insurance products from BEWS.

Any recommendation to use insurance services presents a conflict of interest as a result of the shared personnel. BEWS addresses this conflict of interest by upholding our fiduciary duty to provide investment advice that is in the best interest of the client and disclosing the conflict to you before or at the time you enter into an investment advisory contract with our Firm. As a fiduciary, we will ensure any recommendation to purchase insurance products is accompanied with disclosure of the conflict of interest and fees/ commissions paid.

Buckingham Strategic Partners, LLC ("BSP")

As described above in Item 4, BEWS may exercise discretionary authority provided by a client to select an independent third party investment manager for the management of portfolios of individual fixed income securities. BEWS selects BSP

for such fixed income management. BEWS also contracts with BSP for back office services and assistance with portfolio modeling. BEWS has a fiduciary duty to select qualified and appropriate managers in the client's best interest, and believes that BSP effectively provides both the back office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of BEWS continuously makes this assessment. While BEWS has a contract with BSP governing a time period for back office services, BEWS has no such fixed commitment to the selection of BSP for fixed income management services and may select another investment manager for clients upon reasonable notice to BSP.

Item 11 – Code of Ethics

BEWS has adopted a Code of Ethics expressing the Firm's commitment to ethical conduct. BEWS's Code of Ethics describes the Firm's fiduciary duties and responsibilities to clients and sets forth BEWS's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with BEWS may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of BEWS that no person employed by the Firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, BEWS requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the Firm's Managing Members. BEWS also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

BEWS's Code of Ethics further includes the Firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. BEWS requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

BEWS will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

It is BEWS's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. BEWS will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

BEWS arranges for the execution of securities transactions with the assistance of BSP. Through BSP, BEWS participates in the Schwab Advisor Services (SAS) program offered to independent investment advisors by Charles Schwab & Company, Inc., TD Ameritrade Institutional ("TDA") services program offered to independent advisers by TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade") and the Fidelity Institutional Wealth Services ("FIWS") program sponsored by Fidelity Brokerage Services, LLC ("Fidelity"). SAS, TDA, and Fidelity are unaffiliated SEC-and FINRA registered broker dealers and members of SIPC.

Additionally, BEWS offers a cash management aggregator system named Flourish Cash. Flourish Cash is a service offered by an unaffiliated third-party, Flourish Financial LLC. A Flourish Cash account is a brokerage account whereby the cash balance is swept from the brokerage account to deposit accounts at one or more third-party banks that have agreed to accept deposits from customers of Flourish Cash. Flourish Financial LLC is a wholly-owned subsidiary of Massachusetts Mutual Life Insurance Company... Please refer to the applicable disclosures provided separately by Flourish Financial LLC upon account opening.

SAS, TDA, and Fidelity brokerage programs will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. BEWS regularly reviews these programs to ensure that their recommendations are consistent with their fiduciary duty. These trading platforms are essential to BEWS's service arrangements and capabilities. As part of these programs, BEWS receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14 of this Brochure). BEWS does not, however, enter into any commitments with SAS, TDA, and Fidelity or any other broker for transaction levels in exchange for any services or products from SAS, TDA, and Fidelity or any other broker. BEWS does not participate in soft dollar arrangements with any of these brokers. BEWS would receive these benefits even if no client transactions were directed to SAS, TDA or Fidelity.

As BEWS will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid for mutual fund and equity securities transactions, clients must direct BEWS as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that BEWS will not have authority to negotiate commissions among various brokers or obtain volume discounts, which may increase cost, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

BEWS will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by BEWS on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

SAS, TDA, and Fidelity do not generally charge clients a custody fee and are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through SAS, TDA, or Fidelity or that settle into the clients' accounts at SAS, TDA, or Fidelity. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While BEWS will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

BEWS does not have any arrangements to compensate any broker dealer for client referrals.

BEWS does not maintain any client trade error gains. BEWS makes client whole with respect to any trade error losses incurred by client caused by BEWS. For clients utilizing TDA for brokerage services, TDA maintains a policy that any trade error gains will be donated by TDA to charity.

BEWS generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which BEWS arranges transactions. BSP, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case an BEWS client's orders may be aggregated with an order for another client of BSP who is not an BEWS client. See BSP Form ADV Part 2.

Item 13 – Review of Accounts

Reviews

Investment Management Services

Account assets are supervised continuously and periodically reviewed by Ryan McEntire. The periodic review process may contain some of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a. a specific client request;

- b. a change in client goals and objectives;
- c. an imbalance in a portfolio asset allocation; and
- d. market/economic conditions.

Clients are advised that it remains their responsibility to advise BEWS of any changes in their investment objectives and/or financial situation. Clients are encouraged to review their investment objectives and account performance with a representative of BEWS on an annual basis.

For fixed income portfolios, certain account review responsibilities are delegated to a third party investment manager as described above in Item 4.

Employee Benefit Plan Services:

Retirement plan assets are reviewed no more than quarterly, and according to the standards and situations described above for investment management accounts.

Reports

Investment Management Services

All investment management clients will receive written quarterly performance reports from BEWS that summarize the client's account and asset allocation. Clients will also receive at least quarterly statements from their account custodian, which will outline the client's current positions and current market value.

Employee Benefit Plan Services

Employee Benefit Retirement Plan clients generally receive statements only from their account custodian.

Plan sponsors are provided with quarterly information and annual performance reviews from BEWS. In addition, plan participant education information may also be provided to the Plan Sponsor or Administrator for distribution to the participants of the plan.

Item 14 – Client Referrals and Other Compensation

As indicated under the disclosure for Item 12, SAS, TDA, and Fidelity provide BEWS with access to services which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge.

These services benefit BEWS but may not benefit every clients' accounts. Many of the products and services assist BEWS in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations, account statements, and reports), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), pricing information and other market data, facilitate payment of BEWS' fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of BEWS's accounts. The preferred brokers, SAS, TDA, and Fidelity also make available to BEWS other services intended to help BEWS manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. BEWS does not, however, enter into any commitments with SAS, TDA, and Fidelity or any other broker for transaction levels in exchange for any services or products from SAS, TDA, and Fidelity or any other broker. BEWS had not entered into any soft dollar relationship with any brokers and does not utilize client commissions to obtain research or brokerage services. BEWS would receive these benefits even if no client transactions were directed to SAS, TDA or Fidelity.

While as a fiduciary, BEWS endeavors to act in its clients' best interests, BEWS' requirement that clients maintain their assets in accounts at SAS, TDA, or Fidelity may be based in part on the benefit to BEWS of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the broker, which may create a potential conflict of interest.

BEWS also receives software from DFA, which BEWS utilizes in forming asset allocation strategies and producing performance reports. DFA may also provide continuing education for BEWS personnel. These services are designed to assist BEWS plan and design its services for business growth.

Client Referrals

BEWS will, from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for Client referrals. BEWS is aware of the special considerations promulgated under Section 206(4)-1 of the Investment Advisers Act of 1940 and similar state regulations. As such, appropriate disclosure shall be made, all written instruments will be maintained by BEWS and all applicable Federal and/or State laws will be observed.

Item 15 – Custody

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

We are deemed to have custody of a limited number of client accounts solely pursuant to certain advisers maintaining a trustee position over client's investment portfolios.

Item 16 – Investment Discretion

BEWS requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to retain a third party money manager for fixed income accounts. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

When selecting securities and determining amounts, BEWS observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to BEWS in writing.

Item 17 – Voting Client Securities

Proxy Disclosures

As a matter of Firm policy and practice, BEWS does not accept the authority to and does not vote proxies on behalf of advisory client. For any pension plan or other employee benefit plan governed by ERISA, the right and responsibility to vote proxies has been expressly reserved to the plan trustees or other plan fiduciary. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. BEWS, however, may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings

Clients should note that BEWS will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct BEWS to transmit copies of class action notices to the client or a third party. Upon such direction, BEWS will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about BEWS's financial condition. BEWS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.