

# **Keel Wealth Management, LLC**

**1510 Windsor Rd.**

**Austin, TX 78703**

**(512) 368-4666**

**<http://keelwealth.com>**

**March 2024**

This Brochure provides information about the qualifications and business practices of Keel Wealth Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (512) 368-4666 or via email at [info@keelwealth.com](mailto:info@keelwealth.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Keel Wealth Management, LLC ("KWM", "Keel Wealth", "Adviser", "we", "us", "our") 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 that you may use to determine whether to hire or retain them.

Additional information about KWM is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by using a unique identifying number, known as a CRD number. The CRD number for KWM is 285682. The SEC's web site also provides information about any persons affiliated with KWM who are registered, or are required to be registered, as Investment Adviser Representatives of KWM.

## Item 2 – Material Changes

---

Since our last annual amendment filing on February 1, 2023, we have had no material changes.

In the future, this section of the Brochure will discuss only the specific material changes that were made to the Brochure and will provide you with a summary of all material changes that have occurred since the last filing of this Brochure with the SEC. This section will also identify the date of our last annual Brochure update.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year which is December 31st. We will provide other ongoing disclosure information about material changes as they occur. We will also provide you with information on how to obtain the complete Brochure. Currently, our Brochure may be requested at any time, without charge, by contacting Scott Zodin at (512) 368-4666.

## Item 3 – Table of Contents

---

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business Introduction.....	4
Item 5 – Fees and Compensation .....	5
Item 6 – Performance Based Fee and Side by Side Management .....	5
Item 7 – Types of Client(s) .....	5
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	6
Item 9 – Disciplinary Information .....	9
Item 10 – Other Financial Industry Activities and Affiliations .....	10
Item 11 – Code of Ethics, Participation or Interest in Client Accounts and Personal Trading .....	10
Item 12 – Brokerage Practices .....	12
Item 13 – Review of Accounts .....	14
Item 14 – Client Referrals and Other Compensation .....	14
Item 15 – Custody .....	14
Item 16 – Investment Discretion.....	15
Item 17 – Voting Client Securities.....	15
Item 18 – Financial Information.....	16

## **Item 4 – Advisory Business Introduction**

---

### **Our Advisory Business**

Keel Wealth Management, LLC was founded in 2016 by Scott Zodin who serves as Chief Investment Officer and Chief Compliance Officer. We are registered through and regulated by the United States Securities and Exchange Commission (“SEC”).

All investment advice is provided by Scott Zodin. Scott Zodin is the Chief Compliance Officer and sole registered investment adviser representative and employee of KWM. Pursuant to KWM’s Business Continuity Plan (BCP), in the event of the death or incapacitation of Scott Zodin, all client investments will be maintained and held as is at Charles Schwab & Co. or designated custodian. Should execution of the BCP become necessary, clients will be notified within five (5) business days with instructions on how to reach their custodian. At such time, clients may choose to liquidate their accounts, move them to another Investment Adviser, or change custodian.

We are committed to the precept that by placing the client’s interests first, we will add value to the asset management process and earn the client’s trust and respect. We value long term relationships with our clients whom we regard as strategic partners in our business.

### **Services**

We provide portfolio management services to high-net-worth individuals, banks, and thrift institutions. Our minimum account opening balance is \$500,000.00, which may be negotiable based upon certain circumstances.

### **Asset Management**

Please note that KWM only provides discretionary, active portfolio management. Based on our knowledge of the industry, we feel that our fee is lower than most registered investment advisers providing similar services.

### **Fixed Income Consulting**

Keel Wealth provides fixed income consulting and analysis to small/intermediate sized banks and thrifts. This service includes price discovery, credit and market analysis, portfolio review, liquidity analysis, interest rate shock analysis, review of third-party performance and accounting software solutions, and review of third-party bids and offers.

If you engage us to perform these services, you will receive a written agreement detailing the services, fees, terms, and conditions of the relationship. In conducting research, we obtain information from a wide variety of publicly available sources. We do not have any inside private information regarding any products available in the marketplace.

### **Wrap Fee Program**

We are not the sponsor of nor an adviser to a wrap fee program.

## Assets Under Management

As of December 31, 2023, we managed a total of \$ 449,000,000 in regulatory assets under management. Approximately \$ 84,000,000 of the assets were discretionary assets and \$ 365,000,000 were non-discretionary assets.

## Item 5 – Fees and Compensation

---

### Asset Management Fee Schedule

Our minimum account opening balance is \$250,000 which may be negotiable based upon certain circumstances. The fee charged is based upon the amount of money you invest. Multiple accounts of immediately-related family members, at the same mailing address, may be considered one consolidated account for billing purposes. Fees are charged monthly, in advance. Payments are due and will be assessed on the last day of each month, based on the ending balance of the account under management for the preceding month and will be calculated as follows:

Percentage	Portfolio Size (AUM)
0.75%	\$0-1,000,000
0.35%	\$1,000,001+

The fees shown above are annual fees and may be negotiable based upon certain circumstances. Additionally, KWM reserves the right to waive the fees for certain accounts under its management at its discretion. No increase in the annual fee shall be effective without prior written notification to you. We believe our advisory fee is reasonable considering the fees charged by other investment advisers offering similar services/programs.

Your account at the custodian may also be charged for certain additional assets managed for you by us but not held by the custodian (i.e. variable annuities, mutual funds, 401(k)s). The fees we charge can be deducted directly from your account at the custodian. We will instruct the custodian to deduct the fees from your account at the end of the month. This fee will show up as a deduction on your next account statement from the custodian.

You will authorize the custodian to directly debit fees from your account held at the custodian and to pay us. Management fees are prorated for each contribution and withdrawal made during the applicable calendar quarter (with the exception of small inconsequential contributions and withdrawals). You will be provided with a quarterly statement reflecting deduction of the advisory fees.

### Fixed Income Consulting

Our minimum advised bond portfolio balance is \$250,000,000 which may be negotiable based upon certain circumstances. We charge a \$5000 per month flat fee on bond portfolios up to \$100,000,000. For

portfolios larger than \$100MM, fees are negotiable at KWM's discretion.

Fixed income consulting fees are assessed monthly, in advance. Fees will be invoiced and are due upon the last day of the month. The fees described above may be negotiable based upon certain circumstances. Additionally, KWM reserves the right to waive the fees for certain accounts under its management at its discretion.

Services may be terminated by either party with a thirty (30) day's written notice. If the client chooses to terminate services prior to the end of the month, KWM we will issue a pro-rata refund based on the number of days remaining in the billing period.

## **Item 6 – Performance Based Fee and Side by Side Management**

---

We do not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7 – Types of Client(s)**

---

We provide portfolio management services to high-net-worth individuals, charitable organizations, and corporations.

Our minimum account opening balance is \$500,000.00, which may be negotiable based upon certain circumstances.

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

---

### **Methods of Analysis**

We use Fundamental and Technical Analysis as part of our overall investment management discipline; the implementation of these analyses as part of our investment advisory services to you may include any, all or a combination of the following:

#### **Fundamental Analysis**

Fundamental analysis is a technique that attempts to determine a security's value by focusing on the underlying factors that affect a company's actual business and its future prospects. Fundamental analysis is about using real data to evaluate a security's value. It refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

The end goal of performing fundamental analysis is to produce a value that we can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

#### **Technical Analysis**

Technical Analysis is a technique that attempts to determine a security's value by developing models and

trading rules based upon price and volume transformation. Technical analysis assumes that a market's price reflects all relevant information, so the analysis focuses on the history of a security's trading behavior rather than external drivers such as economic, fundamental and news events. The practice of technical analysis incorporates the importance of understanding how market participants perceive and act upon relevant information rather than focusing on the information itself. Ultimately, technical analysts develop trading models and rules by evaluating factors such as market trends, market participant behaviors, supply and demand and pricing patterns and correlations.

As with other types of analysis, the predictive nature of technical analysis can vary greatly; models and rules are often modified and updated as new patterns and behaviors develop. Past performance is not an indicator of future return.

## **Investment Strategies**

The services described in this brochure are consulting in nature and do not include the active management of client portfolios. As stated earlier, the Adviser will provide price discovery, credit and market analysis, portfolio review, liquidity analysis, interest rate shock analysis, review of third-party performance and accounting solutions, and review of third-party bids and offers. Upon completion of its due diligence KWM will provide its finding to the client. It will be at the client's discretion to purchase or not purchase the product(s) in question based on KWM's research and analysis.

To perform this analysis, we use many resources, such as:

- Morningstar
- Financial newspapers and magazines (e.g., Wall Street Journal, Forbes, etc.)
- Annual reports, prospectuses, filings
- Company press releases and websites
- Third party research

## **Risk of Loss**

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to bear. You need to understand that investment decisions made for your account by us are subject to various market, currency, economic, political and business risks. The investment decisions we make for you will not always be profitable nor can we guarantee any level of performance.

a list of all risks associated with the strategies, products, and methodology we offer are listed below:

### ***Alternative Investment Risk***

Investing in alternative investments is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices

- Lack of liquidity in that there may be no secondary market for the fund, and none expected to develop
- Volatility of returns
- Absence of information regarding valuations and pricing
- Delays in tax reporting
- Less regulation and higher fees than mutual funds.

### ***Bond Fund Risk***

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields of the risks associated with bond funds include:

- **Call Risk** - The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.
- **Credit Risk** — the possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of their bonds). Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.
- **Interest Rate Risk** — the risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds.
- **Prepayment Risk** — the chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

### ***Fundamental Analysis Risk***

Fundamental analysis, when used in isolation, has risks:

- There are an infinite number of factors that can affect the earnings of a company, and its stock price, over time. These can include economic, political, and social factors, in addition to the various company statistics.
- The data used may be out of date.
- It is difficult to give appropriate weightings to the factors.
- It assumes that the analyst is competent.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.

### ***Exchange Traded Fund ("ETF") Risk***

Most ETFs are passively managed investment companies whose shares are purchased and sold on a securities exchange. An ETF represents a portfolio of securities designed to track a particular market segment or index. ETFs are subject to the following risks that do not apply to conventional funds:

- The market price of the ETF's shares may trade at a premium or a discount to their net asset



value;

- An active trading market for an ETF's shares may not develop or be maintained; and
- There is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged

### ***Mutual Funds Risk***

The following is a list of some general risks associated with investing in mutual funds.

- **Country Risk** - The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- **Currency Risk** -The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.
- **Income Risk** - The possibility that a fixed-income fund's dividends will decline because of falling overall interest rates.
- **Industry Risk** - The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- **Inflation Risk** - The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- **Manager Risk** -The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- **Market Risk** -The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- **Principal Risk** -The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

### ***Stock Fund Risk***

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons, such as the overall strength of the economy or demand for products or services.

### ***Technical Analysis risk***

- Technical analysis is derived from the study of market participant behavior and its efficacy is a matter of controversy.
- Methods vary greatly and can be highly subjective; different technical analysts can sometimes make contradictory predictions from the same data.
- Models and rules can incur sufficiently high transaction costs.

### ***Overall Risks***

Clients need to remember that past performance is no guarantee of future results. All funds carry some

level of risk. You may lose some or all the money you invest, including your principal, because the securities held by a fund goes up and down in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.

Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.

While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) a fund has been over time. Generally, the more volatile a fund, the higher the investment risk. If you'll need your money to meet a financial goal in the near-term, you probably can't afford the risk of investing in a fund with a volatile history because you will not have enough time to ride out any declines in the stock market.

## **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 us or the integrity of our management.

We do not have any information to disclose concerning Keel or any of our IARs. We adhere to high ethical standards for all IARs and associates.

## **Item 10 – Other Financial Industry Activities and Affiliations**

---

Neither KWM nor any of its management persons are registered as a broker-dealer or registered as a representative of a broker-dealer, nor does it have any pending application to register. In addition, neither KWM nor its management persons are affiliated with any broker-dealer.

### **Other Financial Industry Affiliations**

The IARs of KWM have no outside business activities and/or affiliations to disclose.

## **Item 11 – Code of Ethics, Participation or Interest in Client Accounts and Personal Trading**

---

### **General Information**

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, and fiduciary duty to you, our client. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All our supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

## **Participation or Interest in Client Accounts**

Our Compliance policies and procedures prohibit anyone associated with KWM from having an interest in a client account or participating in the profits of a client's account without the approval of the CCO.

The following acts are prohibited:

- Employing any device, scheme, or artifice to defraud
- Making any untrue statement of a material fact
- Omitting to state a material fact necessary to make a statement, considering the circumstances under which it is made, not misleading
- Engaging in any fraudulent or deceitful act, practice, or course of business
- Engaging in any manipulative practices

Clients and prospective clients may request a copy of the firm's Code of Ethics by contacting the CCO.

## **Personal Trading**

We may recommend securities to you that we will purchase for our own accounts. We may trade securities in our account that we have recommended to you if we place our orders after your orders. This policy is meant to prevent us from benefiting because of transactions placed on behalf of advisory accounts.

Certain affiliated accounts may trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all parties will share the costs in proportion to their investment. We will retain records of the trade Order (specifying each participating account) and its allocation. Completed Orders will be allocated as specified in the initial trade order. Partially filled Orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

KWM has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of "Access Persons". The policy requires that an Access Person of the firm provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Adviser selects; provided, however that at any time that the Adviser has only one Access Person, he or she shall not be required to submit any securities report described above.

We have established the following restrictions to ensure our fiduciary responsibilities regarding insider trading are met:

- No securities for our personal portfolio(s) shall be bought or sold where this decision is substantially derived, in whole or in part, from the role of IAR(s) of KWM, unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.

## **Privacy Statement**

We are committed to safeguarding your confidential information and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide. We also require other firms with whom we deal with to restrict the use of your information. Our Privacy Policy is available upon request.

## **Conflicts of Interest**

KWM's IARs may employ the same strategy for their personal investment accounts as it does for its clients. However, IARs may not place their orders in a way to benefit from the purchase or sale of a security.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interests of all the accounts we advise.

## **Item 12 – Brokerage Practices**

---

### **Factors Used to Select Custodians**

In recommending a custodian/broker-dealer, we look for a company that offers comparatively low transaction fees, access to desired securities, trading platforms, and support services. We may recommend clients use Charles Schwab & Co., Inc. ("Schwab") as the qualified custodian for their accounts when utilizing our asset management services.

### **Soft Dollars**

Various third-party managers may provide us with certain brokerage and research products and services that qualify as "brokerage or research services" under the rules. These research products and/or services will assist the IAR in its investment decision-making process. Such research generally will be used to service all the IAR's clients, but brokerage commissions paid by the client may be used to pay for research that is not used in managing the client's account. The account may pay to a broker-dealer a commission greater than another qualified broker-dealer might charge to affect the same transaction where the IAR determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received.

Because these benefits could be considered to provide a benefit to the adviser that might cause the client to pay more than the lowest available commission without receiving the most benefit, they are considered a conflict of interest in recommending or directing custodial and third-party managerial services. KWM mitigates these conflicts of interest through strong oversight of these arrangements by the Chief Compliance Officer, in order to ensure the soft dollar benefits serve the best interests of the client.

There may be other benefits from requiring you to use a particular custodian such as software and other technology that (i) provide access to client account data (such as trade confirmations and account

statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

## **Economic Benefits**

The final decision to custody assets with Schwab is at the discretion of the Adviser's clients. KWM is independently owned and operated and not affiliated with Schwab. Schwab provides KWM with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services.

For KWM client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through or other transaction fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to KWM other products and services that benefit KWM but may not benefit its clients' accounts. These benefits may include national, regional or KWM specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of KWM by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist KWM in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of KWM's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of KWM's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to KWM other services intended to help KWM manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance, and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to KWM by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to KWM. While, as a fiduciary, KWM endeavors to act in its clients' best interests, KWM's recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to KWM of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

## **Best Execution**

We have an obligation to seek best execution for you. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of

research provided, execution capability, commission rates, reputation, and responsiveness. Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for account transactions.

### **Brokerage for Client Referrals**

In selecting and/or recommending broker-dealers, we do not take into consideration whether we will receive client referrals from the broker-dealer or third party.

### **Directed Brokerage**

Clients are permitted to use the custodian of their choosing. Not all advisory firms permit you to direct brokerage. If you elect to select your own broker-dealer or custodian and direct us to use them, you may pay higher or lower fees than what is available through our relationships. Generally, we will not negotiate lower rates below the rates established by the executing broker-dealer or custodian for this type of directed brokerage account, unless we believe that such rate is unfair or unreasonable for the size and type of transaction. In all instances, we will seek best execution for you.

### **Trading**

Transactions for each client account will be affected independently. We will not combine or utilize “batch” trading to obtain best execution, to negotiate more favorable commission rates or to equitably allocate trades among our clients’ accounts. Due to the nature in trading practices in some instances certain Clients may receive more favorable pricing over other Clients due to the timing of order entry and the method in which orders are filled.

## **Item 13 – Review of Accounts**

---

### **Reviews**

Reviews will be determined by the services provided. In general, KWM provides consulting services regarding fixed income products available to the client. If the client so chooses, KWM can provide continuing and ongoing consulting regarding the products held within the client’s portfolio. In such instances, KWM will provide account reviews as necessary based upon the scope of the engagement.

### **Reports**

In certain circumstances, and upon client request, KWM will provide supplemental reporting to its clients. All statements, trade confirmations and any other information related to the activity in the client’s account directly from the executing broker and financial institution providing custody services to the client and supersede any performance reports provided by KWM.

## **Item 14 – Client Referrals and Other Compensation**

---

We do not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to our clients nor do we directly or indirectly pay any compensation to another person if they refer clients to us.

## Item 15 – Custody

---

We do not have physical custody of any accounts or assets. However, we may be deemed to have custody of your account(s) if we have the ability to deduct your advisory fees from the custodian. We use Charles Schwab & Co., Inc. as the custodian and/or broker-dealer for all your accounts. You should receive at least quarterly statements from the broker-dealer or custodian that holds and maintains your investment assets. We urge you to carefully review such statements and compare this official custodial record 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. If you notice any discrepancies, please contact KWM.

We do not debit the client fees directly from your advisory account. We send information to your custodian to debit your fees and to pay them to us. You authorized the custodian to pay us directly at the onset of the relationship.

## Item 16 – Investment Discretion

---

We manage assets on both a discretionary and non-discretionary basis. Except in special situations, our fixed income consulting engagements will be non-discretionary. The type of authority we are granted will be detailed in the Advisory Agreement. All clients must execute the Advisory Agreement.

If we are granted discretionary authority through your Advisory Agreement, that means you have given us the authority to determine the following without your consent:

- Securities to be bought or sold for your account
- The number of securities to be bought or sold for your account
- Broker-dealer to be used for a purchase or sale of securities for your account
- Commission rates to be paid to a broker or dealer for your securities transaction.

In all cases, however, this discretion is exercised in a manner consistent with your stated investment objectives for your account.

When selecting securities and determining amounts, we observe the investment policies, limitations, and restrictions you have set. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

If we do not receive discretionary authority from you, we will not select the type of securities and number of securities to be bought or sold.

The third-party money manager and/or custodians may have discretion over your account. The Advisory

Agreement details this in full.

## **Item 17 – Voting Client Securities**

---

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for all securities maintained in your portfolios. We may provide advice to you regarding your voting of proxies. The custodian will forward you copies of all proxies and shareholder communications relating to your account assets.

## **Item 18 – Financial Information**

---

We are required to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that would impair our ability to meet any contractual and fiduciary commitments to you, our client. We have not been the subject of any bankruptcy proceedings.

In no event shall we charge advisory fees that are both more than twelve hundred dollars and more than six months in advance of advisory services rendered.