

**Item 1 – Cover Page**

**Signet Private Wealth LLC**

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This disclosure brochure provides information about the qualifications and business practices of Signet Private Wealth LLC (also doing business as “Signet Investment Group” or “Signet Investment Consulting”, and referred to as we, us and Signet throughout this disclosure brochure). Signet Private Wealth LLC was formerly known as Twende Asset Management LLC. If you have any questions about the contents of this disclosure brochure, please contact Jonathan B Spencer at 231-218-2224 or [jspencer@signet-invest.com](mailto:jspencer@signet-invest.com). The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Signet Private Wealth LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm’s information on this website by searching for Signet Private Wealth LLC or our firm’s CRD number 290029.

\*Registration as an investment adviser does not imply a certain level of skill or training.”

## **Item 2 – Material Changes**

The material changes in this brochure from the last annual updating amendment of Signet Private Wealth LLC (Formerly known as Twende Asset Management LLC) on february 26<sup>th</sup>, 2024, are described below. Material changes relate to Signet Private Wealth LLC's policies, practices, or conflicts of interests.

- Twende Asset Management LLC has transitioned to registration with the United States Securities and Exchange Commission from its prior registration at the state level.
- Effective February 26<sup>th</sup> 2024, Twende Asset Management changed its name to Signet Private Wealth LLC. There are no ownership ownership or operational changes associated with this name change.

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## **Item 4 – Advisory Business**

Signet is an investment adviser registered with the SEC and is a limited liability company (LLC) formed under the laws of the State of Delaware. Jonathan B Spencer is the Chief Executive Officer (CEO), Member and Owner of Signet. Signet is owned by Signet Investment Group LLC, which is in turn owned by Jonathan B Spencer, Blue Lake Capital LLC (100% owned by David Ventura), Liccar Consulting LLC (100% owned by Michael Liccar) and Andiamo Vento LLC (100% owned by Thomas J. Laughlin). Full details of the education and business background of Jonathan B Spencer are provided at *Item 19* of this Disclosure Brochure. Signet filed its initial application to become registered as an investment adviser in October 2017.

### **Introduction**

The investment advisory services of Signet are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Signet (referred to as your investment adviser representative throughout this brochure).

Your investment adviser representative typically is not an employee of Signet; rather, your investment adviser representative typically is a principal or an independent contractor of Signet.

Your investment adviser representative is limited to providing the services and charging investment advisory fees in accordance with the descriptions detailed in this brochure.

### **Description of Advisory Services**

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

**Portfolio Management Services** – Signet offers asset management services, which involves Signet providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

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

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

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

When recommending that a client rollover his or her account from current retirement plan to an IRA, Signet and its investment adviser representatives have a conflict of interest. Signet and its representatives can earn investment advisory fees by recommending that a client rollover his or her account at the retirement plan to an IRA; however, Signet and its investment adviser representatives will not earn any investment advisory fee if client does not rollover the funds in the retirement plan (unless a client retained Signet to provide advice about the client's retirement plan account). Thus, Signet and its investment adviser representatives have an economic incentive to recommend a rollover of the retirement plan account, which is a conflict of interest and the objectivity of the advice rendered to Client is biased. Signet has taken steps to manage this conflict of interest arising from rolling over funds from an ERISA covered retirement plan to an IRA and has adopted written policies and procedures whereby Signet and its investment adviser representatives will disclose the advantages/disadvantages of the retirement plan/IRA rollover options available to the client and will only recommend rollover if in the best interest of the client.

**Financial Planning Services** - Signet offers financial planning services, which involve preparing a written financial plan covering a specific topic or multiple topics. Financial planning will in some cases be incidental to asset management services by virtue of the features on our client portal.

#### Full Written Financial Plan

We provide full written financial plans, which typically address the following topics: Investment Planning, Retirement Planning, Education Planning, Asset Allocation, Budgeting, Cash Flow Analysis, Estate Planning, Risk Management, and Alternative Investments.

For an engagement to complete a full written plan, the financial advisor will typically complete six steps:

1. Initial fact-finding meeting.
2. Follow-up phone call, if necessary, to clarify or verify information.
3. Analyze the client situation through the appropriate software tool.
4. Create the full written financial plan.
5. Deliver the recommendation at a client meeting.
6. Provide up to 30 days for client follow-up.

When providing financial planning services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives.

### Modular Written Financial Plan

We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Written financial plans prepared by us do not include specific recommendations of individual securities.

For an engagement to complete a modular written plan, the financial advisor will typically complete six steps:

1. Initial fact-finding meeting.
2. Follow-up phone call, if necessary, to clarify or verify information.
3. Analyze the client situation through the appropriate software tool.
4. Create the modular written financial plan.
5. Deliver the recommendation at a client meeting.
6. Provide up to 30 days for client follow-up.

The hours estimated to complete a modular plan depends on the nature of the engagement and may cover the following areas:

- Investment Planning;
- Retirement Planning;
- Education Planning;
- Asset Allocation;
- Budgeting;
- Cash Flow Analysis;
- Estate Planning;
- Risk Management; and
- Alternative Investment Analysis/Planning.

We will provide you with an estimate in writing which is specific to your situation prior to starting the modular plan.

### High Net Worth Clients

For high-net-worth clients, Signet may provide the following services which are outside the scope of a full or modular financial plan as described above. These services include family meeting preparation & facilitation, philanthropic planning, portfolio risk evaluation, data aggregation services, transaction consulting, and other ad hoc services. The hours depend on the nature of the engagement.

Signet will charge an hourly fee for these services ranging from \$100/hr. to \$500/hr. depending on the nature of the work and the individuals involved in providing the service. In all instances, an engagement letter defining the scope of the project, the individuals involved, the rate per hour, and the estimated hours required. Signet will not charge more than the total amount agreed to by the client in the engagement letter, unless client expressly agrees to the expanded scope in writing.

Signet may use a third-party registered investment adviser as sub-adviser to assist with financial planning services provided to high net worth clients. In such cases, the sub-adviser will charge you a separate fee in addition to the fee charged by Signet. You will sign a separate engagement with the sub-adviser. A complete description of the sub-adviser's services and fees will be disclosed in the sub-adviser's Form ADV Part 2A that will be provided to client.

Our financial planning services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning and consulting recommendations. To the extent that you would like to implement any of our investment recommendations through Signet or retain Signet to actively monitor and manage your investments, you must execute a separate written agreement with Signet for our asset management services.

Signet may recommend client utilize specific sub-adviser(s) (individually "Sub-Adviser" and collectively Sub-Advisers) to assist Signet in providing the above financial planning or consulting services. A complete description of the Sub-Adviser's services and fees will be disclosed in the Sub-Adviser's Form ADV Part 2A that will be provided to client.

**Health Savings Account Program Custodial Account** - Signet has signed an agreement with a custodian to offer Health Savings Account ("HSA") Program Custodial Accounts. The Custodial Account is established to provide a method for a "Participating Employer" to offer an HSA option to its employees, enabling Electing Employees to invest their individual HSAs in a selection of mutual funds and other appropriate investment products ("Funds"). Signet can also offer HSA Program Accounts to individuals directly.

Signet designates the Funds ("Fund Lineup") that will be available in the Custodial Account for selection by the Electing Employees or individuals. Signet will periodically monitor and, as appropriate, remove and replace, Funds in the Fund Lineup. The monitoring analysis will include such information as shall be appropriate for determining whether the Fund Lineup continues to be prudent, including performance assessment and fee benchmarking as well as adherence to such investment policy as Signet shall have established for the Funds.

## **Newsletters**

Signet occasionally prepares general, educational and informational newsletters. Newsletters are always offered on an impersonal basis and do not focus on the needs of a specific individual.

## **Seminars**

Signet may occasionally provide seminars in areas such as financial planning. Seminars are always offered on an impersonal basis and do not focus on the individual needs of participants.

## **Workshops**

Signet offers educational, informative and motivational workshops to the public as well as to associations, family foundations and employers. Workshops are always offered on an impersonal basis and do not focus on the individual needs of the participants.

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

Signet primarily provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Fixed Income Securities (e.g. bonds)
- Alternative Investments

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

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

*(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

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

Signet's advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information. Our financial planning and consulting services are always provided based on your individual needs. When providing financial planning and consulting services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

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

When managing client accounts through our firm's Asset Management Services program, we may manage a client's account in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and we do not develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates.

### **Written Acknowledgement of Fiduciary Status**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);



- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

### **Client Assets Managed by Signet**

As of December 2023, Signet had a total of \$127,826,149 in assets under management on a discretionary basis and \$15,856,605 in assets under management on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Signet.

### **Portfolio Management Services**

Fees charged for our asset management services are charged based on a percentage of assets under management billed in arrears on a quarterly calendar basis, or as a fixed fee billed quarterly in advance. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period.

Advisory fees based on a percentage of assets under management are calculated based on the average daily balance of your account. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period is based on the value of the Account at the end of the current calendar quarter and will be deducted from Account at that time.

Our fixed fee option for Portfolio Management services is only available to households with assets greater than \$5 million under our management.

The Portfolio Management services continue until terminated by either party (i.e., Signet or you) by giving thirty (30) days written notice to the other party. Any prepaid, unearned fees will be promptly refunded by Signet to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Fees charged for our portfolio management services are negotiable based on the investment adviser representative providing the services, the nature of the services being provided, the type of client, the complexity of the client's situation, the type of the Client's account (IRA, brokerage, Donor Advised Fund, etc.), the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the long-standing relationship of the client with the investment adviser representative, ancillary services provided by the firm and the total amount of assets under management for the client. Fees charged by Signet may vary among its clients based on the investment adviser representative

providing the services, the nature of the services being provided, the type of client, the complexity of the client's situation, the type of the Client's account (IRA, brokerage, Donor Advised Fund, etc.), the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

In the case of margin or leveraged accounts, fees will be charged based on the net account value, unless otherwise agreed in the asset management agreement.

For our Portfolio Management services, the maximum annual fee charged to the client will not exceed 1.5% of their assets under our management.

The actual annual fee charged by Signet, billed as a percentage of assets under management or as a fixed fee will be specified in the client's advisory agreement with Signet.

Signet believes that its annual fee is reasonable in relation to (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

You can choose how to pay your investment advisory fees. The investment advisory fees can be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account or you can pay our firm upon receipt of a billing notice sent directly to you.

If you choose to pay the fees after receiving a statement, fees are due upon your receipt of a billing notice sent directly to you. The billing notice will detail the formula used to calculate the fee, the assets under management and the time period covered. Fees for the services of our firm will be due immediately after your receipt of the billing notice.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the qualified custodian. Signet does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third-parties other than Signet in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by Signet are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

To the extent that we recommend you invest in a business entity in which Signet or any control person of Signet is an owner, sponsor, officer, or employee and you choose to so invest, Signet will waive its investment advisory fees as to that investment, and the relationship of the control person to the business entity will be fully disclosed to you prior to your investment.

### **Financial Planning Services**

Fees charged for our financial planning services are hourly and will be determined based on the services requested, the investment adviser representative providing advice and other advisory services provided. Fees charged for financial planning services are negotiable based upon the services requested, the investment adviser representative providing advice and other advisory services provided. The following are the fee arrangements available for financial planning and consulting services offered by Signet.

Signet provides financial planning services under an hourly fee arrangement. An hourly fee in the range of \$100 to \$500 per hour (depending upon the investment adviser representative working with Client) is charged by Signet for financial planning services provided under this arrangement.

Before commencing financial planning services, Signet provides a written estimate of the approximate hours needed to complete the requested financial planning services. Signet generally spends 5 hours on a full written financial plan. If Signet anticipates exceeding the estimated amount of hours required, Signet will contact you to receive authorization to provide additional services. You will pay in advance a mutually agreed upon retainer that will be available for Signet to bill hourly fees against for our financial planning services; however, under no circumstances will Signet require you to pay fees more than \$500 more than six months in advance. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan.

If Client is currently receiving Portfolio Management services from Signet for an asset management fee, Signet will waive any fees for a basic financial plan. You may choose whether your basic financial plan is full or modular, as described in Item 4 above. Client must execute an engagement agreement with Signet before any financial planning services will be provided, regardless of the scope of the services to be provided or the amount of fees (or waiver of fees) to be charged.

If you wish to engage Signet for financial planning and consulting services outside the scope of the basic financial plan, you must enter a separate financial planning and consulting agreement with Signet which will outline the scope of the engagement and the fees to be charged by Signet and, if applicable, the sub-adviser providing such services. If Signet uses a sub-adviser to assist with financial planning and consulting services, you will execute an agreement with the sub-adviser in addition to your financial planning agreement with Signet. Fees of the sub-adviser will be charged in addition to Signet's fee and are payable directly to the sub-adviser. A complete description of the sub-adviser's services and fees will be disclosed in the sub-adviser's Form ADV Part 2A that will be provided to client.

Although Signet may waive investment advisory fees under this Agreement for Clients currently receiving Portfolio Management services, there are fees and expenses charged by mutual funds to their shareholders if a client invests in mutual funds due in part to the financial planning services. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee (known as 12(b)-1 fees). If the mutual fund also imposes sales charges, the client may pay an initial or deferred sales charge.

Likewise, although Signet may waive investment advisory fees under this Agreement, if Client decides to invest through a qualified custodian due in part to the services under this Agreement, the qualified custodian or broker-dealer executing certain transaction will charge commissions for implementing transactions.

The financial planning services terminate upon either party providing written notice of termination to the other party.

You may terminate the financial planning services within five (5) business days of entering into an agreement with Signet without penalty or fees due. If you terminate the financial planning services after five (5) business days of entering into an agreement, you will be responsible for immediate payment of any financial planning services performed by Signet prior to the receipt by Signet of your notice. For financial planning services performed by Signet under an hourly arrangement, you will pay Signet for any hourly fees incurred at the rates described above. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Signet to you.

Since Sub-Adviser(s) will charge client fees in addition to and separate from Signet's financial planning fee, the overall fees incurred by client increase when client elects to use Sub-Adviser(s). A client will need to refer to the Sub-Adviser's Form ADV and client agreement for additional details on the Sub-Adviser's fees charged to the client.

You may pay the investment advisory fees owed for the financial planning services by submitting payment directly (for example, by check) or having the fee deducted from an existing investment account.

If you elect to pay by automatic deduction from an existing investment account, you will provide written authorization to Signet for such charge.

You should notify Signet within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

All fees paid to Signet for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay a commission and/or deferred sales charges in addition to the financial planning fees paid to Signet and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

All fees paid to Signet for advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

If you retain Signet to implement the recommendations provided under this service, Signet may recommend load or no-load mutual funds that charge you 12(b)-1 fees. Your investment adviser representative may receive a portion of these 12(b)-1 fees in his or her separate capacity as a registered representative of a securities broker-dealer. The receipt of 12(b)-1 fees could represent an incentive for Signet or your investment adviser representative to recommend mutual funds with 12(b)-1 fees or higher 12(b)-1 fees over mutual funds with no 12(b)-1 fees or lower 12(b)-1 fees and therefore creates a conflict of interest.

All fees paid to Signet for financial planning services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

If you elect to implement the recommendations of Signet through our other investment advisory programs, Signet may waive or reduce a portion of the investment advisory fees for such investment advisory

program(s). Any reduction will be at the discretion of your investment adviser representative and disclosed to you prior to contracting for additional investment advisory services.

It should be noted that lower fees for comparable services may be available from other sources.

In certain cases, the fee we receive is dependent on the account-specific investment approach, and the composition of the client's account (i.e., equities, fixed income, mutual funds, etc.). While making fees dependent on these factors, can make Signet's fees more commensurate with the work required to provide investment services, a potential conflict of interest may arise in that we may have the ability to recommend products and investment approaches that provide Signet with additional compensation. Signet seeks to mitigate these conflicts by a) detailing the rationale behind our recommendations, b) agreeing prospectively on fees and investment approaches, and c) defining the client fees at the account level unless there is a compelling reason to define fees at the product level

### **Health Savings Account Program Custodial Account**

In instances where Signet receives compensation as a sub-advisor of an HSA Program Custodial Account, and Signet also recommends a Client invest in such an account, Signet will disclose the compensation received prior to facilitating the account opening.

### **Newsletters**

Newsletters are provided to clients and prospective clients free of charge.

### **Seminars**

No fees are charged for seminars. However, if we are hired by larger groups, such as corporations, we reserve the right to charge fees to cover the expenses incurred by us for presenting the seminars. In this case, all fees and payment provisions will be fully disclosed to you prior to the seminar being presented.

### **Workshops**

Workshops are always provided free of charge.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

## **Item 7 – Types of Clients**

Signet generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations

- Pension and Profit-Sharing Plans

You are required to execute a written agreement with Signet specifying the particular advisory services in order to establish a client arrangement with Signet.

### **Minimum Investment Amounts Required**

Signet requires a minimum of \$20,000 in order to open an account. Exceptions may be granted to this minimum at Signet's discretion.

The minimum fee generally charged for financial planning services provided on an hourly basis is \$100, however Signet may waive this fee at its own discretion.

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

### **Methods of Analysis**

Signet uses the following methods of analysis in formulating investment advice:

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

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

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made

incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, Signet gathers information from financial data services, newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC, and company press releases.

### **Investment Strategies**

Signet uses the following investment strategies when managing client assets and/or providing investment advice:

Long-Term Purchases. Investments held at least a year.

We primarily follow a value-investing strategy that attempts to acquire at reasonable valuations publicly traded businesses that can deliver sustainable excess returns. We focus on a long-only strategy. Long term strategies are designed to identify and select investments to be held for multiple years. We will also invest in value oriented special situations with shorter expected holding periods.

Value Investing can be described as a strategy of selecting stocks that trade for less than their intrinsic values. Value investors typically seek stocks of companies that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated. Often, value investors select stocks with lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields. The risks associated with value-investing include incorrectly analyzing and overestimating the intrinsic value of a business, concentration risk, under performance relative to major benchmarks, macro-economic risks, investing in value traps i.e. businesses that remain perpetually undervalued, and lost purchasing power on cash holdings in the case of inflation.

Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest of the purchase price from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from Signet.

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

Investment Models and Separately Managed Accounts. Signet maintains a selection of model portfolios designed to provide exposure to certain asset classes and sub-asset classes, and individual issues. Allocation model portfolios are designed to be appropriate for given levels of risk suitability and Signet implements tactical shifts based on Signet’s analysis and our review 3<sup>rd</sup> party macroeconomic research. Signet utilizes these models as tools to manage separately managed accounts however trading decisions also take into account the following: trading costs, tax consequences, preexisting holdings, and investor preferences. As such, actual portfolios may differ from model portfolios.

**Direct Indexing: Signet provides direct indexing services to clients. Direct Indexing involves buying a larger number of individual securities in proportions that cause a portfolio to mimic an index rather than purchasing shares of a mutual fund or an exchange-traded fund (ETF) that tracks a broader index. While direct indexing offers some advantages, such as customization, tax efficiency, and the ability to exclude certain stocks, it also comes with its own set of risks, including potentially higher transaction costs, concentration risk, and deferred tax liabilities which result from realizing tax losses. Since there is a trade-off between investment discretion and reduced tracking error, Signet may choose to allow higher tracking error relative to a benchmark.**

**Call Writing and Hedging Strategies: In certain accounts, Signet writes call options in order to generate income for clients. If security prices rise sufficiently, it is possible that calls will be exercised resulting in adverse tax consequences. In certain accounts, Signet also uses options to hedge against portfolio drawdowns. These strategies may also result in losses, increased transaction costs, and potential tax implications.**

### **Primarily Recommend One Type of Security**

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client’s specific circumstances and needs.

### **Risk of Loss**

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

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully



identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

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

account, which will be carried by the clearing firm. The securities purchased in such an account are the clearing firm's collateral for its loan to you.

If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in your account. The brokerage firm may issue a margin call and/or sell other assets in your account.

It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin account that may be established as part of the Asset Management Agreement established between you and Signet and held by the account custodian or clearing firm.

These risks include the following:

- You can lose more funds than you deposit in your margin account.
- The account custodian or clearing firm can force the sale of securities or other assets in your account.
- The account custodian or clearing firm can sell your securities or other assets without contacting you.
- You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call.
- The account custodian or clearing firm may move securities held in your cash account to your margin account and pledge the transferred securities.
- The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and they are not required to provide you advance written notice.
- You are not entitled to an extension of time on a margin call.

### **Item 9 – Disciplinary Information**

*Item 9* is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

Signet is **not** and does **not** have a related person that is an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment registered adviser and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with us.

### ***Signet Tax & Advisory Services LLC***

Signet Investment Group LLC, the holding company for SignetSignet Private Wealth, also owns 100% of Signet Tax & Advisory Services LLC. This affiliated entity provides tax planning and preparation services and offers consultations on topics such as financial modeling, valuations, and direct business transactions (i.e. consultations regarding transactions directly with companies or assets). Representatives of SignetSignet Private Wealth LLC may recommend that clients utilize Signet Tax & Advisory Services, LLC, which is a conflict of interest due to the relationship between SignetSignet Private Wealth LLC and Signet Tax & Advisory Services LLC. Clients are under no obligation to use the services of Signet Tax & Advisory Services LLC and are free to select any tax service, consulting firm, or accounting firm of their choice. Investment advisory services are always provided through SignetSignet Private Wealth LLC.

### **Insurance Agent**

You may work with your investment adviser representative in his or her separate capacity as an insurance agent. When acting in his or her separate capacity as an insurance agent, the investment adviser representative may sell, for commissions, general disability insurance, life insurance, annuities, and other insurance products to you. As such, your investment adviser representative in his or her separate capacity as an insurance agent, may suggest that you implement recommendations of Signet by purchasing disability insurance, life insurance, annuities, or other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, this is a conflict of interest and the advice rendered to you is biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative. Signet has taken steps to manage this conflict of interest by requiring that each investment adviser representative (i) only recommend insurance and annuities when in the best interest of you and without regard to the financial interest of Signet and its investment adviser representative and (ii) disclose in writing to you the anticipated commission that the investment adviser representative will receive from the recommended insurance/annuity carrier.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

### **Code of Ethics Summary**

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Signet has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Signet's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. Signet requires its supervised persons to consistently act in your best interest in all advisory activities. Signet imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Signet. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

Signet or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a conflict of interest. It is the express policy of Signet that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. Signet and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Signet.

Any associated person not observing our policies is subject to sanctions up to and including termination.

## **Item 12 – Brokerage Practices**

### **Brokerage Recommendations**

You are under no obligation to act on the financial planning recommendations of Signet. If we assist you in the implementation of any recommendations, we are responsible for seeking best execution of transactions in your account. Signet generally recommends that you establish brokerage accounts with Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, member SIPC, or Interactive Brokers, as the qualified custodians. Signet has also entered into an agreement with Alliance Benefit Group ("ABG") to act as retirement administrator in order for us to offer employee benefit solutions to retirement plans. ABG uses Alta Trust Company for custody services.

In limited circumstances, Signet will permit clients in a 529 plan account to direct Signet to use a broker-dealer of the client's choice. In particular, clients invested in an Illinois 529 plan will have their plan assets custodied at Union Bank & Trust, which is the qualified custodian currently selected for Illinois 529 plans by the program sponsor, Bright Directions. Illinois 529 plan accounts will use the custodian selected by the 529 plan sponsor. Signet does not recommend or select the qualified custodian for Illinois 529 plan clients.

Signet is independently owned and operated and is not affiliated with the qualified custodians listed above. Schwab and Interactive Brokers will hold your assets in a brokerage account and buy and sell securities when you or Signet instruct them to. While Signet recommends that you use Schwab or Interactive Brokers as custodian/broker, you will decide whether to do so and will open your account by entering into an account

agreement directly with Schwab or Interactive Brokers. Signet does not open any account for you, although Signet 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”). At least annually, we will review alternative custodians in the marketplace for comparison to the currently used custodian, evaluating criteria such as overall expertise, cost competitiveness, and financial condition. Quality of execution for custodians will be reviewed through trade journal evaluations.

The primary factor in suggesting a broker/dealer or custodian is that the services of the recommended firm are provided in a cost-effective manner. While quality of execution at the best price is an important determinant, best execution does not necessarily mean lowest price and it is not the sole consideration. The trading process of any broker/dealer and money manager suggested by Signet must be efficient, seamless, and straight-forward. Overall custodial support services, trade correction services, and statement preparation are some of the other factors determined when suggesting a broker/dealer.

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

We seek to select 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:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

### **Your Schwab 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. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program. Schwab's commission rates applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$25 million of their assets in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. 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”).

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

Schwab Advisor Services™, Schwab’s business serving independent investment advisory firms like us, and Interactive Brokers, provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to retail customers. They also make 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 and Interactive Brokers’ support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of the support services:

**Services that benefit you.** The 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 and Interactive Brokers include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. The services described in this paragraph generally benefit you and your account.

**Services that may not directly benefit you.** Schwab and Interactive Brokers 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, including research from third parties. We may use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab or Interactive Brokers. In addition to investment research, they also make 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 and Interactive Brokers also offer 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
- Marketing consulting and support

Schwab and Interactive Brokers may provide some of these services. In other cases, it will arrange for third-party vendors to provide the services to us. They may also discount or waive their fees for some of these services or pay all or a part of a third party's fees. They 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. Schwab paid our firm \$5,000 we would otherwise have incurred for technology, research, marketing, and compliance consulting products and services. This created an incentive to require that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business and Schwab's payment for services for which we would otherwise have to pay 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 conflict of interest. We believe, however, that when we recommend 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.

### **Directed Brokerage**

Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, Signet may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers may cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, Signet has decided to require our clients to use broker/dealers and other qualified custodians determined by Signet.

### **Soft Dollar Benefits**

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer. Signet does not receive soft dollar benefits although it receives economic benefits as described above.

we may still receive benefits from program sponsors and product issuers. These benefits may be used for both research and non-research purposes and allows us to supplement, at no cost, our own research and analysis activities. These benefits include: the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements) and the availability of third-party research and technology.

### **Block Trading Policy**

If Signet buys or sells the same securities on behalf of more than one client, it might, but would be under no obligation to, aggregate or bunch, to the extent permitted by applicable law and regulations, the

securities to be purchased or sold for multiple clients in order to seek more favorable prices, lower brokerage commissions or more efficient execution. In such case, Signet would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. Signet would determine the appropriate number of shares to place with brokers and will select the appropriate brokers consistent with Signet's duty to seek best execution, except for those accounts with specific brokerage direction (if any). When Signet does not or cannot aggregate trades, clients may receive less favorable prices, pay higher brokerage commissions, or experience less efficient trade execution.

### **Agency Cross Transactions**

Our associated persons are prohibited from engaging in agency cross transactions, meaning we cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

## **Item 13 – Review of Accounts**

### **Account Reviews and Reviewers**

Managed accounts are reviewed at least monthly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Chief Compliance Officer and your investment adviser representative, with reviews performed in accordance with your investment goals and objectives.

Our financial planning services do not include monitoring the investments of your account(s), and therefore, there is no ongoing review of your account(s) under such services.

### **Statements and Reports**

For our Portfolio Management services, you are provided with transaction confirmation notices and regular quarterly account statements in writing directly from the qualified custodian. Additionally, Signet may provide position or performance reports to you quarterly and upon request.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by Signet.

You are encouraged to always compare any reports or statements provided by us, a sub-adviser or third-party money manager against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

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

Signet has entered into an agreement with Legacy Resources, LLC (Referring Parties) to refer clients to Signet. If a referred client enters into an investment advisory agreement with Signet, a cash referral fee is paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. The referral agreements between any referring party and Signet will not result in any charges to clients in addition to the normal level of advisory fees charged.



When a client is referred to us by a referring party, the referring party provides the client with a copy of our Disclosure Brochure as required by the *Investment Advisers Act of 1940* and the client receives disclosure of the fee we pay to the referring party. The referral relationship will not result in clients being charged any fees over and above the normal advisory fees charged for the advisory services provided.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. Signet receives no other forms of compensation in connection with providing investment advice.

However, as disclosed under *Item 12* above, Signet receives economic benefits from Schwab.

*Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.*

### **Item 15 – Custody**

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Signet is deemed to have custody of client funds and securities whenever a client gives Signet the authority to have its fees deducted directly from client accounts.

For accounts in which Signet is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Signet. When clients have questions about their account statements, they should contact Signet or the qualified custodian preparing the statement.

### **Item 16 – Investment Discretion**

When providing Portfolio Management services, Signet maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. However, it is the policy of Signet to consult with you prior to making significant changes in the account even when discretionary trading authority is granted.

To the extent that Signet recommends any investment into an entity of which Signet or any control person of Signet is an owner, sponsor, officer, or employee, we will not exercise discretion. Rather, you will make the final decision on whether to invest.

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

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

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

For the HSA Program Accounts, Signet has discretion over the Fund Lineup and asset allocations.

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

### **Proxy Voting**

Signet accepts proxy voting authority on behalf of clients. Signet will vote proxies on behalf of a client solely in the best interest of the relevant client. Signet has established general guidelines for voting proxies. Signet may also abstain from voting if, based on factors such as expense or difficulty of exercise, it determines that a client's interests are better served by abstaining. Further, because proxy proposals and individual company facts and circumstances may vary, Signet may vote in a manner that is contrary to the general guidelines if it believes that it would be in a client's best interest to do so. If a proxy proposal presents a conflict of interest between Signet and a client, then Signet will disclose the conflict of interest to the client prior to the proxy vote and, if participating in the vote, will vote in accordance with the client's wishes.

Clients may obtain a complete copy of the proxy voting policies and procedures by contacting Signet in writing and requesting such information. Each client may also request, by contacting Signet in writing, information concerning the manner in which proxy votes have been cast with respect to portfolio securities held by the relevant client during the prior annual period. Clients can send written requests to the Chief Compliance Officer at [jspencer@Signet-invest.com](mailto:jspencer@Signet-invest.com).

Signet will have the responsibility and discretion to vote proxies under the Health Savings Account Program which shall include the discretion to elect not to vote the proxy) solicited by or with respect to the issuers of securities and other instruments from the Fund Lineup.

## **Item 18 – Financial Information**

This *Item 18* is not applicable to this brochure. Signet does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably

likely to impair our ability to meet contractual commitments to clients. Finally, Signet has not been the subject of a bankruptcy petition at any time.