

# eCIO, INC.

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of eCIO, INC. If you have any questions about the contents of this brochure, please contact us at (608) 291-9070 or by email at: [hello@getecio.com](mailto:hello@getecio.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about eCIO, INC. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). eCIO, INC.'s CRD number is: 301432.*

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

Version Date: 03/05/2024

## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of eCIO, INC on 03/14/2023 are described below. Material changes relate to eCIO, INC's policies, practices or conflicts of interests.

- eCIO, INC has transitioned to registration with the United States Securities and Exchange Commission from its prior registration at the state level.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

eCIO, INC. (hereinafter “eCIO”) is a corporation organized in the State of Delaware. eCIO is a registered investment advisor founded in 2019 on the belief that all nonprofits should have access to institutional-quality, customized investment solutions that help them further their missions. We serve these organizations to help them maximize their financial resources by creating an enduring investment program and low costs so that they can carry out their important and inspiring missions. The principal owner is Robin C Roquitte.

### B. Types of Advisory Services

#### *Portfolio Management Services*

eCIO offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. eCIO creates an Investment Policy Statement for each client, which outlines the client’s current situation and objectives (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- |                       |                                |
|-----------------------|--------------------------------|
| • Investment strategy | • investment policy Statement  |
| • Asset allocation    | • Asset selection              |
| • Risk tolerance      | • Regular portfolio monitoring |

eCIO evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. eCIO will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

eCIO seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of eCIO’s economic, investment or other financial interests. To meet its fiduciary obligations, eCIO attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, eCIO’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is eCIO’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

#### *Selection of Other Advisers*

eCIO has discretion to choose third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, eCIO will always ensure those other

advisers are properly licensed or registered as an investment adviser. eCIO conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. eCIO then makes investments with a third-party investment adviser by investing with the third-party adviser. These investments may be allocated either through the third-party adviser's mutual fund, ETF or through a separately managed account managed by such third party adviser on behalf of eCIO's client. eCIO will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

### ***Services Limited to Specific Types of Investments***

eCIO generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), equities, hedge funds, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds, commodities and non-U.S. securities. eCIO may use other securities as well to help diversify a portfolio when applicable.

### ***Non-Advisory Services***

eCIO offers non-investment advisory services through their eVestech software, which helps companies (including other investment advisers) increase engagement by offering collaboration tools. eCIO may share compensation with unaffiliated entities promoting this service with other companies including registered investment advisers. Third-party advisers that eCIO utilizes may also be clients of eCIO as it pertains to our software. This does not create a conflict of interest as there is no connection between third-party advisers that choose to use our software and eCIO selecting them while managing client accounts.

## **C. Client Tailored Services and Client Imposed Restrictions**

eCIO will tailor a program for each individual client. eCIO utilizes its proprietary online needs assessment survey to thoroughly understand the client's specific needs, risk tolerance and objectives. The outcome of the survey is then used as the building blocks to develop their investment policy statement. eCIO may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent eCIO from properly servicing the client account, or if the restrictions would require eCIO to deviate from its standard suite of services, eCIO reserves the right to end the relationship.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. eCIO does not participate in wrap fee programs.

## E. Assets Under Management

eCIO has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$ 145,994,847.00	\$ 0.00	December 2023

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Long Term Portfolio Advisory Fees*

##### Accounts Under \$20,000,000

Total Assets Under Management	Annual Fees
\$500,000 - \$10,000,000	0.50%
\$10,000,001 - \$20,000,000	0.25%

##### Accounts Over \$20,000,000

Total Assets Under Management	Annual Fees
First \$25,000,000	0.30%
Next \$25,000,000	0.20%
\$50,000,000 and up	0.15%

#### *Cash Management Portfolio Advisory Fees\**

Total Assets Under Management	Annual Fee
First \$10,000,000 (\$5,000 minimum fee)	0.25%
On the next \$90 million	0.10%
Over \$100 million	0.05%

\*The Cash Management fee schedule only applies to dedicated cash management and excludes cash held in the long-term investment portfolio.

This is a blended fee schedule. The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period. There is a minimum fee of \$5,000 for each relationship.

These fees may be negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of eCIO's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

While eCIO does not have an account minimum, the advisory fees and third-party fees paid directly by our clients as reflected in their invoice will not exceed 2% of assets under management at the time of their billing.

### ***Selection of Other Advisers Fees***

eCIO has discretion to choose third-party investment advisers to manage all or a portion of the client's assets. Depending on the third-party adviser chosen, clients may pay eCIO its standard fee in addition to the standard fee for the advisers to which it directs those clients or clients may pay one shared fee to eCIO. This relationship will be memorialized in each contract between eCIO and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. eCIO has a conflict of interest to utilize a third-party adviser where they are not sharing fees but rather collecting our standard fee. eCIO will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. eCIO will ensure that all recommended advisers are licensed or notice filed in the states in which eCIO is recommending them to clients.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in advance.

### ***Payment of Selection of Other Advisers Fees***

Fees for the selection of third-party advisors may be invoiced and billed by eCIO directly to the client. The handling and allocation of third-party fees will be memorialized and acknowledged by the client on the eCIO investment advisor agreement.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by eCIO. Please see Item 12 of this brochure regarding broker-dealer/custodian.



## **D. Prepayment of Fees**

eCIO collects fees in advance. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within 30 days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither eCIO nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

eCIO does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

eCIO generally provides advisory services to the following types of clients:

- ❖ Charitable Organizations
- ❖ High-Net-Worth Individuals
- ❖ Banks and Thrift Institutions
- ❖ Corporations or Business Entities

While eCIO does not have an account minimum, the advisory fees and third-party fees paid directly by our clients as reflected in their invoice will not exceed 2% of assets under management at the time of their billing.

## Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

eCIO's methods of analysis include Fundamental analysis, Modern portfolio theory and Quantitative analysis.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

#### *Investment Strategies*

eCIO uses long term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### B. Material Risks Involved

#### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

**Quantitative analysis** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed

on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

### ***Investment Strategies***

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Selection of Other Advisers:** Although eCIO will seek to select only money managers who will invest clients' assets with the highest level of integrity, eCIO's selection process cannot ensure that money managers will perform as desired and eCIO will have no control over the day-to-day operations of any of its selected money managers. eCIO would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a

potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Hedge funds** often engage in leveraging and other speculative investment practices that may increase the risk of loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; May involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

**Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

**Non-U.S.** securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither eCIO nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

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

Neither eCIO nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Phillip Ronald Waara is a Board Member for a non-profit, Family Services Madison. Clients should be aware that these services involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser.

Robin Chorone Roquitte is a managing member of investment real estate at Skylake Properties, LLC., Skylake Holdings, LLC. and Skylake BC, LLC. Clients should be aware that these services involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

eCIO has discretion to choose third-party investment advisers to manage all or a portion of the client's assets. Depending on the third-party adviser chosen, clients may pay eCIO its standard fee in addition to the standard fee for the advisers to which it directs those clients or clients may pay one shared fee to eCIO. This relationship will be memorialized in each contract between eCIO and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. eCIO has a conflict of interest to utilize a third-party adviser where they are not sharing fees but rather collecting our standard fee. eCIO will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. eCIO will ensure that all recommended advisers are licensed or notice filed in the states in which eCIO is recommending them to clients. Advisory fees and third-party fees will not exceed 3% of assets under management per year.

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

#### **A. Code of Ethics**

eCIO has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. eCIO's Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

eCIO does not recommend that clients buy or sell any security in which eCIO or a related person has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of eCIO may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of eCIO to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. eCIO will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of eCIO may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of eCIO to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, eCIO will never engage in trading that operates to the client's disadvantage if representatives of eCIO buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on eCIO's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and eCIO may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in eCIO's research efforts. eCIO will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

eCIO recommends Schwab Institutional, a division of Charles Schwab & Co., Inc.

### **1. Research and Other Soft-Dollar Benefits**

While eCIO has no formal soft dollars program in which soft dollars are used to pay for third party services, eCIO may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). eCIO may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and eCIO does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. eCIO benefits by not having to produce or pay for the research, products or services, and eCIO will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that eCIO's acceptance of soft dollar benefits may result in higher commissions charged to the client.

### **2. Brokerage for Client Referrals**

eCIO receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

eCIO may permit clients to direct it to execute transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to eCIO to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

#### **B. Aggregating (Block) Trading for Multiple Client Accounts**

eCIO does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

## **Item 13: Review of Accounts**

#### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for eCIO's advisory services provided on an ongoing basis are reviewed at least Quarterly by Phillip R Waara, COO & CCO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at eCIO are assigned to this reviewer.

#### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as spending rate, allocation, risk tolerance).

#### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of eCIO's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. eCIO will also provide a quarterly report through eCIO's proprietary nonprofit communication portal to the client.



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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Other than soft dollar benefits as described in Item 12 above, eCIO does not receive any economic benefit, directly or indirectly from any third party for advice rendered to eCIO clients.

With respect to Schwab, eCIO receives access to Schwab's institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For eCIO client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to eCIO other products and services that benefit eCIO but may not benefit its clients' accounts. These benefits may include national, regional or eCIO specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of eCIO 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 eCIO 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, if applicable), provide research, pricing information and other market data, facilitate payment of eCIO's fees from its clients' accounts (if applicable), 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 eCIO's accounts. Schwab Advisor Services also makes available to eCIO other services intended to help eCIO 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 eCIO 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 eCIO. eCIO is independently owned and operated and not affiliated with Schwab.

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

eCIO, via written arrangement, retains one or more third parties to act as solicitors for eCIO's investment management services. All compensation with respect to the solicitor arrangement will be fully disclosed to each client to the extent required by applicable law. The solicitor will not be providing investment guidance or advice to the clients referred to eCIO.

## **Item 15: Custody**

When it deducts fees directly from client accounts at a selected custodian, eCIO will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

eCIO provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, eCIO generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, eCIO's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to eCIO).

## **Item 17: Voting Client Securities (Proxy Voting)**

eCIO does not vote proxies on behalf of clients. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security. If an investment sub-advisor is used, they may vote proxies on the behalf of the clients for the positions they manage.

## **Item 18: Financial Information**

### **A. Balance Sheet**

eCIO neither requires nor solicits prepayment of more than \$1200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

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

Neither eCIO nor its management has any financial condition that is likely to reasonably impair eCIO's ability to meet contractual commitments to clients.

## **C. Bankruptcy Petitions in Previous Ten Years**

eCIO has not been the subject of a bankruptcy petition in the last ten years.