



# New England Private Wealth Advisors, LLC

## Annual Disclosure Brochure

### Form ADV Part 2A

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**Dated: March 28, 2019**

This brochure provides information about the qualifications and business practices of New England Private Wealth Advisors, LLC (“NEPWA”). If you have any questions about the contents of this brochure, please contact us at: (781) 416-1707. 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. The firm’s registration does not imply a certain level of skill or training.

Additional information about NEPWA is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our information on this website by searching for “New England Private Wealth Advisors”. You can also search using the firm’s CRD number, 133790.

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

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## ITEM 2. MATERIAL CHANGES

This Item of the Brochure will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes.

The most recent update of our Brochure is 3/28/2019 and contains no material changes.

Currently, our Brochure may be requested by contacting Melissa Boccaci, Chief Compliance Officer of NEPWA at (781) 416-1707 or by emailing [melissa.boccaci@nepwealth.com](mailto:melissa.boccaci@nepwealth.com).



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## ITEM 4. ADVISORY BUSINESS

### *Firm Overview*

New England Private Wealth Advisors, LLC ("NEPWA" or "We") is an independent investment advisory firm located in Wellesley, MA and registered with the U.S. Securities and Exchange Commission (the "SEC").

NEPWA was founded in 2005 and is owned by Ira Rapaport, CEO and Managing Member.

NEPWA offers continuous investment advisory and wealth management services on a fee-only basis for individuals, high-net worth individuals, trusts, estates, charitable/non-profit organizations and endowments, corporations and/or business entities, corporate pension and profit-sharing plans, etc. Services involve asset allocation planning, and suggesting and/or implementing investments in mutual funds, exchange traded funds (ETFs), separately managed accounts, and on a limited basis and for certain clients, private real estate investments and alternative investments. In addition to managing the client's investment portfolio, NEPWA will consult with clients on various financial planning topics (as discussed below in more detail).

NEPWA provides objective investment advice and focuses on the client's interest at all times. NEPWA is a fee-only, investment advisory and wealth planning firm. The firm does not sell annuities, insurance products, mutual funds, or any other commissioned product and we are not affiliated with any entities that sell financial products or securities. No commissions are accepted in any form and no finder fees are paid.

### *Types of Advisory Services*

NEPWA provides investment advisory services to clients based on a number of factors, including, but not necessarily limited to, the client's investment objectives, risk tolerances, asset-class preferences, time horizons, tax situation and liquidity needs. Based on discussions with clients regarding these factors, NEPWA develops a client's asset allocation and creates and manages a strategic, diversified portfolio. Clients are advised that it remains their responsibility to promptly notify the firm of any change in their personal or financial situation or investment objectives, for the purposes of reviewing, evaluating or revising NEPWA's recommendations and services.

In addition to managing the client's investment portfolio, NEPWA may consult with clients (and/or their current advisors such as their attorney, CPA, insurance agent) on various financial areas including tax planning, education planning, retirement planning, estate planning, insurance needs, personal cash flow, net worth statements, charitable giving, mortgage refinancing, establishment of retirement plans, general business issues, among other things. NEPWA does not charge a separate fee for these services.

Although not our primary business activity, NEPWA may also provide income tax services which may include preparing annual returns and quarterly estimates for certain clients. NEPWA may charge a separate fee for services related to income tax preparation services.

NEPWA may also provide advisory services on a retirement plan level, working directly with Plan Trustees/Senior Management/Committee Members. We do not communicate directly with plan participants nor do we provide employee education. NEPWA will analyze the plan's current investment platform and will monitor and recommend changes in the plan's investment options as may be appropriate from time to time.



As of December 31, 2018, NEPWA managed a total of \$1,816,672,265; consisting of \$1,382,234,715 on a discretionary basis and \$ 434,437,550 on a non-discretionary basis.

### ***Asset Management***

NEPWA typically suggests clients consider investing in ETFs and/or mutual funds within their investment portfolio. NEPWA primarily uses no-load and load-waived mutual funds and will try to utilize the lowest cost, share classes, when available. NEPWA will monitor the performance of the selected ETFs and mutual funds. If NEPWA determines the investment is no longer consistent with the client's personal investment objectives or asset allocation and/or identifies another potential reason to sell the investment (for example: a manager change, underperformance) NEPWA will suggest removing the client's assets from that selected investment. Similarly, NEPWA will provide the client with suggestions for purchasing ETFs and/or mutual funds based on NEPWA's investment analysis. NEPWA has the discretionary authority to implement changes in the client's portfolio, however, as a matter of practice, NEPWA, when possible, will first consult with the client prior to implementing the purchase or sale of ETFs and/or mutual funds.

Under certain limited circumstances, NEPWA may also advise on individual securities including, corporate debt securities, municipal and government securities, certificates of deposit and other investment products. Additionally, clients may maintain legacy positions within their accounts, when it is believed to be in the best interest of the client and/or at the request of the client.

NEPWA may suggest allocating a portion of a portfolio to be managed by an independent third party manager, such as a separate account manager. Our firm will consider several factors in evaluating and/or recommending third party managers including, but not limited to: management style, past performance, reputation, reporting, research capabilities and financial strength. We will make reasonable inquiries into their, policies and procedures, code of ethics and other operational matters. Separate account money managers provide investment opportunities among various assets including stocks, bonds, mutual funds, ETFs and other securities. The terms and conditions under which the client shall engage a third party manager is outlined in a separate agreement between the client and the selected manager. Additionally, clients are encouraged to carefully review the separate account manager's Form ADV disclosure brochure for important information on the firm and strategy. NEPWA will monitor the performance of the selected investment manager(s). If NEPWA determines that a particular investment manager(s) is not managing the client's portfolio in a manner consistent with the client's personal investment objectives or asset allocation, and/or for another reason (for example: a manager change, underperformance), NEPWA will suggest removing the client's assets from that investment manager(s). In most cases, NEPWA has the discretionary authority to terminate separate account investment managers for separate account services on the client's behalf. However, as a matter of practice, NEPWA, when possible, will first consult with the client prior to terminating the selected investment manager(s). The client may be required to complete the necessary paperwork to facilitate a change in select investment manager(s). NEPWA will not trade securities managed by such selected investment manager(s) unless otherwise directed by the client.

In certain situations, NEPWA may suggest allocating a portion of a portfolio to be invested in private real estate investments and alternative strategies. Because these types of investments may involve certain additional degrees of risk, less liquidity and higher fees, they will only be recommended when consistent with the client's investment objectives, risk tolerances, time horizons, liquidity needs, investor eligibility, as well as other factors. Additional information about the fees related to alternative investments is included in the offering



documents provided to prospective investors. Clients need to be aware that these types of investments do not provide the same level of liquidity as traditional investments and may be subject to lock-ups and other liquidity restrictions. Managers of alternative investments may not disclose details related to their trading and investment methodologies as it may be considered proprietary. This can lead to a lack of transparency for investors. The client must approve in advance and consent to the purchase and sale of these investments and will be required to complete the necessary paperwork to facilitate the purchase and/or sale of these alternative investments.

NEPWA will monitor the performance of the selected alternative investment(s). If NEPWA determines that a particular selected alternative investment(s) is no longer consistent with the client's personal investment objectives or asset allocation, and/or for another reason (for example: a manager change, underperformance), NEPWA will suggest removing the client's assets from that selected investment(s). In these cases, the client will be subject to the liquidity provisions associated with that selected investment(s) and must complete paperwork to directly terminate the manager.

## ITEM 5. FEES AND COMPENSATION

The specific manner in which fees are charged is established in a client's written engagement letter with NEPWA. NEPWA charges an annual investment advisory fee for its services based on assets under management (AUM) or a fixed annual fee.

NEPWA has the discretion, on a case by case basis, to charge a lesser investment advisory fee to clients based on several factors such as anticipated future earnings and future deposits, amount of assets to be managed, pre-existing relationships and related accounts, among other things. NEPWA may aggregate assets for family-related accounts in determining AUM. All fees are agreed upon prior to entering into a contract with any client.

### AUM Fee Calculation:

For client accounts where NEPWA is compensated on an AUM basis, the fee schedule is shown below.

Assets Under Management	Annual Fee (%)
First \$1,000,000	1.00%
Next \$2,000,000	0.75%
Over \$3,000,000	0.30%

The fee shall be billed in arrears each calendar quarter based on the value (market value or estimated fair market value in the absence of market value) of the portfolio as of the last business day of the previous quarter. The fees will be pro-rated for client relationships initiated during the quarter or client relationships terminated during the quarter.

### Fixed Fee:

For clients where NEPWA is compensated on a fixed fee basis, the amount of the fixed fee will be established in the agreement between the parties. The fixed fee amount will be based upon a number of factors, including



complexity of accounts, level of services and amount of assets. The fixed amount will be billed on a quarterly basis (1/4 of the annual fixed fee each calendar quarter).

#### Form of Payment:

Clients provide written authorization to the custodian permitting NEPWA to debit fees from the money market of the client's investment account. Alternatively, clients have the option to pay the quarterly fee to NEPWA by check. For clients billed on AUM, NEPWA provides the client with a copy of the quarterly fee calculation prior to debiting the client's investment account.

#### Other Fees:

NEPWA clients may incur other fees including fees paid to qualified custodians and third-party managers in connection with the management of their assets. NEPWA does not receive any portion of these fees.

NEPWA does not receive compensation from third parties in connection with the purchase and/or sale of securities or other investment products.

#### Mutual Fund & ETF Fees:

All fees paid to NEPWA for investment advisory services are separate and distinct from the internal management fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus and will generally include a management fee, other fund expenses, and a possible distribution fee.

The services provided by NEPWA are designed, among other things, to assist the client in determining which mutual funds and/or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by NEPWA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

#### Third Party Investment Manager Expenses:

Fees paid to NEPWA by the client for investment advisory services are separate and distinct from the fees and expenses charged to the client by independent separate account managers and/or independent alternative investment managers for that entity's advisory/management services.

#### Additional Fees and Expenses:

Clients are also responsible for the fees and expenses charged by qualified custodians, including, but not limited to, any transaction charges imposed by a qualified custodian with which NEPWA and/or a third party manager effects transactions for the client's accounts.

#### Tax-Related Services:

As noted in Item 4, NEPWA may charge a separate fee for services related to tax preparation.



### ***Termination of Advisory Relationship:***

A client agreement may be terminated at any time, by either party, for any reason upon receipt of prior written notice. Upon termination, a pro-rated portion of the earned but unpaid advisory fee shall be due. Additionally, in the event of withdrawal of funds or closing of any account, any fees, commissions or other expenses associated with rebalancing or liquidating the account holdings will be assessed to the client's account.

## **ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

NEPWA does not charge any performance-based fees.

Certain private fund managers and mutual funds invested in by the client may charge performance-based fees. Clients should refer to the applicable offering documents/prospectus for additional information on the investments' performance-based fees.

## **ITEM 7. TYPES OF CLIENTS**

NEPWA focuses on providing investment advisory and wealth management services to individuals, high-net worth individuals, trusts, estates, charitable/non-profit organizations and endowments, corporate and/or business entities, and corporate and/or business pension and profit-sharing plans, etc.

NEPWA generally prefers a minimum account size of \$2,000,000 for investment advisory services, however, account minimums may be negotiable.

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

NEPWA will allocate a client's assets among various investments taking into consideration discussion between NEPWA and the client regarding a number of factors, including, but not necessarily limited to, the client's investment objectives, risk tolerances, asset-class preferences, time horizons, tax situation and liquidity needs.

Mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the fund's risk characteristics; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; the mutual fund company; the fund's tax efficiency; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's specific objectives and other standards.

ETFs will be selected on the basis of any or all of the following criteria: the ETF's performance history; the risk characteristics; the underlying index, if applicable; investment style and philosophy; the investment objectives; the company managing the investment; tax efficiency; and the fee structure. As is the case with mutual funds, portfolio weightings among ETFs in a client's portfolio will be determined by each client's specific situation.

NEPWA may review stocks and bonds, including corporate and government bonds, and other legacy positions which the client has selected or that already exist in the client's portfolio in the process of reviewing the client's overall portfolio, or if requested. This involves accessing analyst reports and/or reports available on the internet. Non-publicly traded securities can be evaluated upon the client's request.





NEPWA monitors the performance of the mutual funds, ETFs, and third party managers it recommends to its clients. Clients may request to place reasonable restrictions on the types of investments which will be made on the client's behalf.

NEPWA researches investment managers, mutual funds, exchange traded funds and other investments through face to face meetings or phone discussions with firm representatives or portfolio managers whenever possible. NEPWA also subscribes to several independent, third party research services.

In performing its services, NEPWA shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. If requested by the client, NEPWA may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from NEPWA. Moreover, each client is advised that it remains the client's responsibility to promptly notify NEPWA if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising NEPWA's previous recommendations and/or services.

**Risk of Loss: Investing in securities involves risk of loss that clients should be prepared to bear.**

All investments present the risk of loss of principal – the risk that the value of securities, when sold or otherwise disposed of, may be less than the price paid for the securities.

The securities and instruments (including securities and instruments held by independent managers) recommended by NEPWA are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur. Securities markets, are volatile and can decline significantly in response to adverse issues, including political, regulatory, market or economic developments. Different parts of the market can react differently to these developments and the value of an individual security or particular type of security can be more volatile than, and can perform differently from, the market as a whole. Investing in foreign securities involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility.

Investments in private placements, private real estate investments, limited partnerships and limited liability companies involve additional risk of loss, including the risk of loss of a full investment. Because these types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, and liquidity needs. Clients need to be aware that these types of investments do not afford the same level of liquidity and/or marketability as traditional investments and may be subject to lock-ups and other liquidity restrictions. Investors in private placements, private real estate investments, limited partnerships and limited liability companies should refer to the applicable offering documents for additional information on risk factors and risk of loss.

The risk of loss described herein should not be considered to be an exhaustive list of all the risks which clients should consider.



## ITEM 9. DISCIPLINARY INFORMATION

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of NEPWA or the integrity of NEPWA's advisory business.

Our firm and our personnel have no reportable disciplinary events to disclose.

Additionally, clients may obtain the disciplinary history of NEPWA or its representatives from the Massachusetts Securities Division upon request.

## ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

NEPWA and its employees do not participate in other financial industry activities nor have any financial industry affiliations.

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

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts. In addition, an investment adviser has a duty of utmost good faith to act solely in the best interest of each of its clients.

NEPWA understands its role as a fiduciary and has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. NEPWA's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth NEPWA's practice of supervising the personal securities transactions of supervised persons with access to client information, among other things.

Individuals associated with NEPWA may buy or sell mutual funds and/or ETFs for their personal accounts identical to or different than those recommended to clients. Individuals are prohibited from purchasing individual corporate stock securities subject to certain exceptions. It is the expressed policy of NEPWA that no person employed by NEPWA shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, NEPWA requires that anyone associated with this advisory practice provide securities holdings reports (both initially upon commencement of employment and annually thereafter) and quarterly transaction reports to the firm's Chief Compliance Officer. This relates to accounts in which the individual has trading authority and/or direct or indirect beneficial ownership.

NEPWA requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. NEPWA's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to disciplinary measures.



NEPWA requires that all employees annually attest to their receipt and compliance with NEPWA's Code of Ethics. A copy of NEPWA's Code of Ethics may be requested by contacting Melissa Boccaci, Chief Compliance Officer of NEPWA at (781) 416-1707 or [melissa.boccaci@nepwealth.com](mailto:melissa.boccaci@nepwealth.com).

## ITEM 12. BROKERAGE PRACTICES

### *Selecting Brokerage Firms*

NEPWA may recommend clients use a broker-dealer for execution and/or custodial services upon the client's request. Factors that NEPWA considers in recommending a broker-dealer/qualified custodian to clients include: pricing, historical relationship with us, financial strength, reputation, execution capabilities, research and service. NEPWA generally recommends Schwab Advisor Services ("Schwab") and Fidelity Institutional Wealth Services ("Fidelity") for custody and brokerage services for our clients. In certain circumstances, NEPWA may utilize TIAA and Vanguard Group for brokerage and custodial services.

NEPWA may negotiate a discounted commission transaction fee schedule with our recommended broker-dealers/qualified custodians for the benefit of our clients, and will provide such fee schedule to all applicable Clients. Each client approves a custodian(s) and completes a separate agreement with each designated broker-dealer/custodian.

### *Research and Additional Benefits*

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular custodian, NEPWA may receive from Schwab and Fidelity without cost, support services and/or products, which may assist NEPWA in monitoring and servicing the accounts held with the custodian. Schwab and Fidelity may also make available to NEPWA other products and services that benefit NEPWA but may not benefit its clients' accounts. These services and products may include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, provide research, pricing information and other market data, facilitate payment of NEPWA's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of NEPWA's accounts.

Schwab and Fidelity also make available to NEPWA other services intended to help NEPWA manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

NEPWA does not enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers and NEPWA's clients do not pay more for investment transactions effected as result of these arrangements.

As a fiduciary, NEPWA endeavors to act in its clients' best interests. NEPWA's request that clients maintain their assets in accounts at Schwab or Fidelity may be based in part on the benefit to NEPWA of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the brokers, which may create a potential conflict of interest. While Schwab and Fidelity are well-known national brokerage firms who provide discounted commission rates, it is possible there may be other firms who provide discounted commission rates equal or less than Schwab and Fidelity. Additionally, while Schwab and Fidelity provide good execution services, it is possible that other firms also provide good execution services.



### **Best Execution**

In seeking best execution, the determinative factor is not always lowest possible cost, but whether the transaction represents the best qualitative execution, including the value of research provided, execution capability, commission rates and responsiveness.

In directing the use of a particular qualified custodian, it should be understood that NEPWA may not be able to negotiate commissions among various broker-dealers/qualified custodians or obtain volume discounts, and best execution may not be achieved on a trade by trade basis.

### **Trade Aggregation**

NEPWA does not aggregate trade orders due to the nature of investment advisory services and client customized portfolios.

A separate account manager, in the management of NEPWA client portfolios, may aggregate transactions among accounts that it manages, in which case a NEPWA client's orders may be aggregated with an order for another client of the separate account manager who is not a NEPWA client. If a separate account manager is utilized, that manager may have different brokerage practices and the client should review the disclosure documents and agreements of the selected separate account manager.

### **Corporate and Business Retirement Plan Services**

NEPWA may consult on plans custodied outside of Schwab or Fidelity, where we do not have discretion. We cannot directly place trades in these accounts, but can assist in implementing securities transactions for these Plans.

## **ITEM 13. REVIEW OF ACCOUNTS**

### Review:

Account assets are supervised by NEPWA. Accounts are reviewed in the context of each client's investment objectives.

More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, market conditions, or the political or economic environment. All clients are advised that it is their responsibility to inform NEPWA of any changes in their investment objectives and/or financial situation.

The reviewers of client relationships are the financial advisors.

### *Corporate and Business Retirement Plan Services*

Retirement plan assets are reviewed as necessary and according to the standards and situations described above for investment management accounts.

### Reports:

Clients will receive monthly and/or quarterly statements and confirmations directly from their respective qualified custodian(s). Additionally, clients can establish online access directly with the custodian(s). NEPWA will generally provide periodic reports, which are typically a current allocation report.



## ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

We have been fortunate to receive many client referrals over the years. These referrals have come from our existing clients, estate planning attorneys, accountants, and other professional advisors. NEPWA does not compensate any third party for client referrals.

It is our policy not to accept any form of compensation (for example: cash, sales awards or prizes) from other professionals in conjunction with the services we provide to our clients. NEWPA receives no compensation from any person or entity other than our clients.

## ITEM 15. CUSTODY

### *Account Statements*

NEPWA does NOT hold its clients' assets. All assets are held at qualified custodians. As such, clients will receive monthly and/or quarterly statements and confirmations directly from their respective qualified custodian(s).

### *Advisor Review*

NEPWA will generally provide periodic reports, which are typically a current allocation report. Clients should carefully review all statements. NEPWA urges clients to compare statements received from their respective qualified custodian(s) with those received from NEPWA. Our statements may vary from custodial statements because of posting dates of dividends and interest, reporting dates, or valuation methodologies of certain securities.

### *Custody*

Although NEPWA does not maintain physical custody of client assets, we are deemed to have custody due to (1) the ability to debit our investment management fees directly from our clients' accounts and (2) in some cases we may have access to client funds, as Ira Rapaport has been named personally as a trustee on certain clients' trust accounts.

NEPWA has engaged Wolf & Company, P.C. for custody related exams on accounts where Ira Rapaport is named as trustee. Wolf & Company is an independent public accounting firm registered with the Public Company Accounting Oversight Board. These annual exams are mandated by the SEC Custody Rule and are completed on a surprise basis.

## ITEM 16. INVESTMENT DISCRETION

### *Limited Discretionary Authority*

NEPWA usually receives limited discretionary authority from the client at the outset of an advisory relationship. Limited discretionary authority permits NEPWA to select, without the client's prior approval, securities to be bought or sold and the amount of the securities to be bought and sold. This authority may also include the discretion to terminate a separate account investment manager.



### ***Limitations***

Any limitations on this discretionary authority shall be included in the client agreement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. In all cases, however, such discretion is to be exercised in a manner consistent with the investment objectives for the particular client account.

### **ITEM 17. VOTING CLIENT SECURITIES**

As a matter of firm policy and practice, NEPWA does not accept the authority to and does not vote proxies on behalf of clients. The responsibility for receiving and voting client proxies is either retained by the client or the responsibility of the independent separate account managers. In the event any client may request assistance about the proxy voting process, NEPWA may provide information to assist the client but the client, or independent manager, maintains the responsibility for receiving and voting any client proxies.

### **ITEM 18. FINANCIAL INFORMATION**

NEPWA has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.