

Weston Financial Group, Inc.  
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March 15, 2011

This Brochure provides information about the qualifications and business practices of **Weston Financial Group, Inc. (the “Adviser”)**. If you have any questions about the contents of this Brochure, please contact us at 781-235-7055 or [ntremblay@westonfinancial.net](mailto:ntremblay@westonfinancial.net). 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.

**Weston Financial Group, Inc.** is a registered investment adviser. Registration of an Investment Adviser does not imply a certain level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about **Weston Financial Group, Inc.** is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission (the “SEC”) published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated **March 15, 2011** is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and sets forth certain new information that our previous Form ADV Part II did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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

Currently, our Brochure may be requested by contacting Nicole M. Tremblay, Esq. VP, Chief Compliance Officer at 781-235-7055 or [ntremblay@westonfinancial.net](mailto:ntremblay@westonfinancial.net). Our Brochure is also available on our web site at [www.westonfinancial.net](http://www.westonfinancial.net) free of charge.

Additional information about Weston Financial Group, Inc. is also available via the SEC’s web site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Weston Financial Group, Inc who are registered, or are required to be registered, as investment adviser representatives of Weston Financial Group, Inc.

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#### **Item 4 – Advisory Business**

Weston Financial Group, Inc. (hereinafter the "Adviser", the "Firm" or "Weston") is a SEC-registered investment adviser with its principal place of business located in Wellesley, Massachusetts. The Adviser has offered wealth management and financial planning services since 1983.

The Adviser offers wealth management, financial planning portfolio management for individuals and/or small business; portfolio management for investment companies and institutional clients. The Adviser offers clients a selection of separately managed accounts (managed by other advisers), mutual funds, ETFs, among other services noted below.

The Adviser's Stock was purchased by Washington Trust Bancorp, Inc., the bank holding company parent of The Washington Trust Company, A Rhode Island chartered bank headquartered in Westerly, Rhode Island on August 31, 2005. The Adviser is now a wholly-owned subsidiary of The Washington Trust Company.

#### **INVESTMENT SUPERVISORY SERVICES**

##### **WEALTH MANAGEMENT / FINANCIAL PLANNING SERVICES**

The Adviser provides financial advice in the form of a financial plan designed to define the client's financial goals and to help develop strategies to meet those goals. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans.

The Adviser may analyze the client's balance sheet, income statement, insurance coverage, wills and trusts, estate and income taxes, company benefit plans, and other relevant materials. As such, the information gathered will help the Adviser assess the client's current financial status, tax status, future goals, return objectives and attitudes towards risk.

Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the client's financial and life situations. Clients utilizing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives. Should the client choose to implement the recommendations contained in the financial plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or broker as appropriate. Implementation of financial plan recommendations is at the client's discretion.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL** - We may review family records, budgeting, personal liability, estate planning information and financial goals.
- **TAX & CASH FLOW** - We may analyze the client's income tax and spending and planning for past, current and future years; then may illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS** - We may analyze investment alternatives and their potential effect on the client's portfolio(s).

- RETIREMENT - We may analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- ESTATE PLANNING - We may also assist the client in assessing and developing long-term strategies, including, as appropriate, living trusts, wills, estate taxes, powers of attorney and asset protection plans. In addition, we may review the client's cash needs at death, income needs of surviving dependents, and disability income.
- INSURANCE - We may review existing policies to ensure proper coverage for life, health, and long-term care, as appropriate.

The Adviser tailors each financial plan and/or asset allocation to the individual needs and objectives of each client. In addition, a client may impose restrictions on investing in certain securities or types of securities. Typically the financial plan is presented to the client within 90 days of the Agreement, provided that all information needed to prepare the financial plan has been promptly provided.

The Adviser charges its clients a fee for preparing the financial plan. The client initially has two choices of services, Financial Planning and Financial Planning Including Implementation. *Please refer to Item 5 below for relevant Fee Information.*

## **INDIVIDUAL PORTFOLIO MANAGEMENT**

The Adviser provides continuous advice regarding the investment of a client's funds based on the individual needs and objectives of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a strategy and manage a portfolio based on that strategy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. The Adviser may analyze the client's balance sheet, income statement, insurance coverage, wills and trusts, estate and income taxes, company benefit plans and other relevant material. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We may manage these advisory accounts on a discretionary or a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e. capital appreciation, growth, income, growth and income, long term growth, income secondary, or tax free interest income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific products or services offered by a broker-dealer or insurance company and may include advice regarding the following types of securities:

- Mutual fund shares
- Exchange Traded Funds ("ETFs")
- Exchange Listed securities
- Securities traded over-the-counter

- Municipal securities
- United States governmental securities
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Variable annuities and variable life insurance
- Options contracts on securities
- Other

Since certain types of investments involve additional degrees of risk, the recommendations will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Once the client's investment accounts have been established, the Adviser will review the accounts quarterly, semi-annually, or on a frequency determined by the client. In addition, the Adviser may rebalance the client's accounts on an annual basis, based on the client's individual needs and objectives.

#### **Weston Custom Portfolios - Customized Mutual Fund Portfolio Management ("WCP")**

The Adviser offers portfolio management services involving investments in mutual funds, exchange traded funds (ETFs), structured investments and other securities. Such services may be rendered in connection with the implementation of a financial plan or separately, in either case under an additional fee arrangement disclosed in *Item 5* below.

The Adviser offers Growth and Income/Hedge Portfolios, each consisting of a selection of no-load and load-waived (the purchase of Class A shares at Net Asset Value ("NAV")) mutual funds, exchange traded funds ("ETFs") and Structured Investments (i.e. structured notes and/or structured certificates of deposit). This product is known as Weston Custom Portfolios.

The Financial Counselors develop a target portfolio for each client by deciding upon percentages of the portfolio to be allocated to particular asset categories. The Financial Counselor then reviews the suggested asset allocation and recommended investment choices that suit the client's investment objectives, needs and current financial situation.

The Growth Portfolio consists primarily of no-load and load-waived (purchase of Class A shares at NAV) equity mutual funds, ETFs and structured investments. The Income/Hedge Portfolio consists primarily of no-load and load-waived (purchase of Class A shares at NAV) mutual funds, ETFs and structured investments which invest in various investment categories, such as, bonds, REITS, energy, natural resources, merger arbitrage, long/short and international hybrid investments which have a low correlation to the U.S. stock market.

Certain hedging techniques, arbitrage strategies, distressed securities, options, long/short selling and leverage employed by the mutual funds, ETFs or structured investments held inside of a Weston Custom Portfolio will expose the Portfolio(s) to additional volatility and risks. Short selling strategies employed by the particular investment involves the risk of potentially unlimited increase in the market value of the security sold short, which could result in potentially unlimited loss for the funds.

From time to time, the Adviser makes changes to the underlying investments that make up the client's portfolio. The client grants a Limited Power of Attorney granting the Adviser the discretionary authority to manage direct investments, switch funds and execute transactions within the client's custodial account held at TD Ameritrade Institutional, Inc. (hereinafter TD Ameritrade).

Assets are held as "fiduciary assets" by TD Ameritrade, or another bank or broker-dealer appointed by the client. Shares of the New Century Portfolios held inside of a Weston Custom Portfolio are held by TD Ameritrade. However, New Century Portfolios' underlying fund assets may be custodied by U.S. Bank, NA.

#### **INDEPENDENT THIRD-PARTY MONEY MANAGER SELECTION PROGRAMS**

The Adviser also offers advisory management services to our clients through various Separate Account Manager Platforms (i.e. Schwab Institutional Managed Account Select and Managed Account Access Programs ("Schwab") and the Morgan Stanley Smith Barney ("MSSB") Consulting Group Program, (hereinafter, collectively the "Programs"). These Programs allow clients to obtain portfolio management services that typically have higher minimum account sizes outside of the Programs.

The Separate Account Managers selected under these Programs will have discretion to determine the securities they will buy and sell within the account(s), subject to reasonable restrictions imposed by the client. The Custodians chosen by the Separate Managers (i.e. Schwab and MSSB) do have discretionary authority over assets included in the Programs, although the Separate Account Managers chosen will also have this discretionary authority. The Custodians may have the discretion to replace Separate Account Managers within their Platforms/Programs and the Adviser retains the right to replace (i.e. "hire or fire") Separate Account Managers on all Platforms for client accounts where the client has given discretionary authority to the Adviser.

The Adviser is responsible for reviewing the Separate Account Manager's investment strategy, performance, disciplinary record and other due diligence information. For example, the Schwab Managed Account Select Program consists of Separate Account Managers that are unaffiliated with Schwab and which are screened by the Schwab Center for Financial Research (service formerly provided by Callan Associates Inc.). Schwab makes available to the Adviser profiles and quarterly reviews prepared by the Schwab Center for Financial Research to assist the Adviser in the due diligence process.

Schwab's services include brokerage, custody, research, 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.

The Adviser may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc., a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Weston is independently owned and operated and not affiliated with Schwab. Schwab provides the Adviser with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of Weston's clients'

assets is maintained in accounts at Schwab Institutional, and are not otherwise contingent upon the Adviser committing to Schwab any specific amount of business.

Due to the nature of these Programs, each of the chosen Separate Account Managers is obligated to provide you with a separate disclosure document outlining their services. Please carefully review this document for important and specific program details including pricing, experience, investment objectives and risk guidelines, and disclosure of the Separate Account Manager's conflicts of interest.

Under these Programs, we may:

- Assist in the identification of investment objectives. This may be accomplished through the preparation of a written investment policy statement or similar documentation;
- Recommend specific investment style and asset allocation strategies;
- Assist in the selection of appropriate Separate Account Managers and review performance and progress towards stated objectives on a periodic basis;
- Recommend reallocation among Separate Account Managers or styles within the appropriate Program;
- Hire or fire Separate Account Managers utilized by the client; and
- Perform on-going monitoring and due diligence of Separate Account Managers and applicable Programs. In some cases, we may outsource some or all duties to a third-party.

In addition to the Investment Supervisory Services noted above, the Adviser offers other services such as Asset Allocation and Monitoring Services; 401k Retirement Plan Advisory Services and Charitable Gift Fund services through the Fidelity Platform. For additional details, please refer to *Item 5* below.

## **INVESTMENT ADVISORY SERVICES**

Weston serves as the investment adviser to New Century Portfolios, a registered investment company registered under the Investment Company Act of 1940, as amended. As such, Weston provides investment advisory services to each of the New Century Portfolios pursuant to separate investment advisory agreements and continuously manages the fund assets based on the investment goals and objectives as outlined in New Century Portfolios' prospectus and statement of additional information ("SAI").

New Century Portfolios is comprised of five no-load mutual funds; New Century Capital, New Century Balanced, New Century Opportunistic, New Century International, and New Century Alternative Strategies Portfolio. Each is a "fund-of-funds", meaning they invest primarily in other investment companies. Interested investors should refer to the Mutual Fund's prospectus and SAI for important information regarding objectives, investments, time-horizon, risks, fees, and additional disclosures. These documents are available on-line at [www.newcenturyportfolios.com](http://www.newcenturyportfolios.com).

Prior to making any investment in the fund, investors and prospective investors should carefully review these documents for a comprehensive understanding of the terms and conditions applicable for investment in New Century Portfolios.



In addition to the Investment Advisory Services noted above, the Adviser offers other services such as investing in model portfolios through Washington Trust Investors, BNY Mellon Wealth Management and Limited Partnerships offered by NB Alternative Investment Management LLC. For additional details, please refer to *Item 5* below.

## **ASSETS UNDER MANAGEMENT**

As of January 31, 2011, the Adviser managed \$1,205,243,204 of client assets on a discretionary basis and \$367,083,186 on a non-discretionary basis for a total of \$1,572,326,390 in assets under management.

## **Item 5 – Fees and Compensation**

The specific manner in which fees are charged is established in a client's written Agreement(s) with the Adviser. The Adviser will generally bill its fees on a quarterly basis unless otherwise specified. Clients may also be billed in advance or arrears each calendar quarter depending on the specific investment product selected. Clients may elect to be billed directly for fees or to authorize the Adviser to directly debit fees from the client's account(s). However, typically through an arrangement with the client and client's custodian, fees are normally deducted directly from a separate money market account established by the client. In such cases, the Adviser sends a detailed invoice of fees to the client and client's custodian (i.e. for accounts held with Charles Schwab, NBAIM (formerly Lehman Brothers), Morgan Stanley Smith Barney (Morgan Model Portfolio accounts and Fixed Income accounts) and Weston Custom Portfolios. The client's custodian will however send the client the official custodial statements, at least quarterly, reflecting the amounts of fees deducted including the fees paid directly to the Adviser.

Accounts opened or terminated during a calendar quarter will be charged a prorated fee. A client Agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice to the Adviser. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period from the date of written notice.

The Adviser's fees (in certain products described herein) are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Fees are subject to revision upon 30 days written notice to the client. The Adviser may negotiate different fee arrangements with clients based on the specific type and amount of investments to be managed, specific client needs and other factors. Client facts, circumstances and needs will be considered in determining a negotiated fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts;

portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the Adviser and each client.

The Adviser retains the right to waive fees for employees and their families who use these Investment Supervisory or Advisory Services.

The Adviser is the Registered Investment Adviser to New Century Portfolios, a Registered Investment Company. New Century Portfolios are proprietary mutual funds managed by the Adviser. Investments in proprietary mutual funds for accounts managed by the Adviser are permitted, however such investments may pose a conflict of interest and self dealing issues, thus it is critical that all applicable requirements are met. In all cases, the use of a proprietary mutual fund must be authorized by the governing instrument and suitable for an account's investment objectives.

The Adviser charges its clients a fee for preparing the financial plan. The client initially has two choices of services, Financial Planning and Financial Planning Including Implementation.

#### **Financial Planning Services**

The financial plan fee only [typically completed within a 90-day period] can range from \$1,000 to \$15,000. In certain cases, depending on the complexity of the client's situation, the time required to complete the assignment and the number of meetings held, the fee may be outside this range.

#### **Financial Planning Including Implementation**

The fee range for a financial plan PLUS implementation assistance [during a 12-month period] is \$2,000 to \$20,000, depending on the complexity of the client's situation, time required to complete the assignment and the number of meetings held.

After the initial 12-month period, the client has the option to continue receiving financial advice under a Retainer Agreement, ranging from \$500 to \$40,000 annually.

The above two services may also be paid for on a meeting basis or hourly rate instead of a fixed fee as described above. Currently, a Senior Financial Counselor's range for scheduled in-person meetings is \$700 to \$1,500 per meeting and for separate telephone consultations and fulfillment of any action items arising out of such consultations, \$250 to \$450 per hour. The hourly rate for a Senior Financial Associate is \$100 per hour.

Fifty percent of the agreed fixed fee for the financial plan is payable when the client executes a Financial Planning Agreement (the "Agreement") with the Adviser. The balance of the plan fee is typically due 90 days after the signing of the Agreement or upon completion of the financial plan, whichever is later or as otherwise negotiated. The Adviser reserves the discretion to reduce or waive the fixed or hourly fees with a financial planning client as appropriate.

Once such Agreement is executed, a meeting is held to provide the Adviser with the information necessary to prepare a personally tailored plan. The Adviser commences work on the preparation of such plan immediately thereafter. At the next meeting, a preliminary analysis of the client's

financial position is presented. Finally, a third meeting with the client may be held for the purpose of presenting him or her with a written financial plan specifically tailored to the client's situation.

The Agreement shall remain in full force and effect unless terminated by either the client or the Adviser. The Agreement may be terminated by either party upon receipt of written notice from the other party. If such notice of termination is given within 30 days of the signing of the Agreement and prior to the holding of the second meeting, the Adviser will refund the client's deposit in full. In the event that written notice of the client's cancellation is given at a later date, the client is liable for accrued fees or expenses incurred by the Adviser in providing services initiated under this Agreement and the Adviser may retain the deposit as payment for these fees or expenses.

**Investment Products offered by the Adviser:**

**Weston Custom Portfolios - Customized Mutual Fund Portfolio Management ("WCP")**

The Adviser offers portfolio management services involving investments in mutual funds, structured investments and other securities. Such services may be rendered in connection with the implementation of a financial plan or separately, in either case under an additional fee arrangement disclosed below.

The Adviser offers Growth and Income/Hedge Portfolios, each consisting of a selection of no-load and load waived (the purchase of Class A shares at Net Asset Value ("NAV")) mutual funds, exchange traded funds ("ETFs") and Structured Investments (i.e. structured notes and/or structured certificates of deposit). This product is known as Weston Custom Portfolios.

*The annual management fees for these services are as follows:*

**WCP Growth Portfolio** *(payable quarterly, in arrears, based on the average of four monthly value billing points for each calendar quarter, the first point being the value of the account as-of the end of the previous quarter, and the next three being the values as-of the end of each of the three months in the billed quarter. The fee will be prorated based on the number of monthly billing points during which the Portfolio is open for portions of any quarter)*

Minimum Initial Account Size: \$50,000

1.00% on the first \$500,000  
0.85% on the next \$500,000  
0.75% on the next \$1,000,000  
0.50% on amounts in excess of \$2,000,000

**WCP Income/Hedge Portfolio** *(payable quarterly, in arrears, based on the average of four monthly value billing points for each calendar quarter, the first point being the value of the account as-of the end of the previous quarter, and the next three being the values as-of the end of each of the three months in the billed quarter. The fee will be prorated based on the number of monthly billing points during which the Portfolio is open for portions of any quarter)*

Minimum Initial Account Size: \$50,000

0.75% on the first \$250,000  
0.65% on the next \$250,000  
0.50% on the next \$1,500,000  
0.40% on amounts in excess of \$2,000,000

The management fees charged by the Growth or Income/Hedge Portfolio do not include the additional management fees and other expenses charged by each underlying mutual fund held in the account or the account maintenance fees described below.

*Account Maintenance Fees:*

- \$13 per purchase or sale of each "transaction fee" mutual fund in each account<sup>1</sup>
- No charge for purchase or sale of NTFs (no transaction fee funds)
- \$15 per purchase or sale of ETFs, stocks and fixed income investments including Structured Investments
- No termination fee of account, however, TD AMERITRADE charges a \$50 fee for processing a full ACAT transfer. This fee does not apply to partial transfers.

<sup>1</sup> The Transaction Fee Funds are usually institutional class shares which do not contain Section 12b-1 fees (normally 0.25%) and may result in lower fund expenses.

Both the Growth and Income/Hedge Portfolios may consist of no-load, institutional class and load waived (purchase Class A shares at NAV) mutual funds, ETFs, and/or Structured Investments. The Growth and Income/Hedge Portfolios are treated separately. For purposes of determining breakpoints, the accounts within each respective Growth or Income/Hedge Portfolio will first be aggregated and then the breakpoints will be calculated by including the balance of the applicable New Century Portfolio in accordance with the schedule below<sup>2</sup>.

New Century balances are taken into account solely to determine breakpoints. No fee is charged by WCP on New Century assets. The accumulated fee will be pro-rated among the accounts within each respective Growth Portfolio and Income/Hedge Portfolio on an average monthly balance basis.

<sup>2</sup> New Century Portfolio assets will be accumulated for breakpoint purposes according to the following schedule:

**Growth Portfolio Accumulation:**

- New Century Capital, Balanced, Opportunistic, International and Alternative Strategies Portfolios held in the same TD AMERITRADE account.
- New Century Capital, Opportunistic, International and Alternative Strategies Portfolios held outside of the TD Ameritrade account.

**Income/Hedge Portfolio Accumulation:**

- New Century Capital, Balanced, Opportunistic, International and Alternative Strategies Portfolios held in the same TD AMERITRADE account.
- New Century Balanced Portfolio held outside of the TD Ameritrade account.

These fees are not payable until after the end of the relevant quarter. Annual management fees will be based on the average of four monthly value billing points for each quarter as noted above. Fees are subject to revision upon 30 days written notice to the client.

The client may terminate the Agreement, at any time, in writing, and the assets will be transferred in-kind or redeemed. If the assets are redeemed the funds will be sent to the client as per the client's written instructions. In the event an account is closed prior to the end of a billing quarter, the Adviser will calculate and withdraw a pro-rata fee based on the number of monthly billing points during the quarter in which the account was open.

**Morgan Stanley Smith Barney LLC - acting through the Smith Barney channel ("Morgan PM")** (payable quarterly, in advance, based on the fair market value of the account(s) on the last business day of the previous quarter)

Portfolio: Customized Tax Sensitive and U.S. Model

Minimum Account: \$250,000

	Morgan PM Fee <sup>3</sup>	Weston Fee <sup>3</sup>	Total Fee
On the first \$2,000,000	0.75%	0.50%	1.25%
On the next \$3,000,000	0.60%	0.40%	1.00%
On the next \$5,000,000	0.50%	0.35%	0.85%
On the next \$15,000,000	0.42%	0.28%	0.70%
On amounts over \$25,000,000	0.33%	0.22%	0.55%

<sup>3</sup> Morgan PM accounts are typically subject to a Total Fee of 1.25% at the first breakpoint, however for legacy accounts established with Morgan the fee split was grandfathered between Morgan and Weston at 0.75% and 0.40% respectively.

**Weston and Morgan Stanley Smith Barney LLC ("MSSB"), acting through it's Smith Barney channel ("SB")**, have entered into various solicitation agreements, as amended from time to time, (collectively, the "Agreements"), for which MSSB has agreed to compensate Weston, in the manner detailed below, for its solicitation efforts with regard to certain of MSSB's investment advisory programs noted below.

**Fixed Income** (payable quarterly, in advance, based on the fair market value of the account on the last business day of the previous quarter)

Portfolio: Individual Bond Portfolio<sup>4</sup>

Minimum Account: \$100,000

	MSSB Fee	Weston Fee	Total Fee
On the first \$500,000	0.00%*	0.50%*	0.50%
On the next \$500,000	0.00%*	0.40%*	0.40%
On the next \$500,000	0.00%*	0.30%*	0.30%
On amounts over \$1,500,000	0.00%*	0.20%*	0.20%

\* MSSB earns its Individual Bond Portfolio fee on a markup of the asset value of the bonds sold to clients. The markups are discounted to reflect the overall fixed income portfolio management relationship between Weston and MSSB. Weston's initial quarter's fee is billed in advance at the opening of the account, based on the initial account size, and the remaining pro-rata billing period. Thereafter, the quarterly fee is billed in advance based on the accounts asset value on the last business day of the previous quarter.

<sup>4</sup> Weston's Fee is only billed on the fixed income portion of the account. Weston does not charge a fee on other assets held in the Portfolio (i.e. Cash, Money Markets, CDs, etc...)

**(A) SB's Third-Party Discretionary Portfolio Management Programs:**

**(i) MSSB's Legg Mason Private Portfolio Program ("LMPPG Program")**

In the LMPPG Program, clients retain MSSB, through SB, to act as a discretionary investment adviser for their account and Overlay Manager, and clients further direct MSSB to delegate certain of that investment management authority to Legg Mason Private Portfolios Group, LLC ("Legg Mason") to act as Manager, with the understanding that Legg Mason shall delegate certain of such authority to one or more of its investment Sub-Managers (sometimes referred to as "Sub-Advisers") who may or may not be affiliated with the Manager. MSSB will further assist the client in reviewing investment objectives for their account and in the client's selection of a specific investment Portfolio of Securities offered by Legg Mason in this Advisory program. MSSB, and to the extent MSSB permits, the Manager, are to invest and reinvest the assets in the account in accordance with the instructions of the Sub-Manager with respect to each Portfolio and the client's investment objectives as stated in a questionnaire to be completed for the client's account. In order to perform these functions, client will grant MSSB, Overlay Manager (currently also MSSB), Manager and Sub-Managers the authority to invest and reinvest all of the assets in the account in Securities of any kind and as more fully provided in the LMPPG Program Agreement.

**LMPPG Managed Equity & Balanced Program Accounts** *(payable quarterly, in advance, based on fair market value of the account on the last business day of the previous quarter)*

At inception, if an account has a value less than \$500,000 or has less than \$250,000 in any investment style (at inception), Weston's solicitation fee shall be equal on an annual basis to the following applicable percentage(s) of the value of the client's LMPPG Equity & Balanced Program account:

Minimum Account: \$100,000

	MSSB Fee	Weston Fee	Total Fee
On the first \$500,000	0.95%	1.00%**	1.95%
On the next \$250,000	0.95%	0.80%**	1.75%
On amounts over \$750,000	0.95%	0.50%**	1.45%

At inception, if an account has a value of \$500,000 or more, with \$250,000 or more in each investment style (at inception), Weston's solicitation fee shall be equal on an annual basis to the following applicable percentage(s) of the value of the client's LMPPG Equity & Balanced Program account:

Minimum Account: \$500,000

	MSSB Fee	Weston Fee	Total Fee
On the first \$2,000,000	0.75%	0.50%**	1.25%
On the next \$3,000,000	0.60%	0.40%**	1.00%
On the next \$5,000,000	0.50%	0.30%**	0.80%
On the next \$15,000,000	0.42%	0.28%**	0.70%
On amounts over \$25,000,000	0.38%	0.22%**	0.60%

\*\* The Adviser acts as a solicitor on behalf of MSSB for the LMPPG Equity & Balanced Program and Fixed Income accounts. Based on a client's individual circumstances and needs, the Adviser will assist the client in determining which of MSSB's portfolios are appropriate. Factors considered in making this determination, including account size, risk tolerance, and a client's investment experience, are discussed during a consultation between the Adviser and the client. The Adviser will meet with the client on a regular basis, or as determined by the client, to review the account(s).

**(ii) MSSB's Fiduciary Services Program and MSSB's Fiduciary Services Legg Mason Manager Program Agreement (collectively, the "FS Programs")**

In the FS Programs, MSSB, through SB, shall act as a discretionary investment adviser (and may act as Overlay Manager), assisting clients in reviewing their investment objectives and in selecting one or more third-party portfolio managers from the universe of manager(s) covered by MSSB's Investment Advisor Research Unit ("IAR") to provide day-to-day portfolio management services.

In the FS Programs, clients grant MSSB, Overlay Manager, and each manager and any sub-manager (or "Sub-Adviser") the authority to invest and reinvest the proceeds in their accounts in any securities. The actual decisions to purchase or sell securities will be made by the manager or sub-manager and not by the client or MSSB. In the FS Program, Legg Mason serves as manager and the Account will be managed pursuant to investment instructions given to the manager by a Sub-Adviser who may or may not be affiliated with the manager. In that Program, the manager will engage each applicable Sub-Adviser to provide discretionary investment advisory services for the portion of the client's portfolio allocated to such Sub-Adviser in accordance with the client's instructions.

**FS Program Accounts** *(payable quarterly, in advance, based on fair market value of the account on the last business day of the previous quarter)*

Weston's solicitation fee from MSSB shall be equal on an annual basis to the following applicable percentage(s) of the value of a referred client's MSSB's Fiduciary Services Program investment management account:

Minimum Account: \$100,000

	MSSB Fee*	Weston Fee	Total Fee
On the first \$250,000	1.00%	0.75%	1.75%
On the next \$250,000	0.80%	0.50%	1.30%
On the next \$500,000	0.75%	0.50%	1.25%
On the next \$1,000,000	0.75%	0.45%	1.20%
On the next \$3,000,000	0.65%	0.45%	1.10%
On amounts over \$5,000,000	0.65%	0.30%	0.95%

\* Includes fees paid to the unaffiliated equity managers of the approved funds within the FS Program.



**(B) MSSB's Consulting Group Select UMA Program - ETF Asset Allocations Program ("Select UMA (ETF) Program")**

The Select UMA (ETF) Program is an advisory program that offers asset allocation advice utilizing ETFs. Specifically, in the Select UMA (ETF) Program, MSSB, through SB, shall act as a discretionary investment adviser, assisting clients in reviewing their investment objectives and selecting a portfolio consisting of specific investment strategies using ETF(s) selected by the SB's research unit. In this program, client grants SB the authority to change an ETF in a portfolio, or the allocation of assets to investment strategies within a portfolio, at any time and in SB's sole discretion. MSSB also provides implementation and coordination services as the Overlay Manager for this program. Clients grant MSSB, as the Overlay Manager, the authority to invest and re-invest all of the assets in the account, and implement asset allocation advice, as provided by SB. For each portfolio selected, the client acknowledges and understands that Overlay Manager will effect transactions in the account only pursuant to the recommendations of SB.

**Select UMA (ETF) Program** *(payable quarterly, in advance, based on fair market value of the account on the last business day of the previous quarter)*

Weston's solicitation fee shall be equal on an annual basis to the following applicable percentage(s) of the value of a referred client's MSSB's Select UMA (ETF) Allocations Program investment management account:

Minimum Account: \$500,000

Individual Client Household Assets within the Select UMA (ETF) Program

	MSSB Fee*	Weston Fee	Total Fee
On the first \$500,000	0.3125%	0.4875%	0.8000%
On the next \$500,000-\$1MM	0.2315%	0.3685%	0.6000%
On the next \$1MM - \$2MM	0.1940%	0.3060%	0.5000%
On the next \$2MM - \$5MM	0.1620%	0.2380%	0.4000%
On the next \$5MM - \$7.5MM	0.1300%	0.1700%	0.3000%
On amounts over \$7.5MM	0.0980%	0.1020%	0.2000%

\*Includes fees paid to the unaffiliated equity managers of the approved funds within Select UMA(ETF)Program.

*As long as a referred client maintains an investment management account with MSSB, MSSB will pay the applicable solicitation fee to Weston promptly after the referred client pays his/her investment management fee to MSSB. As such, the solicitation fee paid to Weston under the Agreements shall be paid out of the investment management fee which referred clients pay MSSB for managing their account.*

*There is no affiliation between MSSB and Weston. As such, in soliciting client(s) for the various MSSB Advisory programs, Weston is acting as an independent contractor, not an agent, representative, or employee of MSSB or its affiliates.*

*Please note that the information contained in this Brochure regarding MSSB's advisory programs is not intended to be a complete description of the features of any particular MSSB advisory program, the applicable MSSB advisory fees, and disclosure of potential conflicts of interest. Therefore, all of the information set forth herein regarding MSSB's Advisory programs is qualified in its entirety by the more detailed information provided in the applicable MSSB Schedule H of Form ADV (or equivalent descriptive brochure) and related material which will be made available to solicited clients for their careful review and consideration.*



**Schwab Managed Account Select and Managed Account Access Platform ("Schwab")** *(payable quarterly, in arrears, based on the average of four monthly value billing points for each calendar quarter, the first point being the value of the account as of the end of the previous quarter, and the next three being the values as of the end of each of the three months in the billed quarter)*

Minimum Account: \$100,000

	Schwab Fee*	Weston Fee	Total Fee
On the first \$250,000	1.00%	0.75%	1.75%
On the next \$250,000	0.85%	0.45%	1.30%
On the next \$500,000	0.80%	0.45%	1.25%
On the next \$1,000,000	0.75%	0.45%	1.20%
On the next \$3,000,000	0.70%	0.40%	1.10%
On amounts over \$5,000,000	0.65%	0.30%	0.95%

\* Clients pay a single asset-based fee to participate in the program. The fee includes Schwab's research, Schwab's brokerage, custody and money manager's services. If Accounts are eligible for householding the fee shall be applied to the Clients total equity and cash assets, regardless of the number of accounts. (ERISA retirement plans such as corporate plans cannot be househanded.) A minimum \$100/month fee applies to each account. Fees are subject to change. The fee does not cover trades executed by broker-dealers other than Schwab.

**Fidelity Charitable Gift Fund Asset Management Program ("Fidelity")**

The Adviser has been appointed by the Fidelity Charitable Gift Fund to provide discretionary investment management on that portion of the Gift Fund's assets in the specific donor's gift fund accounts who have signed a Donor Enrollment Form appointing the Adviser. Either the donor or Fidelity can terminate the management agreement at any time with written notice to the Adviser.

The Adviser offers a Portfolio consisting of a selection of no-load and load waived (the purchase of Class A shares at Net Asset Value ("NAV")) mutual funds. The Adviser develops a desired portfolio by deciding upon percentages of the portfolio allocated to particular asset categories. Each client works with a Financial Counselor to choose an asset allocation and mutual fund choices that suits the client's investment objectives for the Gift Fund account.

The Portfolio consists of mutual funds which may invest in domestic equities, foreign equities, bonds, REITS, energy, natural resources, merger arbitrage, long/short and international hybrid investments. Certain hedging techniques, arbitrage strategies, distressed securities, options, long/short selling and leverage employed by certain funds invested in by the Portfolio will expose the Portfolio to additional volatility and risks.

From time to time the Adviser makes changes to the underlying mutual funds that comprise the Portfolio. The Donor executes a Donor Enrollment Form granting the Adviser the authority to direct investments and execute transactions in such fund's shares. Assets are held by Fidelity as "fiduciary assets". Shares of New Century Portfolios owned inside of an Adviser managed Fidelity Gift Fund Portfolio are custodied by Fidelity. The New Century Portfolios' underlying fund assets are custodied by U.S. Bank, N.A.

**The annual management fees for the Fidelity Charitable Gift Fund services are as follows:** *(payable quarterly, in arrears, based on the average of four monthly value billing points for each calendar quarter, the first point being the value of the account as of the end of the previous quarter, and the next three being the values as of the end of each of the three months in the billed quarter. The fee will be prorated based on the number of days the Portfolio was open for portions of any period)*

Minimum Account: \$250,000	Weston Fee *
On the first \$1,000,000	0.60%
On the next \$1,000,000	0.50%
On amounts in excess of \$2,000,000	0.40%

\* These management fees do not include the additional management fees and other expenses charged by each underlying mutual fund held in the account. The balance of New Century Portfolio assets held in the account will be excluded from the calculation of the average of the four monthly value billing points for each calendar quarter for purposes of calculating the advisory fee.

There is a \$35 fee payable to Fidelity for the purchase or sale of transaction fee funds. There is no charge for purchase or sale of any Fidelity funds or non-Fidelity NTF funds and no fee on termination of an account.

Management fees are subject to revision upon 30 days written notice to the Donor and Fidelity. The client or Fidelity can terminate the Agreement at any time in writing and the assets will be transferred over to Fidelity management within the Gift Fund.

### **Asset Allocation and Monitoring Services**

The Adviser offers asset allocation and monitoring services with respect to the client's overall investment portfolio. Weston charges a fee, based on a percentage of the client's investable assets as determined by the client and Weston, to develop and monitor an asset allocation plan and to review the performance of such assets on a quarterly basis. A Schedule will be prepared annually based on the contract date outlining the total investable assets and corresponding fee. The fee will be paid quarterly in advance based on the investable assets (the "Billable Assets"). The Billable Assets will exclude any assets for which Weston is receiving a management fee.

*The Asset Allocation and Monitoring Services will include the following:*

- A model to determine the goals and expenses associated with obtaining those goals for the client. This model will be updated annually on the contract date.
- An initial asset allocation model in light of the client goals. This asset allocation model will be reviewed quarterly by the Adviser. A performance review will be conducted quarterly on all monitored assets.

**The annual fee schedule for these services are as follows:** *(payable quarterly in advanced based on the Schedule):*

Investable Assets:	Weston Fee *
On the first \$10,000,000	0.25%
On the next \$5,000,000	0.20%
On the next \$5,000,000	0.10%
On amounts over \$20,000,000	0.05%

Minimum Annual Fee: \$15,000

\* All Fee Schedules are based on calendar quarters. The first partial quarter will be pro-rated based on the total number of days in that quarter.

#### **401(k) Retirement Plan Advisory Services**

The Adviser offers fiduciary services with respect to providing investment advice and making investment recommendations to Retirement Plan Committees or individual participants. The Adviser will act in the capacity of an Investment Adviser and will be subject to the fiduciary responsibility requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In consideration of services provided by the Adviser pursuant to a written Agreement, Weston calculates a negotiated fee payable quarterly in advance. The fee is calculated on a negotiated amount of basis points per annum multiplied by the fair market value of the Plan's net assets based on the last business day of the previous quarter (the "Plan Fee").

The Adviser's services are negotiated which may include the following; evaluate the existing investment options of the Plan; recommendation and ongoing evaluation of new investment options; and periodic meetings.

#### **INVESTMENT ADVISORY SERVICES**

##### **New Century Portfolios ("New Century")**

The Adviser provides investment advisory services to New Century Portfolios, a registered investment company. New Century is comprised of five no-load mutual funds, New Century Capital, New Century Balanced, New Century Opportunistic, New Century International, and New Century Alternative Strategies. Each is a "fund of funds", meaning they invest primarily in other investment companies.

The Capital, Opportunistic and International Portfolios have a primary objective of growth. The Balanced Portfolio has a primary objective of income and a secondary objective of capital growth. The Alternative Strategies Portfolio has a primary objective to provide long-term capital appreciation, with a secondary objective of earning income.

**Annual Investment Advisory Fees charged are based on the daily average net asset balance in each portfolio as follows:**

New Century Capital, Balanced, Opportunistic & International Portfolio	New Century Alternative Strategies Portfolio
1.00% on the first \$100,000,000	0.75% on the daily average net asset balance
0.75% on amounts in excess of \$100,000,000	

**Mutual Fund Fees:** All fees paid to the Adviser for investment 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 New Century's most current Prospectus and Statement of Additional Information ("SAI"). These fees will generally include management fee, other fund expenses, and a distribution fee. You may review the Fund's Prospectus and SAI at [www.newcenturyportfolios.com](http://www.newcenturyportfolios.com).

The Adviser's recommendation to purchase shares of New Century may pose a conflict of interest as there could be an incentive to recommend investment products based on the compensation received, rather than on a client's needs. This conflict of interest is addressed by strict suitability standards that are adhered to by the Adviser by ensuring that investment products are recommended based on the client's individual needs and objectives and not the potential compensation. Clients have the option to purchase investment products that the Adviser recommends through other brokers or agents that are not affiliated with us.

The New Century mutual funds are available on the following Platforms:

Ameritas NTF	Pershing, LLC
Charles Schwab (New Century International, Opportunistic and Alternative Strategies Portfolios)	Pershing Adviser Solutions LLC
CommonWealth NTF, PPS, Universe	TD Ameritrade Institutional Services & NTF
Fidelity Institutional FundsNetwork & NTF	TD Ameritrade, Inc. and NTF
Fidelity Retail FundsNetwork and NTF	UBS Financial Services

**Washington Trust Investors ("WTI"), a division of Washington Trust Wealth Management and The Washington Trust Company ("WTC")**

The Adviser offers investment advisory services with respect to domestic and foreign equity and fixed income investments through model portfolios managed by WTI.

Minimum Account: \$500,000

Investment Management with Custody Outside of WTC\*\* *(fees paid monthly in arrears based on the market value of assets under management)*

On the first \$1,000,000	1.00%
On the next \$4,000,000	0.75%
On the next \$5,000,000	0.50%
On amounts over \$10,000,000	0.30%

Minimum Annual Fee: \$10,000

\*\*Clients may choose to custody assets managed by WTI at a custodian other than the Bank of America, N.A., however, the client would be responsible for paying the fees charged by such custodian separately from the management fees assessed by WTI. Further, Bank of America reserves the right to charge market value fees of 0.09% per month and service fees of \$15 per security purchases or sales and \$15 per outgoing cash wire transfer.

**BNY Mellon Wealth Management (Mellon)\***

The Adviser offers investment advisory services with respect to domestic and foreign equity investments. The Adviser develops objectives and guidelines for the account and constructs the desired portfolio with Mellon after consulting with the client concerning the client's overall risk tolerance, tax situation, investment objectives, income needs and investment horizon. The Adviser then monitors the portfolio in accordance with these objectives and guidelines. The Adviser currently works with Mellon.

The annual management fees for these services are as follows: *(payable monthly, in arrears)*

Minimum Account: \$750,000

	Mellon Fee**	Weston Fee**	Total Fee
On the first \$2,000,000	0.60%	0.40%	1.00%
On the next \$3,000,000	0.45%	0.30%	0.75%
On amounts over \$5,000,000	0.30%	0.20%	0.50%

Minimum Annual Fee: \$7,500

\* Mellon is a "doing business" name for BNY Mellon Wealth Management, a state chartered bank and trust company. BNY Mellon is not registered or required to be registered under Section 202(a)(11) of the Investment Advisers Act of 1940, as amended. This section excludes banks and bank holdings companies from the definition of an Investment Adviser.

\*\* Effective April, 2007, the fee allocation between Mellon and Weston had been adjusted to increase Mellon's fee by approximately .05% and decrease Weston's fee by approximately .05% due to asset size, however the Total Fee has remained the same.

**NB Alternative Investment Management LLC ("NBAIM")** (formerly Lehman Brothers Alternative Investment Management LLC)

The Adviser offers investment advisory services to clients in connection with the selection and monitoring of Class A shares of hedge funds managed by NB Alternative Investment Management LLC.

The annual management fees for these services are: *(payable to the Adviser, quarterly, in arrears)*

Minimum Account: \$250,000

	NBAIM Fee*	Weston Fee	Total Fee
On assets from \$250K to \$1MM	1.25%	0.50%	1.75%
On the next \$1MM to \$2MM	1.25%	0.40%	1.65%
On the next \$2MM to \$10MM	1.10%	0.40%	1.50%
Amounts over \$10MM	1.00%	0.30%	1.30%

\* NBAIM is an indirect subsidiary of Neuberger Berman Group LLC ("NBG"). On 12/3/08, a group consisting of portfolio managers, the management team and senior professionals agreed to acquire a majority interest in the Neuberger Berman subsidiaries of Lehman Brothers Holding Inc. The transaction closed on 5/4/09, and

as a result a new, independent investment management company, was created. NBAIM charges an initial Placement Fee of 0.50% payable to NBAIM in addition to the standard fees listed above for purchases under \$1,000,000 and 0.25% for purchases over \$1,000,000. The NBAIM Funds are (i) privately placed, (ii) not registered under the Investment Company Act of 1940, as amended, and (iii) may or may not be continuously offered. For further information on the specific risks of investing in such Portfolio, please refer to the NBAIM Offering Materials provided by your financial counselor.

***Additional Fees and Expenses:*** In addition to the Adviser's management fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (*Item 12*) of this Brochure for additional information. *Item 12* describes the factors that Adviser considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*i.e.*, commissions).

Management personnel and other related persons of our Firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity, these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (*i.e.*, commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

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

The Adviser does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### **Item 7 – Types of Clients**

The Adviser provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments and registered investment companies.

As previously disclosed, the investment services/products offered by the Adviser impose their own minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable investment service/product disclosed in *Item 5* of this Brochure.

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

The Adviser may use the following methods of analysis and investment strategies in formulating our investment advice and/or managing client assets provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis / Investment Strategy.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We may also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Third-Party Money Manager Analysis / Investment Strategy.** We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

The Adviser does not manage individual equity portfolios and therefore does not typically employ individual stock research analyses; however if a client maintains existing highly concentrated positions in individual securities, then the Adviser may utilize the following analyses:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time



to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Qualitative Analysis.** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk is using qualitative analysis is that our subjective judgment may prove incorrect.

**Risks for all forms of analysis.** Various methods noted above rely on the assumption that the investments that we may recommend for purchase or sell, the rating agencies that review various investments, and other publicly-available sources of information about these investments, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. Investing in securities involves risk of loss that clients should be prepared to bear. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9 – Disciplinary Information**

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Adviser or the integrity of Adviser's management. Neither the Adviser, nor our management personnel have any reportable disciplinary events to disclose.

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

As described in this Brochure, the Adviser and its principal executive officers provide clients with financial planning services that may involve tax and estate planning (including wills and trusts) and other matters in addition to investment advice that may not constitute investment advice as to securities.

Where appropriate, the Adviser and our employees may recommend various investment and investment-related services of Related Companies (Affiliated Entities) to our advisory clients. The Related Companies and their employees may also recommend the advisory services of our Firm to their clients. The Related Companies as described below are also disclosed in the Adviser's Form ADV Part 1, Schedule D. The services provided by the Related Companies are separate and distinct from our advisory services, and as such are rendered for separate and additional compensation. There may also be arrangements between the Adviser and these Related Companies where the



Adviser and/or the Related Companies and their employees receive payment in exchange for client referrals. No client of the Adviser is obligated to use the services of any of the Related Companies.

In addition, the management persons and other employees of the Adviser are: (1) management persons and registered representatives of Weston Securities Corporation, a FINRA member broker-dealer; (2) management persons of New Century Portfolios, a Registered Investment Company; and, (3) management persons and insurance agents of The Park Insurance Agency, Inc., a licensed insurance agency. In their separate capacities as registered representatives and/or insurance agents, these individuals are able to effect securities transactions and/or purchase insurance and insurance-related investment products for the Firm's advisory clients, for which these individuals will receive separate and additional compensation. Clients, however, are not under any obligation to engage these individuals when considering the purchase/sale of securities or insurance.

**Washington Trust Bancorp, Inc. / The Washington Trust Company** - Parent company of Adviser & Weston Securities Corporation

The Adviser's Stock was purchased by Washington Trust Bancorp, Inc., the bank holding company parent of The Washington Trust Company, A Rhode Island chartered bank headquartered in Westerly, Rhode Island on August 31, 2005. The Adviser is now a wholly-owned subsidiary of The Washington Trust Company ("WTC").

The Adviser may recommend certain services offered by WTC to its clients which may pose a conflict of interest. For example, the Adviser may recommend WTC's investment services, trust and fiduciary services, mortgage services and cash management solutions. However, various conflicts have been mitigated in instances in which the advisory clients' assets are custodied with an independent third-party qualified custodian and not with WTC. In addition, all other services are governed by the applicable banking regulations (i.e. FDIC, Federal Reserve Board, etc.).

**Weston Securities Corporation** - FINRA member broker/dealer

The following management personnel of the Adviser are also separately registered with the Financial Industry Regulatory Authority ("FINRA") as licensed principals and/or registered representatives. Kerry P. Falco, Wayne M. Grzecki, Ronald A. Sugameli, Nicole M. Tremblay and William J. Walsh are General Securities Principals of Weston Securities Corporation ("WSC") and Susan K. Arnold and Maria A. Staffiere are Registered Representatives of WSC, a licensed broker-dealer and sister company to the Adviser and a wholly-owned subsidiary of Washington Trust Bancorp, Inc.

Certain other employees of the Adviser are Registered Representatives of WSC. WSC acts as an introducing broker-dealer for the placement of securities for certain mutual funds, variable annuities, variable life insurance, 529 College Savings Plans and limited partnerships, and is the principal underwriter and distributor for New Century Portfolios, a registered investment company. The Adviser may recommend or manage client investments in such products and may receive compensation for such services. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

**New Century Portfolios** - Registered Investment Company

Further, the Adviser is the Registered Investment Adviser to New Century Portfolios, a Registered Investment Company under the Investment Company Act of 1940. New Century Portfolios are proprietary mutual funds managed by the Adviser. Investments in proprietary mutual funds for accounts managed by the Adviser are permitted, however such investments may pose a conflict of interest and self dealing issues, thus it is critical that all applicable requirements are met. In all cases, the use of a proprietary mutual fund must be authorized by the governing instrument and suitable for an account's investment objectives.

For additional information on fees, expenses, risks, conflicts of interest disclosures, please review New Century Portfolios' Prospectus and Statement of Additional Information which are available on-line at: [www.newcenturyportfolios.com](http://www.newcenturyportfolios.com). Prospective investors should review these documents carefully before making any investment in the Mutual Funds.

**Park Insurance Agency, Inc.** - Insurance Agency

The Adviser places a significant portion of its fixed annuity and life insurance business through The Park Insurance Agency ("Park"). Park is a subsidiary of the Adviser. The Adviser's employees whom are licensed as insurance agents with the appropriate state insurance commissions may recommend fixed annuity and life insurance business to their clients and may receive compensation such as commissions for such services.

A list of these Related Companies (Affiliated Entities) is specifically disclosed on Schedule D of Form ADV, Part 1 (*Item 7*) and can be accessed by following the directions provided on the Cover Page of this Brochure.

**Non-Affiliated Custodians**

The Adviser may also receive other products and services that assist the Adviser in managing and administering clients' accounts. These include software and other technology that provide access to client account data; facilitate trade execution; and provide research, pricing information and other market data. The Adviser may also receive other services intended to help the Adviser manage and further develop its business which may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. The Adviser and various Custodians described in *Item 5 and Item 12* have determined that receipt of certain services and products has not created a material conflict of interest.

***TD Ameritrade Institutional, Inc.***

As disclosed in *Item 12*, the Adviser participates in TD Ameritrade's Institutional customer program and the Adviser may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between the Adviser's participation in the program and the investment advice it gives to its clients, although the Adviser receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services provided without cost or at a discount:

duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Adviser by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by the Adviser's related persons and may also pay or reimburse expenses for the Adviser's personnel to attend conferences or meetings relating to the program or to TD Ameritrade's advisor custody and brokerage services. Some of the products and services made available by TD Ameritrade through the program may benefit the Adviser but may not benefit its client accounts. These products or services may assist the Advisers in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the Adviser manage and further develop its business enterprise. The benefits received by the Adviser, or its personnel, through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by the Adviser or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's recommendation of TD Ameritrade for custody and brokerage services.

The Adviser also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisers participating in the program. Specifically, the Additional Services include the payment of fees and expenses related to the use of Morningstar, Inc.'s suite of research and portfolio management software. TD Ameritrade provides the Additional Services to the Advisor in its sole discretion and at its own expense, and the Advisor does not pay any fees to TD Ameritrade for the Additional Services. The Adviser and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

The Adviser's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to the Adviser, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, the Adviser's client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with the Adviser, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, the Adviser may have an incentive to recommend to its clients that the assets under management by the Adviser be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, the Adviser shares the Additional Services with its affiliated entities. Consequently, the Adviser's clients' brokerage commissions and custodial fees generated at TD Ameritrade may be used to benefit the Adviser's affiliates. The Adviser's receipt of Additional Services does not diminish its duty to act in the best interests of its clients, including seeking best execution of trades for client accounts.

### ***Schwab Institutional***

Schwab also makes available to our Firm other products and services that benefit the Adviser but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

1. Provide access to client account data (such as trade confirmations and account statements);
2. Provide research, pricing and other market data;
3. Facilitate payment of our fees from clients' accounts; and
4. Assist with back-office functions, recordkeeping and client reporting.
5. Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:
  - a. Compliance and business consulting;
  - b. Publications and access to various conferences on practice management; and
  - c. Access to educational events.

### **Conflicts of Interest**

Clients should be aware that the receipt of additional compensation by the Adviser and its management persons or employees may create a conflict of interest that may impair the objectivity of our Firm and these individuals when making advisory recommendations. The Adviser endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- We disclose to clients the existence of all material conflicts of interest, including the potential for our Firm and our employees to earn compensation from advisory clients in addition to our Firm's advisory fees;
- We disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Our Firm's management personnel conducts regular reviews of client accounts to verify that recommendations made to a client are suitable to the client's needs and circumstances;
- We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our Firm; and
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for investment advice provided to clients.

While the Adviser and the individuals noted above endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

## Item 11 – Code of Ethics

The Adviser and Weston Securities Corporation have adopted a Code of Ethics (the “Code”) in compliance with sections 17j and 17j-1 of the Investment Company Act of 1940, as amended, and sections 204A and 204A-1 of the Investment Advisers Act of 1940, as amended. In addition, the Adviser adopted a Statement of Insider Information which was reasonably designed to deter misconduct, conflicts of interest and to detect and prevent the Adviser's officers, directors and employees from trading on material non-public information.

As noted above, the Adviser adopted a Code for all access and supervised persons of the Firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code is based on the principal that the officers, directors and employees (collectively the “Personnel”) owe a fiduciary duty to its clients and, therefore, must place the clients' interests ahead of their own. All personnel are required to serve in the best interest of our clients and all recommendations and decisions on behalf of our clients shall be solely in the best interest of our clients.

The Adviser's Personnel shall perform professional services in a manner that is fair and reasonable to clients and shall disclose conflicts of interest in providing such services. Further, we provide to our clients all requested information as well as other information needed for the clients to make informed investment decisions. Our clients' inquiries shall be answered to the best of our abilities in a prompt and accurate manner. Our personnel shall maintain the confidentiality of all information entrusted by our clients, to the fullest extent of the law.

As such, the Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All Personnel of the Adviser must acknowledge the terms of the Code annually, or as amended.

The Adviser anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will permit the purchase or sale of securities in (i) client accounts over which the Adviser has management authority, and (ii) accounts in which the Adviser, its affiliates and/or clients, directly or indirectly, have a position of interest.

The Code was designed to assure that the personal securities transactions, activities and interests of the Adviser's Personnel will not interfere with (i) making decisions in the best interest of Advisory clients and (ii) implementing such decisions while, at the same time, allowing Personnel to invest in their own personal accounts. As such, Personnel may buy or sell securities also recommended to clients. However, to deal with any conflicts of interest, the Adviser's Personnel are not permitted to take inappropriate advantage of their positions. The Code specifies the code of conduct for certain types of personal securities transactions that might involve conflicts of interest or an appearance of impropriety, and has established reporting, pre-authorization requirements and enforcement procedures for all Personnel. In addition, the Code specifies certain Exempt Securities/Transactions that do not require pre-clearance authorization based upon a determination that trading an Exempt Security would not materially interfere with the best interest of the Adviser's clients. Employee trading is continually monitored to reasonably prevent conflicts of interest between the Adviser and its clients.

Our Personnel are required to avoid any conduct which could create any actual or potential conflict of interest, and must make sure that their personal securities transactions do not in any way interfere with their clients' portfolio transactions or with the proprietary mutual funds managed by the Adviser (i.e. New Century Portfolios). Our personnel are required to act with integrity, dignity, honesty, in a fiduciary capacity and maintain the highest standards of ethics in all aspects of professional conduct.

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

As disclosed in this Brochure, Messrs. Biggar, Fernandes, Grzecki, Sugameli, Falco, Walsh and Ms. Arnold and Ms. Staffiere may benefit from investments by clients in sales of shares of Weston Custom Portfolios and New Century Portfolios in the form of investment adviser fees and Rule 12b-1 fees payable to the Adviser and Weston Securities Corporation, respectively (Rule 12b-1 fees apply to New Century Portfolios only).

The Adviser's clients or prospective clients may request a copy of the Firm's Code of Ethics and Statement of Insider Trading by contacting Nicole M. Tremblay, Esq., Vice President, Chief Compliance Officer via E-mail at [ntremblay@westonfinancial.net](mailto:ntremblay@westonfinancial.net).

### **Item 12 – Brokerage Practices**

As an investment advisory firm, the Adviser has a fiduciary and fundamental duty to ensure that our clients are receiving best execution from the separate account managers, advisers and/or platforms used for the purpose of investing client assets. The Adviser's primary goal is to ensure that the execution of securities transactions for clients is executed in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances.

The Adviser may consider for a client's account, the full range and quality of a broker-dealer's services and may select such broker-dealer which furnishes it research reports, economic and financial data and relative performance of such account, however, the Adviser does not compensate any broker-dealer for such research, nor does the Adviser participate in any soft dollar arrangements. Accordingly, transactions will not always be executed at the lowest available commission but will be within a generally competitive range.

The Adviser does not participate nor compensate any brokers involved in directed brokerage arrangements. The Adviser will not compensate a broker-dealer for promoting or selling such manager's shares by directing brokerage transactions to that broker nor will it use any arrangements designed to compensate selling brokers for their sales efforts. Brokerage which is



specifically directed by the client is an exception to the guidelines discussed in the above paragraph and the Adviser will not receive any non-customary commissions on these transactions.

The Adviser has adopted and implemented best execution practices which are monitored and reviewed periodically by the Firm's Chief Investment Officer (the "CIO"). The CIO has the overall responsibility for monitoring our Firm's trading practices, requesting the gathering of relevant information, periodically reviewing and evaluating the services provided by broker-dealers, the quality of executions, research, commission rates, and overall brokerage relationships, among other things. The Firm's Investment Department assists with the assimilation of best execution information on a quarterly basis for the CIO's review and approval. In addition, the CIO in conjunction with the Investment Department documents reviews of such broker-dealers which may include best execution and the results of such reviews may be presented to the Firm's Investment Committee as documented in the Investment Committee minutes.

If a client directs the use of a particular broker-dealer, the Adviser asks that the client to also specify (1) the general types of securities for which the designated firm should be used and (2) whether the designated firm should be used for all transactions, even though the Adviser might be able to obtain a more favorable net price and execution from another broker-dealer in particular transactions.

A client who designates use of a particular broker-dealer, including a client who directs use of a broker-dealer who will also serve as its custodian (whether or not recommended by the Adviser), should consider whether under that designation the following will be comparable to those otherwise obtainable by the client if they did not make such a designation (i.e. consulting services on manager selection and monitoring, commission expenses, execution, clearance and settlement capabilities, and whatever amount is regarded as allocable to custodian fee, if applicable.)

A client who designates use of a particular broker-dealer should understand that they may lose the possible advantage which non-designating clients may derive from aggregation of orders for several clients as a single transaction for the purchase or sale of a particular security. However, it is important to note, that client's transactions are submitted to the broker-dealer on a client by client basis and the broker-dealer may be able to aggregate other client orders on their end.

Certain broker-dealers may also make available to the Adviser other products and services that benefit the Adviser but may not benefit its clients' accounts. Some of these other products and services assist the Adviser in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of the Adviser's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Broker-dealers may also make available to the Adviser other services intended to help the Adviser 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. In addition, broker-dealers may make available, arrange and/or pay for these types of services rendered to the Adviser by independent third parties. These broker-dealers 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 the Adviser. While as a fiduciary, the Adviser endeavors to act in its clients' best interests, and the Adviser's recommendation that clients maintain their assets in accounts at these broker-dealers may be based in part on the benefit to the Adviser for the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by these broker-dealers, which may create a potential conflict of interest.

As described in *Item 10*, the Adviser participates in the customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers' services which include custody of securities, trade execution, clearance and settlement of transactions. The Adviser receives some benefits from TD Ameritrade through its participation in the program.

In addition, as described in *Item 10*, Schwab also makes available to our Firm other products and services that benefit the Adviser but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Lastly, fixed income securities may be purchased through Morgan Stanley Smith Barney ("MSSB") either from the issuer or a primary market maker acting as principal on a net basis with no brokerage commission paid by the client, or in the secondary market. Such securities, as well as equity securities, may also be purchased in public offerings from underwriters at prices which include underwriting commissions and fees.

If the Adviser acts to purchase newly issued bonds under conventional underwriting arrangements, the Adviser follows instructions received from its clients as to the allocation of new issue discounts to brokers-dealers which provide the client with matters such as research, performance evaluation or master trustee services. In the absence of such instructions from the client, the Adviser may allocate such transactions to broker-dealers in the underwriting syndicate which have provided the Firm with customary brokerage and research services at no additional charge to the client or the Adviser. The reasonableness of brokerage commissions is evaluated on an on-going basis.

### **Item 13 – Review of Accounts**

Various Portfolios and Separate Account Managers are reviewed by the Investment Committee on a periodic basis. The Investment Committee is comprised of Susan K. Arnold, Matthew D. Biggar, Kerry P. Falco, Andre M. Fernandes, Wayne M. Grzecki, Maria A. Staffiere, Ronald A. Sugameli, Nicole M. Tremblay and William J. Walsh.

In addition, individual client accounts are reviewed periodically and at least annually by the client's financial counseling team. Each Senior Financial Counselor may be responsible for approximately 75-150 client accounts. In addition to routinely scheduled reviews and client meetings, reviews may be triggered by a variety of factors, including changing market conditions, client inquiry, and investment decisions made by the Investment Committee. Portfolio reviews and individual client reviews may also be conducted on a more frequent basis if there are any other circumstances, such



as the client's individual circumstances, or extreme market conditions, political or economic environment or based on the individual client's needs and objectives.

These accounts are reviewed by the members of the Investment Committee above who are Senior Financial Counselors, Chief Compliance Officer, and Director and Planning Officer respectively.

The client receives reports/statements on managed account holdings directly from the qualified custodian monthly, with the exception of New Century Portfolios. New Century Portfolio statements are distributed quarterly. In addition, clients may receive periodic reports summarizing account performance, balance and holdings from the Adviser. The reports from the Adviser are not the official custodial statements and the clients are urged to review the official custodial statement.

With respect to the Adviser's Financial Planning Services, reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for. A Financial Planning Client will receive a completed financial plan. Additional reports are not typically provided unless otherwise contracted for.

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

From time to time, persons (both employed by the Adviser and persons related to the Adviser) may receive an economic benefit from the Adviser for referring clients to the Adviser (i.e. advisory fees, commissions, bonuses, etc.).

As described in this Brochure, Messrs. Biggar, Falco, Fernandes, and Ms. Arnold and Ms. Staffiere as Senior Financial Counselors of the Adviser, may benefit from advisory fees paid by Weston Custom Portfolios and New Century Portfolios. In addition, as General Securities Principals or Registered Representatives of Weston Securities Corporation (WSC), they may receive compensation from WSC in connection with client transactions processed through WSC and in connection with Rule 12b-1 fees paid to WSC by New Century Portfolios. Further, Messrs. Grzecki and Sugameli in addition to the employees noted above may receive a bonus that is determined in part by the overall profitability of the Adviser.

Further, the Adviser may enter into agreements in accordance with the conditions and requirements of the Investment Advisers Act of 1940 Rule 206(4)-3, "Solicitation Arrangements". Pursuant to solicitation arrangements, the Adviser would remit a portion of the amount received from clients to an outside party or the outside party could remit a portion of the amount received from the clients to the Adviser if calculated and paid directly by the outside party.

As such, the Adviser may pay referral fees to independent persons or Firms ("Solicitors") for introducing clients to us from time to time. Whenever the Adviser pays a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

1. The Solicitor's name and relationship with the Adviser;
2. The fact that the Solicitor is being paid a referral fee;
3. The amount of the fee; and
4. Whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of Firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

As disclosed in the Investment Advisory Services section, *Item 5*, the Adviser is paid monthly by BNY Mellon Wealth Management ("Mellon"), a state chartered bank and trust company, and quarterly by Morgan Stanley Smith Barney ("MSSB") in connection with providing advice to clients.

It is the Adviser's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

### **Item 15 – Custody**

As previously disclosed in the "Fees and Compensation" section (*Item 5*) of this Brochure, the Adviser may directly debit advisory fees from client accounts when directed to do so in writing.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian, broker dealer or bank that holds and maintains the client's is required to send to the client an official statement showing all transactions within the account during the reporting period, including the Adviser's fee being debited from the client's account.

Since the custodian may not calculate the amount of the fee to be deducted, it is important for clients to carefully review the custodian's official custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

The Adviser does not have actual or constructive custody of client accounts.

Clients must receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. The Adviser urges you to carefully review such statements provided to you by the custodian.

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

Clients may contractually retain the Adviser to provide discretionary asset management services, in which case the Adviser may place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

The Adviser's discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell.

For registered investment companies, the Adviser's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

In all cases, however, such discretion is to be exercised in a manner consistent with the written Agreement with the client and the client's stated investment objectives and restrictions for the particular client account. Further, clients may limit/change or amend such authority by providing the Adviser with written instructions. In addition, clients may change their personal investment objectives and restrictions with the Adviser in writing at any time.

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

Under Rule 206(4)-6 of the Investment Advisers Act of 1940, investment Advisers that vote proxies for clients are required to adopt and implement policies and procedures for voting proxies in the best interest of clients, to describe the procedures to clients and to tell the clients how they may obtain information about how the Adviser has actually voted the proxy ballots.

The Adviser adopted Proxy Voting Policies and Procedures which were reasonably designed to ensure that proxies are voted in the best interest of clients, in accordance with our fiduciary duties and Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. Further, the Adviser will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the Adviser voted proxies.

Clients may obtain a copy of the Adviser's complete proxy voting policies and procedures upon written request to Nicole Tremblay, VP, CCO at [ntremblay@westonfinancial.net](mailto:ntremblay@westonfinancial.net). In addition, clients may also obtain information from the Adviser about how the Adviser voted any proxies on behalf of their account(s).

As a matter of Firm policy and practice, the Adviser does not have any authority to and does not vote proxies on behalf of advisory clients unless the Adviser has expressly agreed to such responsibility in writing. Therefore, clients may retain the responsibility for receiving and voting proxies for any and all securities maintained in client accounts. The Adviser may provide advice to clients regarding the clients' voting of proxies. However, we will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements unless directed so in writing. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

#### **The following is a summary of the Adviser's Proxy Voting Policies and Procedures:**

The Adviser is responsible for voting proxies related to securities that we manage for our clients to whom we have accepted proxy voting responsibility in writing and if we have received the proxy statement in good order prior to the meeting date.

The Adviser has appointed a Proxy Coordinator to review all proxy votes on behalf of the Adviser and New Century Portfolios. The Proxy Coordinator is responsible for determining whether there is a material conflict between a client's interests and our interests.

If the Proxy Coordinator determines there is the appearance of a conflict of interest, she will bring the proxy vote and statement to the Adviser's Investment Committee to resolve such conflict in a matter that is in the collective best interests of our clients. The Investment Committee will then report such resolution to the Adviser's President and VP, Chief Compliance Officer ("CCO"). The President and CCO will then review the Investment Committee's recommendation and may, without limitation, recommend to the Proxy Coordinator to vote in accordance with pre-determined guidelines; obtain consent of a majority of clients in interest before voting; engage an independent third party to determine how we vote; or establishing an ethical wall or other informational barriers.

The Adviser's Proxy Voting Policies and Procedures include guidelines that set forth how the Adviser will generally vote on a number of significant proxy proposals. The decisions may also depend upon the particular facts and circumstances of each proxy vote. The Adviser maintains copies of your proxies and a record of how they were voted so that we may respond to any questions you may have regarding them.

#### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Adviser's financial condition. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. In addition, the Adviser does not require or solicit payment of fees more than six months in advance of services rendered.