

# ABUNDANCE

## WEALTH COUNSELORS

Firm Brochure Dated: April 23, 2018

### Item 1: Cover Page

This brochure provides information about the qualifications and business practices of Abundance Wealth Counselors. If you have any questions about the contents of this brochure, please contact us at 814.861.3810. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Abundance also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Abundance is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training, and you should not choose an investment advisor solely on the basis of its status as a registered investment advisor. Please consider the information provided to you in oral and written communications to determine whether to hire or retain an investment advisor and to evaluate an investment advisor's qualifications and business practices.

## Item 2: Material Changes

There are no material changes.

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## Item 4: Advisory Business

Abundance is a full-service, SEC registered investment advisor, located in State College, PA, and formed in 2001 by Richard DeFluri, who is the principal and owner of the firm.

Abundance provides private wealth management services in a family office setting to its clients on an ongoing basis. The firm manages client wealth in a holistic manner, handling and coordinating all aspects of a client's financial life, and taking into account the tax, estate, and asset protection implications, in addition to other life factors. Abundance not only takes these factors into consideration when managing investments, but also provides advice on risk management, personal cash flow, estate, tax, asset protection, retirement, business planning, and other topics in which we are competent. Abundance will also provide ancillary services to clients and their families in areas such as estate administration, asset distribution, loan & trust administration, and private banking services. Additionally, Abundance will provide advice on, and/or offer to clients, investment opportunities in private investment offerings where appropriate for the client and consistent with the client's goals and objectives.

Abundance also implements and advises on the investments of retirement plans for both organizations and individuals. Abundance can act in a fiduciary or a non-fiduciary capacity when providing services to retirement plans, can manage the investment of the assets on a discretionary or non-discretionary basis, can provide advice on investment choices when not managing the investment, and can provide both participant and plan-level services and advice.

Abundance manages client investments on a discretionary basis. In addition, the firm has power of attorney on client assets under management, allowing for assets to be transferred out of and between accounts. Because Abundance has custody of client assets due to power of attorney, the firm undergoes a surprise custody audit, performed by an outside accounting firm on an annual basis. Clients of Abundance may seek financial planning advice without utilizing Abundance's investment management services.

As of December 31, 2017, Abundance actively managed \$541.9 million of client assets on a discretionary basis, and \$35 million of client assets on a non-discretionary basis.

## Item 5: Fees and Compensation

The annual fee for investment management is charged as a percentage of assets under management, plus where applicable, certain fixed annual fees as described below.

Market Value of Assets	Annual Fee
\$ 0 - \$2,000,000	1.00%
\$ 2,000,001 - \$3,000,000	0.95%
\$ 3,000,001 - \$4,000,000	0.90%
\$ 4,000,001 - \$5,000,000	0.85%
\$ 5,000,001 - \$10,000,000	0.80%
\$10,000,001 - \$15,000,000	0.70%
\$15,000,001 - \$20,000,000	0.60%
\$20,000,001 and above	Negotiable
Abundance Enhanced Fixed Income Strategy	0.40%
100% Fixed Income Portfolios	0.40%

Fees for the management of retirement plans range from .20% to 1.00% of plan assets depending on the services requested and the size of the plan. The above fees do not include platform, attorney, or Third Party Administrator (TPA) fees, but are only related to the services that Abundance provides to the plan.

### Private Real Estate Offerings

Abundance charges a fee equivalent to the client's investment management fee, except it is charged on the total deployed capital amount for the life of the investment, as opposed to the market value of the asset, due to the difficulty in obtaining accurate valuations on this asset class. This fee will apply for private investments that Abundance performs due diligence on, offers to clients, reports on, and administers for the client. Private investment fees will only apply when Abundance or its related persons have no beneficial interest in the investment. The deployed capital amount will factor into determining the investment management fee.

Fixed annual fees are assessed as follows:

Cash/Checking/Money Market Assets	\$50 annual fee, billed annually in advance
ILIT / Loan Administration Services	\$350 annual fee, billed annually in advance

## Item 5: Fees and Compensation

Abundance excludes certain assets when calculating management fees and will identify such assets and inform the client when this situation applies.

Abundance requires a minimum client balance of \$1 Million in assets under management. This requirement may be waived upon review of the client's individual circumstances and relationship to Abundance or its clients. Abundance also maintains the ability to waive or negotiate fees with clients based on a variety of factors.

Fees are deducted at the beginning of each month, or if a client chooses, they will be billed and may pay the invoice using outside funds. The monthly fee is determined by the account balance at the end of the previous month. Fee schedules are reviewed at the end of each calendar year and will be revisited if a client makes a deposit or withdrawal in excess of \$500,000 during the year. The fees billed by Abundance are only for advisory services provided by Abundance, and do not include broker commissions, mutual fund expenses, or other trading and investment related expenses. Those fees are in addition to the investment advisory fee charged by Abundance.

It is important to know that Abundance Risk Management is an affiliated entity which sells insurance products on a commission basis. Clients of Abundance may be referred to Abundance Risk Management for insurance needs, but are not required to purchase insurance from that entity. Abundance Risk Management receives commissions on insurance policies that it writes.

On a rare occasion, Abundance may be asked to provide services related to wealth planning without being employed to manage that client's investments. Additionally, Abundance may provide ancillary advisory services, such as estate consulting work or trustee advisory services, where the nature of the services exceeds the scope of our wealth planning. In either case, Abundance will provide a written proposal of what services will be performed along with a proposed fee or hourly rate and an estimate of the hours required. We will not perform work for a client until approved by the client and directed in writing.

Abundance requires that clients sign a Client Service Agreement which sets forth the nature and terms of the agreement, including the fee that the client will be charged. Abundance does not collect unearned fees in excess of \$1,200 not expected to be earned within 6 months. A Client

Service Agreement may be terminated by either party for any reason upon receipt of 30 days written notice. All fees billed in advance will be refunded on a pro-rata basis.

Clients should be aware that similar advisory services may be available from other investment advisors for similar or lower fees.

## Item 6: Performance Based Fees and Compensation and Side-by-Side Management

Abundance does not charge performance-based fees.

## Item 7: Types of Clients

Abundance primarily advises and manages the investments of individuals and families with significant investible assets. We also work with businesses, their retirement plans, and captive insurance companies, along with estates, trusts, and some charitable organizations.

Abundance requires a minimum investment account value of \$1,000,000 in order to qualify for our investment management services. However, exceptions to this minimum may be made based on the particular circumstances and relationship to that client.

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

Abundance maintains separately managed investment accounts for clients. We manage those accounts to a certain allocation model, with variations based on the size of the particular account and objectives of the account's owner(s). Therefore, there will generally be some variation between accounts. The two main investment strategies that we use are the *Abundance Strategic Allocation Portfolio* (ASAP) and the *Abundance Enhanced Fixed Income Strategy*.

*Abundance Strategic Allocation Portfolio* (ASAP) is a moderate, balanced, global portfolio model consisting of individual equity & fixed income components, mutual funds, and exchange-traded funds (ETFs). The model is allocated between equity, fixed income, cash, and Hedging Strategies. ASAP is generally fully-invested, unless economic and/or market conditions would warrant placing a higher amount of the portfolio into cash. ASAP tends to focus primarily on long-term

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

investments in order to keep trading costs and tax to a minimum, however accounts and positions are rebalanced periodically to maintain the proper allocations. From time to time, we will make tactical trades within portfolios or change the allocation to match our market outlook. These relatively short-term trades could be utilized to take advantage of trends or opportunities that we see or could be utilized to capitalize on a significant price swing.

Within ASAP, there are three separate account types. The specialty account model, which consists of accounts below \$100,000, the fund model, which consists of accounts between \$100,000 and \$500,000, and the managed account model, for accounts \$500,000 and greater. The specialty account model focuses on creating efficiency in trading and balancing smaller specialty accounts by utilizing mutual funds to create an allocation and provide performance similar to that of larger ASAP accounts. ETFs are not used in this model due to the inability to purchase fractional shares, which would result in large variations from the ASAP model. The fund model utilizes mutual funds and ETFs to create an allocation and provide performance similar to that of larger ASAP accounts. Individual securities are not used in these accounts due to inefficiencies created due to higher trading costs, market liquidity in the bond market, and the ability to meet the proper bond allocation. The managed account model mirrors most closely the ASAP model. Because of the size of ASAP accounts, we are able to purchase individual securities, along with mutual funds, and ETFs to match the proper allocation while achieving optimal cost efficiencies.

The Abundance Enhanced Fixed Income Strategy is a modified fixed income strategy, which utilizes short duration fixed income securities and the hedging strategies utilized within ASAP. The fixed income portion of this strategy consists of individual bond ladders extending out three years and constitutes approximately 50% of the account. The other 50% of the account is allocated towards funds utilized in our hedging strategies. The bonds in an Enhanced Fixed Income portfolio are generally held to maturity, while the funds making up the hedging strategies will periodically be rebalanced to the original weights. The purpose of this model is to act as a cash alternative while still providing market exposure. This strategy has a short to intermediate investment horizon.

The components and allocations of our investment strategies are determined using fundamental analysis, technical analysis, fund analysis, and cyclical analysis. Our chosen asset allocation at a given time is meant to balance and reduce the risk of any one security, market,



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

industry, or geographical area, while increasing money in the areas that we feel will outperform the overall markets. Fundamental analysis relies on evaluating the value of the security by looking at economic and financial factors, and looks to see whether the market has underpriced or overpriced the security. Fundamental analysis fails to analyze market movements and technical measures, but looks to the value of the security itself. Technical analysis uses past market movements and charting to predict the future direction of a security and the overall market based on patterns, support, and resistance, among other factors. Technical analysis also analyzes the cyclical nature of markets and certain securities as they rise and fall against the overall market. Technical analysis attempts to predict price movements based on investor psychology, but does not account for market & security fundamentals, or underlying financial conditions. Fund analysis looks to the track record and experience of a fund's management, along with the underlying investments in a fund or ETF. This type of analysis is helpful but does not provide Abundance with control over the underlying investments. Fund analysis also cannot predict future success for a fund based on historical performance and is heavily dependent on continuity of management.

No investment is free of risks. Our methods of analysis rely on accurate information on which we base our opinions and advice. Inaccuracies in underlying information will skew our opinions. Current and prospective Abundance clients are cautioned that investments in securities involve risk of loss, including the possibility of a complete loss of the amount invested. All investors should be prepared to bear these risks. One of Abundance's top priorities is to make sure clients understand the potential investment risks and rewards. Past performance is not an indicator of future results and while history can be used to evaluate potential future results, there is no guarantee that those predictions will wind up being accurate.

## Item 9: Disciplinary Information

Abundance is required to disclose all legal and disciplinary events that are material to a client's or prospective client's evaluation of Abundance or the integrity of its management.

Neither Abundance nor its management personnel have any reportable disciplinary events to disclose.

## Item 10: Other Financial Industry Activities and Affiliations

Related persons of Abundance are actively engaged in both affiliated and non-affiliated outside business activities.

### Registered Representative of Broker-Dealer

Geoffrey Caber is separately licensed as a registered representative of Purshe Kaplan Sterling Investments (PKS), an unaffiliated FINRA registered broker-dealer. Certain registered representatives receive commissions from PKS on securities purchased through PKS. While Abundance seeks to always act in the best interest of the client and minimize potential conflicts, this presents a conflict of interest that clients should be aware of because those representatives have the incentive to purchase client securities through PKS.

### Insurance

Abundance Risk Management (*Risk*) was formed by Richard DeFluri as an insurance agency to receive and distribute revenues from the sale of life, long-term disability, and long-term care insurance products by representatives of *Risk*, who may also be employees of Abundance. Richard DeFluri is the sole manager and member of *Risk* and will profit from revenues received by *Risk*. Abundance will source and recommend insurance policies through *Risk*, for which *Risk* will receive industry customary commissions. Clients are not required to purchase insurance through *Risk* and may look for similar policies through other insurance brokers or carriers. *Risk* utilizes outside insurance brokers to search the market and source appropriate policies. These brokers are selected based on the quality of services provided and the cost of those services. Abundance seeks to recommend the policy that is the best selection for each given client. Clients should be aware that this presents a conflict of interest, as some policies may carry higher commissions than others. As a result of this conflict, insurance assets on which Abundance is compensated from a third-party will be excluded from the calculation of advisory fees. Abundance makes every effort to minimize those risks and act in the best interest of the clients at all times.

When appropriate, Abundance may recommend certain financial products and investment opportunities to clients that may financially benefit other clients. When offering an investment opportunity or product under this scenario, Abundance will disclose its relationship with the

## Item 10: Other Financial Industry Activities and Affiliations

offeror of the product or investment opportunity to the client considering the investment or purchase, in order to mitigate any conflicts of interest that exist or may arise.

Richard F. DeFluri, Ltd. (*Limited*) is an insurance agency formed and owned by Richard DeFluri. *Limited* sourced insurance policies for clients through outside insurance companies and brokers. *Limited* is no longer in use for writing new policies, but exists to collect trailing commissions on insurance policies written before the creation of *Risk*.

Geoffrey Caber is an individual licensed insurance agent with PKS Financial Services, Inc. (PKSF), a licensed insurance agency. His relationship is non-exclusive with PKSF, which means he is free to write insurance business away from PKSF.

### Attorney

John Schaffer, as an active member of the Pennsylvania Bar, practices law independent of Abundance. Those activities are separate from Abundance. Clients may be referred by Abundance to John Schaffer for certain legal services. John Schaffer may also refer business out to attorneys not associated with Abundance. In exchange for those referrals, outside lawyers or their firms may offer referral fees as a percentage of the total fee. This fee is customary in the legal profession and cannot inflate the amount charged to the client. Referral fees must also be disclosed to the client. This presents a conflict of interest, as John Schaffer may personally benefit from business referred to him by Abundance or by business that he refers to attorneys independent from Abundance. Not all attorneys pay referral fees, which could provide an incentive to refer business only to those attorneys which pay referral fees to the referring attorney, as opposed to the best attorney for each given case. As a fiduciary, Abundance and its related persons have a duty to act in the best interest of each client. Therefore, any legal referrals made by Abundance or John Schaffer will be based on the qualifications of the attorney and the unique client situation, not on the amount, if any, of the referral fee.

### Private Investment Opportunities

Abundance or related persons may be managing members of limited liability companies (LLCs) and/or general partners of Limited Partnerships (LPs) formed to operate a business, in which clients may be solicited to invest. Clients will be advised of any such relationship in which

## Item 10: Other Financial Industry Activities and Affiliations

Abundance or one of its related persons may benefit financially by client investment into such partnerships. Client assets invested in such partnerships will be excluded from assets under management calculations for the purposes of determining advisory fees to avoid double dipping. Abundance and its advisors may recommend private investment opportunities to clients, where appropriate. Clients are under no obligation to purchase any LP interests. Investment in private investment opportunities is at the complete discretion of the client, who must subscribe to such offerings.

Abundance Equity Partners (*Equity*), a wholly owned subsidiary of *Risk*, was formed to source private investment opportunities for clients, and/or act as a general partner or managing member of private investment partnerships. Investment opportunities may be associated with Abundance and its related persons, or independent of Abundance and its related persons.

Abundance may act as a service agent or investment advisor to limited partnerships and will assist clients in investing in such partnerships and will report on information provided by such partnerships when available. Conflicts of interest will be disclosed to clients prior to offering such investment opportunities as part of Abundance's advisory business.

Clients interested in investing in private offerings recommended or presented by Abundance should refer to investment's private placement memorandum for more information specific to the offering.

Clients who subscribe to private offerings through Abundance or which are related entities will have those interests reflected on their Abundance statements. Additionally, clients may wish to post certain private investments sourced from outside of Abundance on their Abundance statements. Abundance is not responsible for providing valuations on these assets. Therefore, the valuation may be reflected at cost basis, or updated when valuations are provided to Abundance by the client, general partner, or sponsor of the offering.

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

As a fiduciary, Abundance and its related persons have an ethical and legal obligation to act in the best interest of the client. Abundance has adopted and maintains a written code of ethics that set forth a high ethical standards of integrity, loyalty, and fairness in which Abundance and its employees must abide by. Employees of Abundance are required to abide by the code of ethics not only based on the letter, but on the spirit of its intent. The code of ethics requires Abundance and its employees to abide by all applicable federal securities laws.

Abundance's code of ethics covers the topics of confidentiality, personal securities transactions, and insider trading. The code of ethics is designed to protect client information, prevent the interests of Abundance employees from interfering with making or implementing decisions in the best interest of our clients, while still allowing employees to participate in capital, derivatives, and debt markets, and to prevent employees from acting on material, non-public information when trading their own or client accounts.

In order to minimize conflicts of interest, Abundance requires pre clearance approval for employees purchasing private securities or IPOs. Abundance utilizes block trading, blackout periods, and requires pre clearance when trading securities on the recommended list.

Annually, the code of ethics is reviewed and acknowledged in writing by each employee that he or she will abide by its terms. Access persons must complete an annual questionnaire on outside business interests and activities, and must submit their annual securities holdings to the Chief Compliance Officer. Throughout the year, all access persons must have duplicate brokerage statements sent directly to Abundance.

A copy of our code of ethics is available to clients and prospective clients upon request.

In very limited circumstances, Abundance allows for related persons to have an interest in client transactions. Abundance may engage in principal trades only when they are in the best interest of the client. These principal trades will be disclosed to the clients in writing in advance, be approved by the client, and a report will be provided to the client after the trade is executed.

Abundance may offer private securities or limited partnership investments where Abundance or related persons have a financial interest. These conflicts will be disclosed to clients that invest.

## Item 12: Brokerage Practices

Unless otherwise directed by the client, Abundance maintains discretionary authority over brokerage selection and commissions paid. Abundance custodies client assets with a broker-dealer and selects that broker based on what it perceives as the best overall value for the client along with the broker's compatibility with our business model. The determination is not made on one factor, such as cost, but on a combination of criteria. Abundance looks to the best qualitative execution, which factors in cost, brokerage services, reputation, value of research provided, customer service, execution capability, commission rates, and the ability for Abundance to hold power of attorney over client assets, among other criteria. As a result of our due diligence, we have chosen to execute trades through National Financial Services, LLC and Fidelity Brokerage Services, LLC, collectively referred to as "Fidelity".

Clients may direct brokerage to the broker of their choosing, along with any restrictions or limitations on Abundance's discretion in writing. Any future amendments must also be provided by the client to Abundance in writing. In the rare event that a client directs brokerage to a broker other than that generally used by Abundance, Abundance will not be able to negotiate commission rates, obtain volume discounts, obtain best execution, or aggregate trades. Clients who choose to direct brokerage may see a disparity in commission charges and execution from those clients who do not direct brokerage.

Abundance utilizes block trades wherever possible to the advantage of clients. Block trading allows us to trade multiple client accounts in one transaction, with trading costs shared on a pro-rated basis between the accounts aggregated in the block. Block trades allow for faster trade execution and average pricing to clients. Abundance will seek to improve pricing when dealing with block trades in certain securities. Abundance will not block trades for client accounts in which the client has restricted us from this practice or in the case where a client has directed brokerage to a broker other than Fidelity. In these cases, accounts will be traded after our managed accounts at Fidelity.

Abundance does not enter into soft-dollar arrangements and does not receive any benefits from Fidelity which are based on client account activity. As the custodian of client accounts, Fidelity does provide Abundance with certain benefits which are not based on client security transactions and generally benefit all clients, regardless of account size, and allow us to provide better service to clients.

## Item 12: Brokerage Practices

Fidelity provides Abundance access to institutional platform services, which is not available to retail investors and includes brokerage, custody, and other related services. These services assist us in managing and administering client accounts, and include software and other technology that provides access to client account data, facilitates trade execution and allocate aggregated trade orders for multiple client accounts, provides research, pricing and other market data, facilitates payment of fees from client accounts, and assists with back-office functions, record-keeping and client reporting.

Fidelity also offers Abundance business support services, such as complimentary or reduced-rate access to specialty software, research, publications, educational conferences and seminars, practice management resources, consultants, and third-party service providers with which Abundance may contract directly with, sometimes at preferred rates. Fidelity does not charge clients a custody fee, but does make money on commissions and other transaction-related or asset-based fees from client trades executed through Fidelity or settled into Fidelity accounts. Fidelity provides access to certain no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges along with low-cost ETFs which are not always available to retail accounts.

The services offered by Fidelity at no additional cost provide incentive to continue to use and expand the use of Fidelity's services. Abundance has examined this potential conflict of interest and has determined that it is in the best interest to maintain our brokerage and custody relationship with Fidelity. We will continue to monitor the services provided by Fidelity compared to what is available on the market periodically to make sure that a continued relationship with Fidelity continues to be in the best interest of Abundance clients. Should Abundance determine that we are no longer receiving what we believe to be best execution, based on our qualitative factors, for client accounts, we will transition client accounts to the custodian/broker that we feel provides best execution.

Abundance is independently owned and operated, and has no affiliation with Fidelity.

Abundance also has a custodial relationship with Mission Management & Trust Co. for its captive insurance clients, however, trades are executed through Fidelity.

## Item 13: Review of Accounts

Abundance reviews client accounts on an ongoing basis in accordance with the client's objectives and under any guidelines imposed, continually monitoring the underlying investments in those accounts. More frequent reviews may be triggered by changes in the client's individual circumstances, goals, or investment objectives, in addition to changes in the market, the overall economic outlook, or the political landscape, among other significant changes.

Regular reviews of accounts are performed by the Investment Department under the direction of the Chief Investment Officer. The Investment Committee may decide to trigger additional reviews of clients accounts based on changing economic conditions, or an advisor may trigger additional reviews of specific client accounts based on changing factors unique to the individual client.

Abundance provides to its clients, annual account statements and quarterly performance reports, in addition to the at least quarterly statements and trade confirmations provided by the custodian.

Abundance advisors meet with clients through a number of means, as frequently as necessary, based on the complexity of each client's situation and needs.

## Item 14: Client Referrals and Other Compensation

While Abundance attracts clients primarily through existing client referrals, we do not reward clients for those introductions through discounted fees, or other special benefits.

Abundance may have certain referral arrangements in place with third parties that refer clients to us. In such cases, the referring party will enter into a written agreement with Abundance, and the referral arrangement will be disclosed to the client. In all cases, the referring party will provide a prospective client with this Firm Brochure and a disclosure of the arrangement. In no case will fees be increased for the client due to referral agreements.

Abundance, its officers, and representatives may receive incentive income in the form of commissions from third-party firms. In addition to monetary compensation, trips and prizes may be awarded to Abundance and its representatives as a result of business written with these outside firms. Compensation earned by Abundance in relation to client assets in addition to the



investment management fee charged on those assets creates an inherent conflict of interest. Abundance does not accept income from third party firms where such payments are not customary in the industry. If there is any question as to whether the income is not customary in the industry, it will be reviewed by Compliance personnel to make sure that decisions are being made in the best interest of the clients. Additionally, incentives such as prizes and trips will be reviewed by Compliance personnel prior to acceptance, to make sure that the prizes are not awarded in order to encourage future business. Abundance, at all times, seeks to minimize any conflicts of interest and act in the best interest of the client.

## Item 15: Custody

Abundance is deemed to have custody of client funds, due to our power of attorney and the ability to withdraw advisory fees. We never maintain physical custody of any of our client assets, but will assist you in transferring them to our custodians. Abundance maintains client funds with qualified custodians, or in the case of private investment opportunities, on the books of those partnerships. Abundance, having power of attorney, can transfer funds between accounts, make trades within accounts, or disburse funds out of accounts without written permission of the account owner.

While not a service that Abundance generally offers, advisors may act as trustee, trust protector, or in other decision making roles on client trusts in very limited situations. This gives Abundance custody over those assets. Trust assets that are held at Abundance will be included in our annual custody audit.

Due to Abundance having custody of client accounts, we are required to undergo a surprise custody audit, performed by a third party accounting firm, on an annual basis. This audit takes a sample of client accounts and verifies with the chosen clients, or by auditing the accounts, that the statements that we provide to clients match those of the custodians.

For accounts in which Abundance directly deducts advisor fees, the amounts will be reflected on the statements from the custodian. The amount of the fee for the current month is calculated by Abundance, based on the closing balance of the prior month, and billed in advance. Clients are encouraged to verify that the amount deducted in fees each month is accurate. If a discrepancy is noticed, we request that you notify Abundance immediately.

The custodian will provide account statements directly to the account owner, our client, at least quarterly. Additionally, the custodian will provide the account owner with trade confirmations. Clients are encouraged to compare the performance reports and statements provided by Abundance to the statements provided by the custodian. Clients should contact Abundance if they believe that there are any errors with regard to an account.

Abundance does not have custody but does have discretionary trading authority over captive insurance client accounts custodied with Mission Management & Trust Co.

## Item 16: Investment Discretion

Clients must sign a Client Service Agreement when establishing an advisory relationship with Abundance. The agreement grants Abundance power of attorney over the assets placed under the management of the firm. Abundance has full investment discretion over the assets under management and maintains the ability to transfer funds between and out of accounts. Because Abundance has discretion over client assets under management, the firm can trade those assets without first requesting permission to do so from the client.

Abundance seeks to keep trading costs to a minimum, so we make trades when necessary to make adjustments to the holdings when our strategy shifts, harvest tax losses, or rebalance accounts to maintain the proper asset allocation. The firm will also trade accounts when the client adds funds, requires or requests a distribution, or requests that certain securities are purchased or sold.

Clients may add reasonable restrictions on their respective accounts through written instructions with regard to purchasing specific securities, restricting the sale of specific securities, requesting a certain amount be kept in cash or cash equivalents, establishing accounts to be maintained entirely in cash, or establishing individually directed accounts for personal trading over which Abundance does not have discretion.

Abundance does not exercise its investment discretion for clients wishing to invest in private offerings, but will assist the client in making that investment once the client subscribes to that particular offering.

## Item 17: Voting Client Securities

Abundance votes proxies for all client accounts. However, clients may exercise their ability to vote their own proxies, through written instruction to Abundance.

Unless a client restricts the firm's ability to vote proxies, Abundance will utilize third party research and proxy voting services to make sure that client proxies are voted and in the best interest of the shareholders. Abundance will maintain records of all proxies voted, and any client instructions received for the required period of time.

Retirement Plans in which Abundance serves as a co-fiduciary will have its proxies voted by third party service providers employed by Abundance, unless otherwise reserved by the plan sponsor in the Plan Documents.

Abundance utilizes a third party service to represent clients who own securities involved in class action lawsuits. Clients may request in writing to opt out of this service as a whole if they wish to file their own claims. Clients may not opt out on a case by case basis unless they are engaged as a lead plaintiff. While there are no up front charges for this service, the service provider will collect a contingency fee of 20% of the total reimbursement of asset settlements it collects for clients.

A complete copy of Abundance's proxy voting policy along is available upon request. Additionally, clients may request information on how the shares in their respective accounts were voted. This information may be obtained by contacting Abundance's Chief Investment Officer, Geoff Caber, at [gcaber@abundancellc.com](mailto:gcaber@abundancellc.com) or 1.800.253.3760.

## Item 18: Financial Information

Abundance is not affected by any financial condition that would reasonably limit or impair its ability to meet its fiduciary and contractual commitment to clients. Abundance has not been the subject of a bankruptcy petition at any time.