

## **Bluestone Wealth Management LLC**

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: March 1, 2018**

This Form ADV Part 2A ("Disclosure Brochure") provides information about the qualifications and business practices of Bluestone Wealth Management LLC ("Bluestone" or the "Advisor"). If you have any questions about the contents of this Disclosure Brochure, please contact us at (603) 499-4737.

Bluestone is a registered investment advisor with the U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Bluestone to assist you in determining whether to retain Bluestone.

Additional information about Bluestone and its Advisory Persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 137959.

**Bluestone Wealth Management LLC**  
**67 Winter Street**  
**Keene, NH 03431**  
**Phone: (603) 499-4737**  
[bluestonenh.com](http://bluestonenh.com)

## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to our business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Bluestone. For convenience, we have combined these documents into a single disclosure document.

Bluestone believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide our Clients with complete and accurate information at all times. Bluestone encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. We always welcome your feedback.

### Material Changes

There have been no material changes to this Disclosure Brochure since the last filing and distribution to Clients.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 137959. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (603) 499-4737.

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

Bluestone Wealth Management LLC (“Bluestone” or the “Advisor”) is a registered investment advisor with the SEC. Bluestone is organized as a Limited Liability Company (LLC) under the laws of the State of New Hampshire. Bluestone was founded in 2005, and is owned and operated by Elizabeth Catlin, CFP® (Principal and Chief Compliance Officer) and Christine Clinton-Catlin, CFP®, CFA® (Principal). This Disclosure Brochure provides information regarding the qualifications, business practices, and advisory services provided by Bluestone.

The Advisor serves as a fiduciary to Clients, as defined under applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

### **B. Advisory Services Offered**

Bluestone offers wealth management services to individuals, high net worth individuals, trusts and charitable organizations in the State of New Hampshire and other states (each referred to as a “Client”).

#### Wealth Management Services

Bluestone provides customized wealth management services for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. Bluestone works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. Bluestone then constructs a portfolio consisting of mutual funds, including those offered by Dimensional Fund Advisors (“DFA”) which follow a passive asset class investment philosophy with low holdings turnover. The DFA fund fees are generally lower than fees and expenses charged by other fund providers. Bluestone is under no obligation to recommend DFA funds to Clients and do so only when it is believed to be in the Client’s best interest. Bluestone may also utilize other diversified mutual funds, exchange-traded funds and individual stocks and bonds to meet the needs of its Clients. Bluestone may also retain certain types of investments based on a Client’s legacy portfolio construction.

Bluestone’s investment strategy is primarily long-term focused, but Bluestone may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. Bluestone will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by Bluestone.

Bluestone evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Bluestone may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Bluestone may recommend specific positions to increase asset class weightings. Bluestone may recommend employing cash positions as a possible hedge against market movement. Bluestone may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

At no time will Bluestone accept or maintain custody of a Client’s funds or securities. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the wealth management agreement. Please see Item 15 – Custody and Item 12 – Brokerage Practices.

### C. Client Account Management

Prior to engaging Bluestone to provide wealth management services, each Client is required to enter into a wealth management agreement with Bluestone that defines the terms, conditions, authority and responsibilities of Bluestone and the Client. These services may include:

- Establishing an Investment Strategy – Bluestone, in connection with the Client, will develop an investment strategy that seeks to achieve the Client's investment goals and objectives based on the Client's financial situation, time horizon and tolerance for risk.
- Asset Allocation – Bluestone will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance of risk for each Client.
- Portfolio Construction – Bluestone will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Wealth Management and Supervision – Bluestone will provide wealth management and ongoing oversight of the Client's investment portfolio.

### D. Wrap Fee Programs

Bluestone does not manage or place Client assets into a wrap fee program. Wealth management services are provided directly by Bluestone.

### E. Assets Under Management

As of December 31, 2017, Bluestone manages \$187,259,637 of Client assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting Bluestone.

## Item 5 – Fees and Compensation

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The following paragraphs detail the fee structure and compensation methodology for services provided by Bluestone. Each Client engaging Bluestone for services described herein shall be required to enter into a written agreement with Bluestone.

### A. Fees for Advisory Services

#### Wealth Management Services

Wealth management fees are paid quarterly, in advance, pursuant to the terms of the wealth management agreement. Wealth management fees are based on the market value of assets under management at the end of the prior calendar quarter. Wealth management fees charged by Bluestone range up to 1.00% annually based on several factors, including: the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with Bluestone. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

The wealth management fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the discretion of Bluestone. The Client's fees will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by Bluestone will be independently valued by the designated Custodian. Bluestone will not have the authority or responsibility to value portfolio securities.

Bluestone's fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the Client. However, Bluestone shall not receive any portion of these commissions, fees, and costs.

### B. Fee Billing

#### Wealth Management Services

Wealth management fees are calculated by Bluestone and deducted from the Client's account[s] at the Custodian. Bluestone shall upload the fees calculated to the Custodian's platform indicating the amount of the fees to be

deducted from the Client's account[s] at the beginning of the respective quarter-end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with Bluestone at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the wealth management fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting Bluestone to be paid directly from their account[s] held by the Custodian as part of the wealth management agreement and separate account forms provided by the Custodian.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than Bluestone, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian. The fees charged by Bluestone are separate and distinct from these custody and execution fees.

In addition, all fees paid to Bluestone for wealth management services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in certain products directly, without the services of Bluestone, but would not receive the services provided by Bluestone which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Bluestone to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

### **D. Advance Payment of Fees and Termination**

#### Wealth Management Services

Bluestone is compensated for its services in advance of the quarter in which wealth management services are rendered. Either party may terminate the wealth management agreement, at any time, by providing advance written notice to the other party. Bluestone will refund any unearned, prepaid wealth management fees from the effective date of termination to the end of the quarter. The Client's wealth management agreement with Bluestone is non-transferable without the Client's prior consent.

### **E. Compensation for Sales of Securities**

Bluestone does not buy or sell securities and does not receive any compensation for securities transactions in any Client account, other than the wealth management fees noted above.

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

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Bluestone does not charge performance-based fees for its wealth management services. The fees charged by Bluestone are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

Bluestone does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

## **Item 7 – Types of Clients**

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Bluestone offers wealth management services to individuals, high net worth individuals, trusts and charitable organizations. The amount of each type of Client is available on the Advisor's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. Bluestone generally requires a minimum account size for establishing a relationship of \$1,000,000 to effectively implement its investment process, which may be reduced at the sole discretion of the Advisor.

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

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### **A. Methods of Analysis**

Together with each of its clients, Bluestone determines and manages a strategic asset allocation. The five asset classes we focus on are U.S. stocks (across style classes), international stocks, investment-grade bonds, real estate investment trusts (REITs) and cash.

Bluestone's core implementation strategy uses an index approach across investable asset classes to reduce specific company risk and help smooth market cycles. Using an index strategy allows Bluestone and the client to focus on (1) defining and incorporating an appropriate amount of market risk within the client's portfolio; (2) capturing as much market return as possible given the client's risk tolerance; and (3) maintaining a disciplined investment strategy that avoids inappropriate reactions to volatile markets. Our core strategy gives clients the opportunity to realize higher risk-adjusted rates of return with maximum tax efficiency.

A new client's existing portfolio of individual securities, including any concentrated stock positions, can be managed outside the core strategy. Additionally, upon request, Bluestone can create and manage a satellite portfolio of individual stocks for a client.

As noted above, Bluestone generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. Bluestone will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Bluestone may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security or asset class.

### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Bluestone will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help Bluestone in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. Bluestone monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on Bluestone's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. Bluestone shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform Bluestone of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. Bluestone will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with Bluestone's strategy:

#### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.



### Mutual Fund Risks

The performance of mutual funds are subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

### Real Estate Investment Trusts ("REITs")

Investing in Real Estate Investment Trusts ("REITs") involves certain distinct risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of credit extended. REITs are subject to heavy cash flow dependency, default by borrowers and self-liquidation. REITs, especially mortgage REITs, are also subject to interest rate risk (i.e., as interest rates rise, the value of the REIT may decline).

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with Bluestone.**

## **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving Bluestone or any of its Supervised Persons.** Bluestone values the trust you place in us and we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 137959.

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

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The sole business of Bluestone is to provide investment advisory services to its Clients. Neither Bluestone nor its Advisory Personnel are involved in other business endeavors. Bluestone does not maintain any affiliations with other firms, other than contracted service providers to assist with the servicing of its Client's accounts.

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

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

Bluestone has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated with Bluestone (our "Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Bluestone and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Bluestone's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code, please contact us at (603) 499-4737.

### **B. Personal Trading with Material Interest**

Bluestone allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Bluestone does not act as principal in any transactions. In addition, Bluestone does not act as the general partner of a fund, or advise an investment company. Bluestone does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

Bluestone allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities, we recommend (purchase or sell) to you presents a conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted the Code to address insider trading (material non-public



information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Bluestone requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO"). We have also adopted written policies and procedures to detect the misuse of material, non-public information.

#### **D. Personal Trading at Same Time as Client**

While Bluestone allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will Bluestone, or any Supervised Person of Bluestone, transact in any security to the detriment of any Client.**

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

Bluestone does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will select the broker-dealer or custodian (herein the "Custodian") to safeguard Client assets and authorize Bluestone to direct trades to this Custodian as agreed in the wealth management agreement. Further, Bluestone does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where Bluestone does not exercise discretion over the selection of the Custodian, Bluestone may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a custodian not recommended by Bluestone. Bluestone may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and/or location of the Custodian's offices. Bluestone typically recommends that Clients establish their account[s] at Fidelity Clearing & Custody Solutions and affiliates under Fidelity Investments, Inc. (collective "Fidelity"), a FINRA-registered broker-dealer and member SIPC. Fidelity will serve as the Client's "qualified custodian". Bluestone maintains an institutional relationship with Fidelity, whereby Bluestone receives economic benefits from Fidelity (Please see Item 14 below.).

Following are additional details regarding the brokerage practices of Bluestone:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. **Bluestone does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, Bluestone receives certain economic benefits from Fidelity. Please see Item 14.**

**2. Brokerage Referrals** - Bluestone does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where Bluestone will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. Bluestone will not engage in any principal transactions (i.e., trade of any security from or to Bluestone's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). Bluestone will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

## **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Bluestone will execute its transactions through the Custodian as directed by the Client. Bluestone may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian (Fidelity) for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Elizabeth Catlin, Chief Compliance Officer of Bluestone. Formal reviews with the Client are generally conducted at least annually or more or less frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed with the client at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Bluestone if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. Bluestone may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by Bluestone**

#### Participation in Institutional Advisor Platform

As mentioned in Item 12A above, Bluestone has established an institutional relationship with Fidelity ("Custodian") to assist Bluestone in managing Client account[s]. Access to the Custodian's platform is provided at no charge to Bluestone. Bluestone receives access to software and related support without cost because Bluestone renders wealth management services to Clients that maintain assets at Fidelity. The software and related systems support may benefit Bluestone, but not its Clients directly. In fulfilling its duties to its Clients, Bluestone endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a potential conflict of interest since these benefits may influence Bluestone's recommendation of this Custodian over one that does not furnish similar software, systems support, or services.

Additionally, Bluestone may receive the following benefits from Fidelity: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

## **B. Client Referrals from Solicitors**

Bluestone does not engage paid solicitors for Client referrals.

### **Item 15 – Custody**

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In certain instances, Advisory Persons of Bluestone act as trustee for certain Client accounts of Bluestone. In their role as trustee, Advisory Persons of Bluestone may have the authority and ability to transfer assets or securities. As Bluestone is deemed to have custody over certain Clients' cash, bank accounts or securities as part of its advisory services, pursuant to securities regulations, Bluestone is required to engage an independent accounting firm to perform an annual surprise examination of those assets and accounts over which Bluestone maintains custody. Any related opinions issued by an independent accounting firm are filed with the SEC and are publicly available on the SEC's Investment Adviser Public Disclosure website (<http://adviserinfo.sec.gov>). Clients are encouraged to review the statements received by both Bluestone as well as the statements from the trusts and estates banks and custodians.

Additionally, if the Client gives the Advisor authority to move money from one account to another account, the Advisor may have custody of those assets. In order to avoid additional regulatory requirements in these cases, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

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

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Bluestone generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Bluestone. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Bluestone will be in accordance with each Client's investment objectives and goals.

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

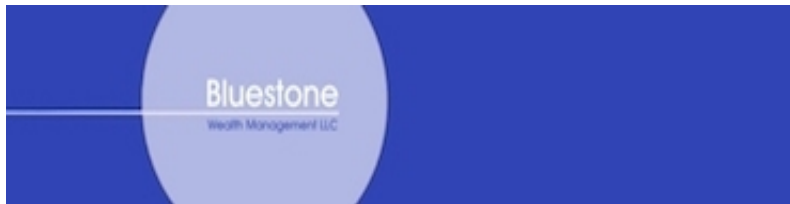
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Bluestone does not accept proxy-voting responsibility for any Client. Bluestone will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting. Clients that do not wish to receive proxies from the Custodian may request that the Custodian direct proxies to our attention. However, making this selection does not result in Bluestone assuming proxy-voting responsibility.

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

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Neither Bluestone, nor its management, have any adverse financial situations that would reasonably impair the ability of Bluestone to meet all obligations to its Clients. Neither Bluestone, nor any of its Advisory Persons, has been subject to a bankruptcy or financial compromise. Bluestone is not required to deliver a balance sheet along with this Disclosure Brochure as Bluestone does not collect fees of \$1,200 or more for services to be performed six months or more in advance.



## **Form ADV Part 2B – Brochure Supplement**

**for**

**Elizabeth J. Catlin, CFP®**  
**Principal and Chief Compliance Officer**

**Effective: March 1, 2018**

This Form ADV 2B ("Brochure Supplement") provides information about the background and qualifications of Elizabeth J. Catlin, CFP® (CRD# 5055860) in addition to the information contained in the Bluestone Wealth Management LLC ("Bluestone" or the "Advisor", CRD# 137959) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Bluestone Disclosure Brochure or this Brochure Supplement, please contact us at (603) 499-4737.

Additional information about Ms. Catlin is available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her full name or her Individual CRD# 5055860.

## Item 2 – Educational Background and Business Experience

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Elizabeth J. Catlin, CFP®, born in 1967, is dedicated to advising Clients of Bluestone as a Principal. Ms. Catlin earned a JD from the Duke Law School in 1994. Ms. Catlin also earned a BS in Psychology from the Harvard University in 1989. Additional information regarding Ms. Catlin's employment history is included below.

### Employment History:

Principal & Chief Compliance Officer, Bluestone Wealth Management, LLC	10/2005 to Present
Staff Attorney, US Court of Appeals	09/1999 to 06/2005

### Certified Financial Planner ("CFP®")

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP® (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP® Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- *Education* – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP® Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP® Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- *Examination* – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- *Experience* – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- *Ethics* – Agree to be bound by CFP® Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- *Continuing Education* – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- *Ethics* – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### Item 3 – Disciplinary Information

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***There are no legal, civil or disciplinary events to disclose regarding Ms. Catlin.*** Ms. Catlin has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Ms. Catlin.

Securities laws require an advisor to disclose any instances where Bluestone or its Advisory Persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Ms. Catlin.***

However, we do encourage you to independently view the background of Ms. Catlin on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her full name or her Individual CRD# 5055860.

### Item 4 – Other Business Activities

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Ms. Catlin is dedicated to the investment advisory activities of Bluestone's Clients. Ms. Catlin does not have any other business activities.

### Item 5 – Additional Compensation

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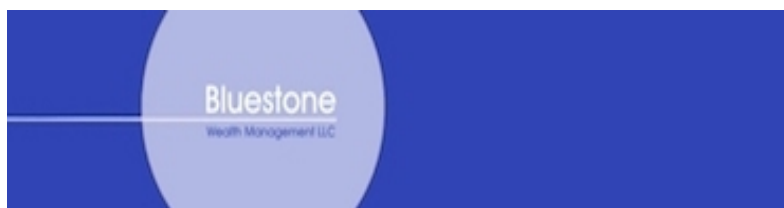
Ms. Catlin is dedicated to the investment advisory activities of Bluestone's Clients. Ms. Catlin does not receive any additional forms of compensation.

### Item 6 – Supervision

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Ms. Catlin serves as a Principal and Chief Compliance Officer of Bluestone. Ms. Catlin can be reached at (603) 499-4737.

Bluestone has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of Bluestone. Further, Bluestone is subject to regulatory oversight by various agencies. These agencies require registration by Bluestone and its Supervised Persons. As a registered entity, Bluestone is subject to examinations by regulators, which may be announced or unannounced. Bluestone is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of Bluestone.



## **Form ADV Part 2B – Brochure Supplement**

**for**

**Christine N. Clinton-Catlin, CFA<sup>®</sup>, CPA  
(Christine Clinton)  
Principal**

**Effective: March 1, 2018**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of Christine N. Clinton-Catlin, CFA<sup>®</sup>, CPA (CRD# 5055870) in addition to the information contained in the Bluestone Wealth Management LLC (“Bluestone” or the “Advisor”, CRD# 137959) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Bluestone Disclosure Brochure or this Brochure Supplement, please contact us at (603) 499-4737.

Additional information about Ms. Clinton-Catlin is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her full name or her Individual CRD# 5055870.

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**Bluestone Wealth Management LLC**  
67 Winter Street, Keene, NH 03431  
Phone: (603) 499-4737  
[bluestonenh.com](http://bluestonenh.com)



## Item 2 – Educational Background and Business Experience

Christine N. Clinton-Catlin, CFA®, CPA, born in 1967, is dedicated to advising Clients of Bluestone as a Principal. Ms. Clinton-Catlin earned a Masters in Accounting from the University of Massachusetts, Amherst in 1995. Ms. Clinton-Catlin also earned a Bachelor of Arts in Economics from the Mount Holyoke College in 1990. Additional information regarding Ms. Clinton-Catlin's employment history is included below.

### Employment History:

Principal, Bluestone Wealth Management LLC	10/2005 to Present
Controller, Phylos, Inc.	02/2001 to 07/2003

### Chartered Financial Analyst® (“CFA®”)

The Chartered Financial Analyst (“CFA”) charter is a professional designation established in 1962 and awarded by CFA Institute. To earn the CFA charter, candidates must pass three sequential, six-hour examinations over two to four years. The three levels of the CFA Program test a wide range of investment topics, including ethical and professional standards, fixed-income analysis, alternative and derivative investments, and portfolio management and wealth planning. In addition, CFA charterholders must have at least four years of acceptable professional experience in the investment decision-making process and must commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. Chartered Financial Analyst and CFA are trademarks owned by CFA Institute.

### Certified Public Accountant (“CPA”)

CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

## Item 3 – Disciplinary Information

***There are no legal, civil or disciplinary events to disclose regarding Ms. Clinton-Catlin.*** Ms. Clinton-Catlin has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Ms. Clinton-Catlin.

Securities laws require an advisor to disclose any instances where Bluestone or its Advisory Persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Ms. Clinton-Catlin.***

However, we do encourage you to independently view the background of Ms. Clinton-Catlin on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with her full name or her Individual CRD# 5055870.

#### **Item 4 – Other Business Activities**

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Ms. Clinton-Catlin is dedicated to the investment advisory activities of Bluestone's Clients. Ms. Clinton-Catlin does not have any other business activities.

#### **Item 5 – Additional Compensation**

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Ms. Clinton-Catlin is dedicated to the investment advisory activities of Bluestone's Clients. Ms. Clinton-Catlin does not receive any additional forms of compensation.

#### **Item 6 – Supervision**

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Ms. Clinton-Catlin serves as a Principal of Bluestone and is supervised by Elizabeth Catlin, the Chief Compliance Officer. Elizabeth Catlin can be reached at (603) 499-4737.

Bluestone has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of Bluestone. Further, Bluestone is subject to regulatory oversight by various agencies. These agencies require registration by Bluestone and its Supervised Persons. As a registered entity, Bluestone is subject to examinations by regulators, which may be announced or unannounced. Bluestone is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of Bluestone.

## Privacy Policy

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Effective: March 1, 2018

### Our Commitment to You

Bluestone Wealth Management LLC ("Bluestone" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Bluestone (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Bluestone does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Driver's license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> Bluestone does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Bluestone or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent(s) or representative(s).	Yes	Yes
<b>Information About Former Clients</b> Bluestone does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (603) 499-4737.