

**LORING WARD ADV PART 2A**  
*DECEMBER 2018*

**ITEM 1: COVER PAGE**

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This brochure provides information about the qualifications and business practices of BAM Advisor Services, LLC d/b/a Loring Ward (“Loring Ward”). If you have any questions about the contents of this brochure, please contact us at the telephone number below or at [compliance@loringward.com](mailto:compliance@loringward.com). 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. Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Loring Ward is committed to creating a better wealth experience for financial advisors and their clients across the U.S. Loring Ward strives to empower advisors with personalized investment and advisor solutions that increase the probability of delivering a great experience for their clients.

Loring Ward is distributing this brochure to you so that you may have a better understanding of our qualifications and business practices.

Additional information about Loring Ward also is available at the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and at [www.loringward.com](http://www.loringward.com).

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## ITEM 2: MATERIAL CHANGES

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Loring Ward amends this brochure at least annually. To receive a copy of our most recent brochure at any point during the year, please call the Compliance Department toll-free at (800) 366-7266 or email [compliance@loringward.com](mailto:compliance@loringward.com) and a copy will be sent to you without charge.

This Item of the Brochure will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. The most recent update of our brochure was December 15, 2018 and contained the following material changes:

- Loring Ward Holdings Inc., the previous parent company of Loring Ward, entered into an agreement and plan of merger with Focus Financial Partners Inc., a partnership of independent fiduciary wealth management firms that includes The Buckingham Family of Financial Services. Following the closing of the Transaction on November 30, 2018, Loring Ward joined with an existing Focus subsidiary, BAM Advisor Services, LLC (“BAM”), which is part of The Buckingham Family of Financial Services.
- BAM d/b/a Loring Ward is a wholly owned subsidiary of Focus Operating, LLC, a wholly owned subsidiary of Focus Financial Partners, LLC. The sole managing member of Focus Financial Partners, LLC is Focus Financial Partners, Inc.
- Loring Ward is now affiliated with Buckingham Asset Management, LLC d/b/a Buckingham Strategic Wealth, a registered investment advisor.
- Through the additional affiliations, Loring Ward has disclosed additional information on additional fixed income services and has included economic benefits received from service providers.
- Loring Ward ended its introducing broker dealer business on October 29, 2018.
- Loring Ward filed Form BDW on October 29, 2018 to shut down its proprietary broker dealer, Loring Ward Securities Inc., and engaged Foreside Financial LLC to be the outsourced distributor for its proprietary mutual funds, the SA Funds.
- The SA Funds that Loring Ward recommends now offer two share classes of each fund. The share classes are the Investor Class and the Select Class.

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#### ITEM 4: ADVISORY BUSINESS

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BAM d/b/a Loring Ward (“Loring Ward”) is an Investment Adviser registered with the U.S. Securities and Exchange Commission (“SEC”).

Loring Ward Holdings Inc., the previous parent company of Loring Ward, entered into an agreement and plan of merger with Focus Financial Partners Inc., a partnership of independent fiduciary wealth management firms that includes The Buckingham Family of Financial Services. Following the closing of the transaction on November 30, 2018, Loring Ward joined with an existing Focus subsidiary, BAM Advisor Services, LLC (“BAM”), which is part of The Buckingham Family of Financial Services. BAM is a wholly owned subsidiary of Focus Operating, LLC, a wholly owned subsidiary of Focus Financial Partners, LLC. The sole managing member of Focus Financial Partners, LLC is Focus Financial Partners, Inc. BAM is affiliated through both common ownership and control with Buckingham Asset Management, LLC, d/b/a Buckingham Strategic Wealth (Buckingham), also a registered investment advisor. The officers of BAM are also the officers of Buckingham. For more information, please see “Item 10 – Other Financial Industry Activities and Affiliations.”

Following the closing of the transaction, BAM also does business as Loring Ward. BAM maintains this disclosure brochure to describe the services, fees and information for the Loring Ward offering and also maintains a separate disclosure brochure, a copy of which is available upon request, to describe the services, fees and information for the BAM Advisor Services offering. Certain advisory services may be included in both brochures.

Loring Ward offers asset-class allocation and investment management, as well as investment advisory and administrative services to independent registered investment advisers and broker-dealers (collectively, “Independent Advisors”), as well as their respective clients (“Clients”).

Loring Ward focuses on creating a better wealth experience for Independent Advisors and their clients by combining three powerful solutions:

1. **Investment Solution** — Long-term focused, academically-based portfolios that aim to optimize the returns of global stock and bond markets and help clients reach their long-term goals.
2. **Advisor Solution** — Practical, client-centered solutions and dynamic peer community empower Advisors to build better relationships.
3. **Client Solution** — Network of advisors committed to understanding what matters most to their clients (and how to get there).

As of November 30, 2018, Loring Ward, including the BAM Advisor Services offering, had \$3.79 billion of discretionary regulatory assets under management and \$16.40 billion of non-discretionary regulatory assets under management. In addition, Loring Ward and the BAM Advisor Services offering provide administrative, back-office and retirement plan services to \$15.91 billion of assets managed or advised by the independent firms that hire Loring Ward/BAM for its services. In the aggregate, the total number of assets under management or administration was \$36.10 billion.

Loring Ward implements asset-class allocation programs approved by the Client, primarily but not exclusively utilizing a group of no-load mutual funds. Among the funds recommended by Loring Ward are the SA Funds – Investment Trust (“SA Funds”) or the funds of Dimensional Fund Advisors LP (“DFA Funds”). The SA Funds consist of ten mutual funds, all of which are advised and administered by Loring Ward and nine of which are sub-advised by Dimensional Fund Advisors LP (“DFA”), an unaffiliated registered investment adviser. Nine of the ten series of SA Funds offer two different classes, the Investor Class and the Select Class. The DFA Funds are directly advised by DFA or its affiliates. Loring Ward receives investment management fees, administration fees, and shareholder servicing fees from the SA Funds (see “SA Fund Management,” below).

Clients are under no obligation to implement the asset allocation programs developed by Loring Ward, and may specify other investment strategies and restrictions upon opening the account or at any time thereafter. The Client, either directly or through a power-of-attorney with his or her Independent Advisor and/or Custodian, gives pre-authorization to Loring Ward to trade the approved mutual funds and any individual securities that may be held in the account. A Client who establishes a Loring Ward account must agree that the risks of such account are borne solely by the Client.

Loring Ward provides a variety of services to its Clients and to Independent Advisors and their Clients, including but not limited to quarterly reporting, fee reporting and debiting, transaction data processing, and proposed portfolio construction. As part of its portfolio management services, Loring Ward offers periodic portfolio rebalancing designed to keep portfolios consistent with the Client’s desired asset allocation target amounts within Loring Ward’s usual and customary target parameters. If the Client elects to use Loring Ward’s portfolio management services, Loring Ward will generally review accounts for rebalancing on a quarterly or annual basis to the allocation target in each asset-class agreed upon by the Client. Loring Ward, the Independent Advisor, or the Client may elect not to rebalance because the funds involved are economically insufficient, additional fees and expenses are anticipated, or there may be other pending events that would impact the decision. Loring Ward will also provide a mechanism for collection of investment advisory fees from Clients payable to Independent Advisors whose Clients have Loring Ward accounts. Loring Ward also has the capability to provide services on behalf of the Independent Advisor to collect advisory fees on assets managed by the Independent Advisor but not Loring Ward.

Loring Ward provides the following services through several different program offerings:

- A. Investing Services. This program consists of a turn-key asset-class allocation and management program, as well as other investment advisory and administrative services, provided to either (a) Independent Advisors for implementation to their Clients (the “Biparty Investment Services”) or (b) to investing Clients through Independent Advisors (the “Triparty Investment Services”). This program permits the use of mutual funds, including the DFA Funds or SA Funds. It also permits the inclusion of Client-directed securities not included in Loring Ward’s asset allocation recommendations or its account management. Services include but are not limited to quarterly account reporting, web-based account access, rebalancing, fee debiting, transaction data processing, and proposed portfolio construction.
- B. Strategic Services. This program consists of mutual fund model portfolio construction and strategic advice provided exclusively to Independent Advisors for implementation to their Clients. Mutual fund model portfolios are generally constructed utilizing either the DFA Funds or SA Funds (“Model Portfolios”), and services may include the periodic rebalancing of Model Portfolios.

- C. Loring Ward Retirement Services (“LWRS”). This program consists of a turn-key asset-class allocation and management program, as well as other investment advisory and administrative services, provided through Independent Advisors to Clients maintaining a defined contribution or defined benefit plan (“Plan(s)”), the majority of which are subject to the Employee Retirement Income Security Act of 1974 (“ERISA”). Fiduciary and Non-Fiduciary Services are provided in conjunction with independent recordkeepers, third-party administrators, custodians, and other unaffiliated service providers. Plan assets are maintained in accounts held by certain independent and unaffiliated broker-dealer custodians and have the ability to hold assets not managed by Loring Ward on an accommodation-only basis. Subject to the paragraph below and the agreement that the Plan signs with Loring Ward, Loring Ward serves as a fiduciary to the Plan pursuant to Sections 3(21)(A)(i) and 3(38) of ERISA when providing the specifically-enumerated Fiduciary Services.

LWRS, at times through unaffiliated service providers, offers Independent Advisors tools to recommended asset allocations to Plans and/or Plan participants utilizing Model Portfolios or a lineup of approved mutual funds (generally the DFA Funds, other asset-class funds, and/or a money market fund). Funds or securities not approved or recommended by Loring Ward are permitted to be held with a Plan or Plan participant’s account; however, Loring Ward does not act as a fiduciary to the Plan pursuant to Sections 3(21)(A)(i) or 3(38) of ERISA for Plan assets not invested in a Model Portfolio or approved mutual fund or money market fund.

- D. SA Fund Management. Loring Ward is the investment manager, administrator, and shareholder servicing agent of the SA Funds. For further information about the SA Funds, refer to the applicable prospectus at <https://loringward.com/sa-funds/documents>. Loring Ward defines the investment objectives of the individual SA Funds, administers the SA Funds, monitors the Sub-Adviser and other service providers to the SA Funds, and is responsible for the servicing of the SA Funds’ shareholders. For its services to the SA Funds, Loring Ward receives management, administration, and shareholder servicing fees from each of the SA Funds as described in the SA Funds’ prospectus.

All of the officers of the SA Funds are employees of Loring Ward. They do not receive compensation from the SA Funds for this service. Loring Ward is compensated directly from the SA Funds, as described in the SA Funds’ prospectus. Loring Ward does not emphasize one SA Fund over another except as part of an overall portfolio or asset-class allocation strategy.

Loring Ward has contracted with DFA, an unaffiliated registered investment adviser, to buy and sell securities that fulfill the asset-class investment components of the SA Funds (with the exception of the SA Worldwide Moderate Growth Fund). DFA uses a committee of investment professionals to manage the assets of these Funds. Loring Ward relies on DFA as the SA Funds’ sub-adviser to obtain best execution for all trading performed on behalf of the SA Funds.

Loring Ward may contract with other mutual fund sub-advisers when additional funds are added to the Trust or should Loring Ward determine that the continued use of DFA is not advantageous to the SA Funds or its shareholders. Loring Ward and the Trust have obtained exemptive relief to change sub-advisers for any SA Fund by a vote of the Board of Trustees of the Trust. It may also retain others to perform accounting, administration, and shareholder services.

Loring Ward generally pays some or all custodial transaction charges for Clients of Independent Advisors utilizing the SA Funds, subject to certain restrictions and thresholds, as part of its “No Transaction Fee” solution.

- E. Fixed Income Subadvisory Services. Loring Ward will provide additional specific fixed income sub-advisory services related to fixed income accounts of Independent Advisors’ Clients. For the

avoidance of any doubt, this is not a subadvisory service offering under the Investment Company Act of 1940, as amended. If the Investment Advisor and client agree to include an allocation of fixed income securities, the Investment Advisor may retain Loring Ward as a fixed-income sub-advisor to their client's account. Loring Ward may consult with the investment advisor and its client in the preparation of a Fixed Income Investment Policy Statement allocating certain client assets to a fixed income portfolio. Loring Ward will have discretionary authority to manage the fixed income allocation.

If the Investment Advisor and client agree to allocate assets to a fixed income portfolio, the client must grant the investment advisor discretionary authority to retain Loring Ward as a sub-advisor of such portfolio and authorize Loring Ward to manage such portfolio. Loring Ward requires discretion from the Investment Advisor to purchase investment-grade fixed income securities pursuant to the client's Fixed Income Investment Policy Statement. Loring Ward will thereafter monitor the client's fixed income portfolio for changes in call provisions, maturities, credit quality and tax-loss harvesting (only for securities purchased by Loring Ward or for which Loring Ward is provided cost basis and trade date). Based on its portfolio monitoring, Loring Ward may recommend the sale of securities within the fixed income portfolio to the Investment Advisor, and will act upon instructions of the Investment Advisor regarding sales. Also at the instruction of the investment advisor, Loring Ward may purchase additional securities to replace sold or called securities or if new account deposits are made by the client.

Loring Ward regularly monitors credit ratings of client account holdings as reported by credit rating companies. Loring Ward may, at its discretion and in working with the Investment Advisor, maintain or sell securities based on transaction costs and other investment considerations. It is Loring Ward's policy to hold most, but not all, fixed income assets in client portfolios until maturity absent a material change in credit quality or other investment decisions, such as tax-loss harvesting opportunities. Additionally, Loring Ward may purchase certificates of deposit (CDs). For clients holding CDs, Loring Ward has regular credit surveillance of the banking institution as well as regularly monitors on the total CD positions to ensure principal invested in CDs does not exceed FDIC insurance limits. For accounts linked by the same tax-payer identification number, Loring Ward examines CD positions within accounts under Loring Ward's management to look for violations of FDIC insurance limits on principal invested in CDs. Loring Ward does not monitor for CD positions not under BAM's management or within accounts for which Loring Ward does not receive information. If clients hold CD positions at custodians that do not report to BAM, it is the Clients' duty to inform their Investment Advisors.

- F. Wealth Management Services - Charleston Investment Advisors. Loring Ward d/b/a Charleston Investment Advisors provides portfolio management and financial planning services. As part of its portfolio management services, Charleston Investment Advisors offers periodic portfolio rebalancing designed to keep portfolios consistent with the Client's desired asset allocation target amounts within target parameters. If the Client elects to use portfolio management services, Charleston Investment Advisors will generally review accounts for rebalancing on a quarterly or annual basis to the allocation target in each asset-class agreed upon by the client. Charleston Investment Advisors or the Client may elect not to rebalance because the funds involved are economically insufficient, additional fees and expenses are anticipated, or there may be other pending events that would impact the

decision. Charleston Investment Advisors also provides separate financial planning services to clients who may not wish to receive ongoing portfolio management services. Financial Planning services are typically provided on a negotiated basis based upon a defined series of goals and objectives, and are not part of an ongoing advisory program.

- G. Other Business. From time to time, Loring Ward acts as a research provider to other registered investment advisers.

Among the services provided to Independent Advisors are internet-based software tools referred to as the Investment Planning Center (“IPC”) and My Advisor Center, which are offered to Independent Advisors for use with their Clients. The IPC generates a personalized investment policy statement based on information provided by the Client or his or her Independent Advisor. That information includes suitability information (income, age, investment net worth, risk tolerance, investment objectives, etc.) and other variables. Using the IPC, the Independent Advisor can present multiple historic simulations to help the Client assess the investment allocation that Loring Ward believes is most appropriate for the Client’s stated goals. Use of the IPC is limited to Independent Advisors who have contracted with Loring Ward.

My Advisor Center assists the Independent Advisor with the management of his or her Clients’ accounts. It permits Independent Advisors to monitor Client transactions and access Loring Ward’s research and practice management resources, as well as educational resources intended for Independent Advisors, Clients, or both.

## **ITEM 5: FEES AND COMPENSATION**

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Asset Administration. Loring Ward charges fees for the administration of Client accounts based upon the value of assets, other than SA Funds, held in the account. For the services provided to Client accounts with assets other than the SA Funds, a prorated quarterly management or administrative fee is due and payable upon execution of the account agreement and deducted from the designated Client account at the start of each calendar quarter thereafter for Clients that elect to be billed in advance. For the services provided to Client accounts with assets other than the SA Funds, a prorated quarterly management or administrative fee is due and payable at the end of each calendar quarter for Clients that elect to be billed in arrears. These fees are generally negotiated by the Client’s Independent Advisor based upon a percentage of the market value of assets under management as of a certain date up to a maximum fee based on the fee schedule below:

<b>Asset Level</b>	<b>Maximum Rate (paid quarterly)</b>
For the first amount from \$0 to \$500,000.00	0.65%
For the next amount from \$500,000.01 to \$1,000,000.00	0.35%
For the next amount from \$1,000,000.01 to \$5,000,000.00	0.25%
For any amount above \$5,000,000.00	0.20%

Clients should refer to their specific investment advisory agreement with their Independent Advisor, as his or her specific fee schedule may be lower than either of the fee schedules described above.

For Independent Advisors utilizing LWRS, the maximum annual asset management fee charged to Plans is described in the table below:

<b>Asset Level</b>	<b>Maximum Rate (paid quarterly)</b>
For the first amount from \$0 to \$999,999.99	0.30%
For the next amount from \$1,000,000.00 to \$2,999,999.99	0.27%
For the next amount from \$3,000,000.00 to \$4,999,999.99	0.24%
For the next amount from \$5,000,000.00 to \$9,999,999.99	0.22%
For any amount \$10,000,000.00 and above	0.15%

Subsequent quarterly fees are computed based upon the market value of assets in the account as of a date on or about the last business day of the prior calendar quarter and deducted quarterly in advance from the Client's account. For accounts billed in arrears, quarterly fees are based upon the average daily account balance during the most recent calendar quarter. For LWRS accounts, quarterly fees are based upon the account balance on the last day of the calendar quarter unless otherwise stated in the Client's agreement with his or her record keeper. Additional deposits of funds and/or any other securities into the Client's account will be subject to the same fees, prorated based on the number of days remaining in the quarter after the Client's funds are invested into an asset allocation. If during a quarter, any assets in a Client's account are sold, disbursed, or otherwise withdrawn from the account, Loring Ward will typically reimburse any administration fees already charged on those assets for the quarter, though Loring Ward might not be contractually obligated to do so. Margin accounts are charged based on the equity value (excluding margin).

Loring Ward's fees are disclosed in a fee disclosure statement given to each Independent Advisor and to each Client receiving the Triparty Investment Services upon the opening of his or her account. Services similar to those offered by Loring Ward are available elsewhere for more or less than the amounts charged by Loring Ward. Separate administrative fees are not charged directly or for Clients receiving the Biparty Investment Services. For its services to the SA Funds, Loring Ward receives management, administration, and shareholder servicing fees from each of the SA Funds as described in the SA Funds' prospectus. The payments received by Loring Ward from the SA Funds are significant and may be greater than what Loring Ward would earn through other fee arrangements. This has the potential to create a conflict of interest, as it may appear to provide an incentive for Loring Ward to recommend the purchase of the SA Funds rather than other similarly-situated mutual funds. Loring Ward addresses this potential conflict of interest by recommending asset-class target allocations that can be implemented using mutual funds other than the SA Funds (namely, the DFA Funds or other unaffiliated funds) and the actual selection of funds to be utilized to implement the asset-class target allocation is selected by the Client and/or Independent Advisor. Based on such factors as the Client's individual financial circumstances, expressed cash needs, risk tolerance, investment objectives, and other factors, the Client and/or Independent Advisor can instruct Loring Ward to invest an account into an asset-class target allocation using either the SA Funds or the DFA Funds as they deem most appropriate.

The Client, or his or her Independent Advisor, will generally incur additional charges or expenses in connection with the opening, maintenance and closing of his or her account(s) at an approved third-party custodian. If applicable, examples of such additional third-party charges or expenses include, but are not limited to, brokerage commissions, transaction charges, wire-related fees, qualified plan fees, and account transfer-out fees.

Investments into mutual funds, affiliated and unaffiliated funds alike, are subject to their internal expense ratio. Such fees are separate and apart from Loring Ward fees. Additional information regarding mutual fund fees is contained in such fund's prospectus. Loring Ward's fees do not include any investment advisory fees that an Independent Advisor may charge to his or her Client. A Plan utilizing LWRS will also generally pay fees to other service providers independent of Loring Ward for such services as

recordkeeping, third-party administration, and access to internet-based account enrollment and management.

Upon termination of the advisory agreement, the Client will receive a refund of any unearned administration fees previously paid or will receive a statement requiring payment of earned fees not yet paid, depending on the work performed by Loring Ward prior to termination and whether a Client elected to be billed in advance or arrears. Loring Ward does not receive any additional compensation upon the termination of an advisory agreement.

Strategic Services. Independent Advisors and/or broker-dealers normally pay Loring Ward a portion of the fees they collect for providing portfolio construction and strategic advice. Such fees are generally 0.23% of the amount of assets invested into Model Portfolios that do not contain SA Funds and are subject to negotiation.

Fixed Income Subadvisory Services. The annual fee for fixed income subadvisory services is charged on a quarterly basis and is based on a percentage of assets under management and typically ranges on a tiered fee schedule from 0.15%-0.25% per year depending on the size and complexity of the account as well as services required. Fees will typically be tiered and the fee is calculated by applying a different fee rate to each corresponding range of account balance of the portfolio.

Unmanaged Accounts. Should the Client or Advisor direct the purchase of other securities in an unmanaged account, such assets are not managed by Loring Ward, and Loring Ward does not collect an investment advisory fee on such assets or report on such assets.

Wealth Management Services - Charleston Investment Advisors. The annual fee for Charleston Investment Advisors portfolio management services is charged on a quarterly basis and is based on a percentage of the assets under management/advisement and typically ranges from 0.40% to 1.50% per year depending on the size and complexity of the client's accounts as well as services required. Fees will typically be tiered and the fee is calculated by applying a different fee rate to each corresponding range of account balance of the portfolio. The specific fee schedule charged by Charleston Investment Advisors is established in a client's written agreement with Charleston Investment Advisors.

In certain circumstances, fees and minimums will be negotiable based on unique circumstances.

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

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Loring Ward does not charge fees based on performance or side-by-side management.

#### **ITEM 7: TYPES OF CLIENTS**

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Loring Ward provides its services to individuals, trusts, charitable institutions, investment companies, registered investment advisers, broker-dealers, corporate and association pension plans, and other tax qualified or nonqualified plans and their Independent Advisors. Generally, the minimum opening value of a Client household is \$100,000, subject to negotiation and specific circumstances.

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

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Loring Ward utilizes investment strategies based upon target asset-class allocations to reflect Client and Independent Advisor supplied information regarding the Client's individual financial circumstances, expressed cash needs, risk tolerance, investment objectives, and other factors. The asset-class allocation

programs designate specified percentages within multiple securities asset-classes with the intent of creating a diversified investment portfolio of no-load (no sales commission) or low-load mutual funds. The Client or his or her Independent Advisor has the opportunity to review, modify, and approve such recommended asset allocation program.

Loring Ward utilizes a proprietary method of asset-class allocation based upon academic and behavioral economic research. Loring Ward's asset-class allocation programs are based upon publicly-available research and reports regarding Modern Portfolio Theory, adjusted for certain behavioral economic factors. The asset-class allocations are adjusted for risk (defined as historic market volatility over identified periods of time). Loring Ward recommendations are designed for longer-term investors. Loring Ward uses financial simulation programs which calculate the effects of various historical rates of return from different asset classes to assist in the preparation of asset allocation plans.

### Risk of Loss

All investments are subject to risk. Investing in securities involves risk of loss that clients should be prepared to bear. All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, exchange-traded funds (ETFs) and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds can be less than the purchasing power of the original investment.

The Loring Ward portfolios attempt to quantify risks and minimize certain risks by diversification among different types of asset classes, but diversification neither assures a profit nor protects against a loss in a declining market. There is no assurance that Loring Ward will be successful, and Clients are advised that they are subject to the risks of the securities markets. These risks include general market trends, unintended concentrations in certain markets, sectors and individual issuers, government regulation, and lack of sufficient market liquidity. Fixed income investments are subject to interest rate risks and volatility of market prices. Real estate securities are subject to property value changes, rental income, property taxes, and tax and regulatory changes. Foreign securities and emerging market investments are subject to the same risks as discussed herein and subject to the risks of currency exchange rate changes, political instability, and different methods of accounting and finance reporting. The additional risks associated with small company and value securities may include increased volatility and less liquidity. More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses within each applicable sector.

Past performance does not guarantee future returns. The risk of loss described herein should not be considered to be an exhaustive list of all the risks which clients should consider.

### **ITEM 9: DISCIPLINARY INFORMATION**

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Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Loring Ward or the integrity of Loring Ward's management. BAM has no information applicable to this Item.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

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Loring Ward is the investment adviser, administrator, and shareholder servicing agent to the SA Funds – Investment Trust, a family of publicly-offered open-end mutual funds. Please refer to “SA Funds Management” under the “Advisory Business” section above.

### Focus Operating, LLC, Focus Financial Partners, LLC and Focus Financial Partners, Inc.

Loring Ward is part of the Focus Financial Partners partnership. As such, Loring Ward is a wholly-owned subsidiary of Focus Operating, LLC (“Focus Operating”), which is a wholly-owned subsidiary of Focus Financial Partners, LLC (“Focus LLC”). Focus Financial Partners Inc. (“Focus PubCo”), a public company traded on the NASDAQ Global Select Market, is the sole managing member of Focus LLC and, immediately following the IPO, owned an approximately two-thirds economic interest in Focus LLC. Thus, Focus PubCo is a direct owner of Focus LLC and an indirect owner of the Focus Partner Firms. Focus PubCo has no single 25%-or-greater shareholder and Focus LLC has no single 25%-or-greater member (other than Focus PubCo). However, investment vehicles affiliated with Stone Point Capital LLC collectively have a greater-than-25% voting interest in Focus PubCo. Such investment vehicles also collectively have a greater-than-25% voting interest in Focus LLC through their voting interest in Focus PubCo: As the sole managing member of Focus LLC, Focus PubCo has 100% voting control over Focus LLC, and thus such investment vehicles’ collectively greater-than-25% voting interest in Focus PubCo also gives them a collectively greater-than-25% voting interest in Focus LLC.

Focus LLC owns registered investment advisers, broker-dealers, pension consultants, insurance firms, and other financial service firms (the “Focus Partners”), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADVs.

Focus LLC and Focus PubCo are principally owned by investment vehicles managed by Stone Point Capital LLC (“Stone Point”). Investment vehicles managed by Kohlberg Kravis Roberts & Co. L.P. (“KKR”) are minority owners of Focus LLC and Focus PubCo. Because Loring Ward is an indirect, wholly-owned subsidiary of Focus LLC and Focus PubCo, the Stone Point and KKR investment vehicles are indirect owners of Loring Ward.

The Focus Partners do not share client information amongst each other without prior client consent, and officers of the other Focus Partners are not involved in the management of Loring Ward. Additional information about Focus can be found at [www.focusfinancialpartners.com](http://www.focusfinancialpartners.com).

Periodically, Focus holds Focus Partners meetings and industry and best-practices conferences, which will typically include attendees from Loring Ward, other Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms,

including Loring Ward. However, the meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including Loring Ward. Although the participation of Focus firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause Buckingham to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including Loring Ward. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement. Conference sponsors in the last year included J.P. Morgan, Fidelity Brokerage Services, and Charles Schwab & Co.

### Buckingham Strategic Wealth

Buckingham Asset Management, LLC, d/b/a Buckingham Strategic Wealth (Buckingham), is an investment advisor registered with the Securities and Exchange Commission. Buckingham offers wealth management services and employee benefit retirement plan services to investors following the same tenets, policies and procedures that are made available to independent investment advisors. Buckingham began providing investment management services in 1994. The founders of Buckingham established BAM Advisor Services under the premise that its own back-office support services could be efficiently consolidated and offered to other financial professionals desiring to offer advisory services but lacking administrative time and support. Buckingham continues to actively provide services to its own client base while developing the BAM Advisor Services program. BAM Advisor Services' independent investment advisor clients and Buckingham may potentially compete for advisory clients. Buckingham may also, from time to time, serve as a sub-advisor to BAM's clients pursuant to a separate Investment Advisory Agreement.

Buckingham may provide fully discretionary separate account management services to investment advisor's clients.

See Item 12 for further descriptions of investment and trading operations that discuss certain conflicts of interest presented through the overlap of services provided by Buckingham and BAM. Buckingham and BAM share office space, personnel, trading desks and many other critical functions including management

## **ITEM 11: CODE OF ETHICS**

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Loring Ward has adopted a Code of Ethics for all supervised persons expressing the firm's commitment to ethical conduct. Loring Ward's Code of Ethics describes its standard of business conduct and fiduciary duty to Clients and sets forth Loring Ward's practice of supervising the personal securities transactions of associates with access to Client information. All supervised persons at Loring Ward receive a copy of the Code of Ethics at the time of hiring, and must acknowledge the terms of the Code of Ethics annually or more frequently if amended. Subject to satisfying the Code of Ethics and applicable laws, supervised

persons of Loring Ward and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Loring Ward's Clients.

The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the supervised persons of Loring Ward will not interfere with making decisions in the best interest of Clients or allowing employees to invest for their own accounts. It is the expressed policy of BAM that no person employed by the firm shall prefer his or her own interest to that of an advisory Client. Under the Code of Ethics, certain transactions have been designated as exempt transactions, based upon a determination that such transactions would not materially interfere with the best interests of Clients.

Supervised person trading is monitored for compliance with the Code of Ethics, and to reasonably prevent conflicts of interest between Loring Ward and its Clients. Loring Ward anticipates that it will generally recommend the purchase or sale of securities to current or prospective Clients in which Loring Ward, its affiliates, the SA Funds, and/or other Clients, directly or indirectly, have a position or interest. It is the policy of Loring Ward that its supervised persons shall place the interests of Clients first. All personal securities transactions of such persons shall be conducted in a manner as to avoid any actual or potential conflicts of interest or any abuse of a position of trust and responsibility, or operate as a deceit. To supervise compliance with its Code of Ethics, Loring Ward requires access persons to provide annual securities holding reports and quarterly transaction reports to the firm's Compliance department. Loring Ward also requires such access persons to receive approval from the Compliance department prior to investing in any initial public offerings or private placements.

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

Current or prospective Clients may obtain a copy of Loring Ward's Code of Ethics without charge by calling (800) 366-7266 and asking for the Compliance Department.

## **ITEM 12: BROKERAGE PRACTICE**

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Loring Ward requires that a Client designate a custodian from among Charles Schwab & Company, Inc. ("Schwab"), Fidelity Brokerage Services LLC ("Fidelity"), Pershing Advisor Solutions LLC ("Pershing"), or TD Ameritrade Institutional ("TDAI") except in limited accommodation circumstances. Schwab, Pershing, Fidelity and TDAI are independent unaffiliated SEC-registered and Financial Industry Regulated Authority (FINRA) member broker-dealers as well as members of SIPC. Factors considered in selecting the custodians offered by Loring Ward include, but are not limited to: (i) the ease with which Loring Ward can conduct day-to-day administration of accounts with such custodians, (ii) the ease with which Clients can open accounts, obtain information, and execute trades with such custodians, and (iii) reasonableness of transaction commissions and fees. In considering the reasonableness of commissions and fees, the Client should take into account the expense of commissions and account fees relative to other available custodians, in conjunction with an evaluation of the services provided.

Many of the Independent Advisors who utilize Loring Ward for services and Loring Ward's affiliate Buckingham participate in the Schwab Advisor Services (SAS) program offered to independent investment advisors by Charles Schwab & Company, Inc. (Schwab), the Fidelity Institutional Wealth Services (FIWS) program sponsored by Fidelity Brokerage Services, LLC (Fidelity), the institutional customer program offered by TD Ameritrade Institutional (TDA). Independent Advisors may also utilize the Pershing Advisor Solutions, LLC program. The SAS, FIWS, TDA and Pershing programs. Schwab,

Fidelity, TDA and Pershing offer services to independent investment advisors that include custody of securities, trade execution, clearance and settlement of transactions. As part of these programs, Loring Ward and Buckingham receive benefits that they would not receive if they did not offer investment advice or if they did not participate in these programs. Fidelity, Schwab, TDA and Pershing also provide certain economic benefits to BAM and Buckingham. (See the disclosure under Item 14 of this Brochure for further details.)

As it relates to Client security transactions, such custodians only provide execution services. In the normal course of business and in varying degrees and forms, all custodians typically dedicate internal practice management resources, provide conference sponsorship, speakers or logistical support, and occasionally offer business entertainment to Loring Ward and certain of its associated persons.

As described in the “Advisory Business” section above, Loring Ward generally pays some or all custodial transaction charges for Clients of Independent Advisors utilizing the SA Funds, subject to certain restrictions and thresholds, as part of its “No Transaction Fee” solution. This has the potential to create a conflict of interest, as it may appear to provide an incentive for Loring Ward to recommend that clients purchase shares of the SA Funds rather than shares of other mutual funds (or any other security, for that matter). Loring Ward addresses this potential conflict of interest by allowing clients to implement the same or similar asset allocation strategies using the DFA Funds, or other funds and securities that the Client and/or Independent Advisor so choose. Clients are under no obligation to implement the asset allocation programs developed by Loring Ward, and may specify other investment strategies and restrictions upon opening the account or at any time thereafter.

Except for fixed income sub-advisory accounts, Loring Ward does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid for investment advisors’ clients’ securities transactions. Loring Ward must be directed to the broker-dealer to be used. In directing the use of a particular broker-dealer, it should be understood that Loring Ward will not have authority to negotiate commissions among various broker-dealers or obtain volume discounts. As such, best execution may not be achieved.

For transactions in fixed income sub-advisory accounts, Loring Ward will exercise discretion to select broker-dealers and negotiate transaction costs, which may include commissions, trade away/settlement fees charged by an investment advisor’s client’s custodian and “markups/markdowns” by the executing broker-dealer. Loring Ward will select broker-dealers based on its evaluation of the products offered, the brokerage services offered, costs and quality of execution. The reasonableness of brokerage costs and markups/markdowns is based on the broker-dealer’s ability to provide professional services, competitive execution, expertise in specific securities or markets (securities availability), price competitiveness, speed of response, operational efficiency, market research, idea generation, bid strength, experience and financial stability, bid strength, and other services that will help Loring Ward and investment advisors in providing investment management services to their clients.

Client trades in fixed income transactions may be blocked with transactions where (1) Loring Ward initiates each client transaction, (2) or client transactions are initiated by Loring Ward, Buckingham or an investment advisor utilizing the back-office services of BAM/Loring Ward. Block trading will be utilized to seek cost benefits for clients.

In the event block trades are only partially filled, allocations will be made on a fair and equitable basis considering the timing of orders and the ability to pro-rate partial trade fills from brokers and dealers. As necessary, the first order received meeting minimum lot size requirements may be allocated shares on a preferential basis. The fixed income trading desk of Loring Ward and Buckingham are a single team handling orders related to Loring Ward and Buckingham.

In certain circumstances, Loring Ward, and Loring Ward's affiliate, Buckingham, exercise discretion to cross fixed income transactions between Buckingham client accounts and/or Loring Ward fixed income subadvised client accounts. Loring Ward and Buckingham will effect cross trades in situations where it is determined that such transactions can be fairly priced for each account, it is judged to be in each client's best interest and where it believes that such transactions are appropriate based on each party's investment objectives and guidelines, subject to applicable law and regulation.

If a cross trade is advantageous for each client, Loring Ward and Buckingham will seek to obtain at least three broker-dealer bids (or two bids plus another independent pricing source in the unlikely event three bids are unavailable) and compare the bids to the marketplace. Upon receiving the bids and evaluating the marketplace for trading in the security, if it is still appropriate to cross the security, Loring Ward and Buckingham will choose to cross the security with the broker-dealer providing the highest bid. Upon selecting the highest bid broker-dealer, Loring Ward and Buckingham will pre-negotiate the markup / markdown fee, which provides one of the primary advantages for crossing the trade: the ability to greatly reduce the bid/ask spread on the security, allowing the client to benefit in the form of a higher yield on the bond. Loring Ward and Buckingham may have a potentially conflicting division of loyalties and responsibilities regarding both parties to the transaction as both parties would be clients of Loring Ward and/or Buckingham. However, Loring Ward and Buckingham have adopted cross trades policies and procedures designed to manage these related conflicts. The policy establishes that a cross transaction may only be effected if the cross transaction provides a clear benefit to each participating client and further requires certain procedures are followed prior to the execution of the cross transaction.

Loring Ward and Buckingham do not cross trades among any affiliated accounts and do not engage in any principal trades.

Trade Errors. Loring Ward will reimburse accounts for losses resulting from errors in its administration, but does not credit accounts for market losses or its errors resulting in market gains. The gains and losses are reconciled within a Loring Ward custodial account. Net gains are donated to charity, and net losses resulting from errors in Loring Ward's administration are reimbursed to the affected accounts.

### **ITEM 13: REVIEW OF ACCOUNTS**

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Loring Ward recommends that an Independent Advisor implement a target asset-class allocation portfolio for his or her Clients, and the mutual funds to implement the asset-class allocation, by calculating historical rates of return, investment time horizons, and risk tolerances for a Client's expressed financial goals. Periodically, Loring Ward reviews Clients' investment portfolios and repositions assets to bring them closer to their target allocations, unless the Client or his or her Independent Advisor has requested otherwise. More frequent re-allocations may occur when Clients give instructions to change their target allocations or make significant additions to or withdrawals from their accounts. Loring Ward's

Investment Committee generally determines the portfolio recommendation and rebalancing policy, the approximate allocation percentages for each risk profile level (based on historic volatility), and the target variance tolerance band within each of the asset-class funds. At any time, including following a rebalancing to a target reallocation, the Client's account may not be the same as the target allocation. Variations from the target allocation may exist at any time and in varying amounts. Written quarterly reports containing information about a Client's portfolio, asset allocation, performance, and fees are sent to Clients subject to instruction from the Client's Independent Advisor. The Client's selected custodian also sends separate account statements to Clients on a monthly and/or quarterly basis.

Loring Ward encourages Independent Advisors whose Clients have accounts with Loring Ward to contact their Clients on a periodic basis and to notify Loring Ward of any changes to Clients' instructions, address of record, risk tolerance, suitability information, or investment objectives. Loring Ward's representatives are available for the Client's or Independent Advisor's consultation during normal business hours.

#### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

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As indicated under the disclosure for Item 12, Loring Ward utilizes the services of Schwab, Pershing, Fidelity and TDAI each provide Loring Ward with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to Independent Advisors on an unsolicited basis at no charge to them. The services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

These custodians also make available to Loring Ward other products and services that benefit Loring Ward but might not benefit its investment advisors' clients' accounts. Some of these other products and services assist BAM in managing and administering clients' accounts. These include software and other technology that provide access to investment advisor client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of Loring Ward's fees from its investment advisors' clients' accounts; and assist with back-office functions, recordkeeping and client reporting. On occasion, these custodians also provide training and education to Loring Ward associates to better interface with the custodial platforms and may occasionally provide business entertainment to Loring Ward personnel. At times, these custodians will also pay for expenses (airfare and/or accommodations) associated with such training and education.

Many of these benefits and services generally are used to service all or a substantial number of Loring Ward's accounts. Offered brokers also make available to Loring Ward other services intended to help Loring Ward manage and further develop its business enterprise. These services can include consulting, publications and conferences on practice management, conference sponsorship/speakers/logistical support, information technology, business succession, regulatory compliance, and marketing, research, technology and practice management products or services provided to Loring Ward by third party vendors. Schwab also has provided Loring Ward with free access to Schwab Performance Technologies PortfolioCenter system, which is a technology solution for data management, portfolio accounting and portfolio reporting. This is a direct economic benefit to Loring Ward to not pay for this technology

solution. Loring Ward does not enter into any commitments with any brokers for transaction levels in exchange for any services, products or economic benefits from brokers.

As disclosed in Item 12, Loring Ward's affiliate, Buckingham, participates in the SAS, FIWS and the TDA programs offered to independent investment advisors Schwab, Fidelity and TDAI. There is no direct link between Loring Ward's affiliate, Buckingham, participation in these programs and the investment advice it gives to its clients, although Buckingham receives economic benefits through its participation in the programs that are typically not available to retail investors. The benefits received by Buckingham through participation in the program do not depend on the amount of brokerage transactions directed to these custodians.

Buckingham also receives economic benefits from Fidelity, which include direct payment to vendors for events, professional development, technology and external consultants ("Support Services"). These Support Services are valuable and are a substantial direct meaningful economic benefit to Buckingham. The Support Services also present a conflict of interest as Loring Ward and Buckingham could have an incentive to recommend Fidelity for custodial, brokerage and other services or expand use of Fidelity services as a result of these Support Services and other benefits provided by Fidelity. Without these Support Services, Buckingham or Loring Ward would be required to purchase the same or similar services at its own expense. The fees that Buckingham and Loring Ward charge will not be reduced by the value of the Support Services received. Fidelity provides the Support Services to Buckingham in its sole discretion and at its own expense, and Buckingham does not pay any fees to Fidelity for the Support Services. Buckingham and Fidelity have entered into a separate agreement to govern the terms of the provision of the Support Services. The receipt of Support Services does not diminish Buckingham and Loring Ward's duty to act in the best interests of clients.

Buckingham also receives from TDAI certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Service is a substantial and meaningful direct payment for Buckingham's strategic vendor for portfolio accounting, portfolio reporting, client billing and data integration. BAM Advisor Services program offering utilizes the same platform and therefore also receives the benefit of the Additional Services. TDAI provides the Additional Services to Buckingham in its sole discretion and at its own expense, and Buckingham does not pay any fees to TDAI for the Additional Services. Buckingham and TDAI have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

The receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Buckingham, TDAI most likely considers the amount and profitability to TDAI of the assets in, and trades placed for, Buckingham and BAM Advisor Services program client accounts maintained with TDAI. TDAI has the right to terminate the Additional Services Addendum with Buckingham, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TDAI to Buckingham, Loring Ward can have an incentive to recommend to its clients that the assets under management by Loring Ward be held in custody with TDAI and to place transactions for client accounts with TDAI. The receipt of Additional Services does not diminish Loring Ward's duty to act in the best interests of its clients.

Loring Ward's affiliate, Buckingham, has received a direct economic benefit from Schwab in the form of direct payment to vendors for technology and external consultants ("Support Services"). These Support Services are valuable and are a substantial direct meaningful economic benefit to Loring Ward and Buckingham and also present a conflict of interest as Loring Ward could have an incentive to recommend Schwab for custodial, brokerage and other services as a result of these Support Services and other benefits provided by Schwab. Without these Support Services, Loring Ward would be required to purchase the same or similar services at its own expense. The fees that Loring Ward charges will not be reduced by the value of the Support Services received. Schwab provides the Support Services to Loring Ward in its sole discretion and at its own expense, and Loring Ward does not pay any fees to Schwab for the Support Services. Loring Ward's receipt of Support Services does not diminish its duty to act in the best interests of its clients.

While as a fiduciary Loring Ward endeavors to act in its Investment Advisors' Clients' best interests, Loring Ward's requirement that clients maintain their assets in accounts at custodians Fidelity, Schwab, TDA or Pershing could be based in part on the benefit to Loring Ward of the availability of some of the foregoing products, services and economic benefits, including expense reimbursement or direct vendor payment and not solely on the nature, cost, or quality of custody and brokerage services provided by the brokers, which may create a potential conflict of interest.

Loring Ward receives promotional (sponsorship and exhibitor) fees from various entities in connection with educational and informational seminars and conferences. Loring Ward offers seminars and conferences to independent investment advisors utilizing Loring Ward's turnkey asset management services. Promotional fees for the seminars and conferences are paid by various entities including broker-dealers and custodians through which Loring Ward arranges client securities transactions, and third-party administration service providers that Loring Ward recommends to certain investment advisor clients' retirement plans. Those entities may make certain employees or other speakers available for informational seminars and conferences at no or reduced cost to Loring Ward.

Adam Birenbaum, Chief Executive Officer, is a member of the FIWS Advisor Council. While Mr. Birenbaum is not directly compensated for his role on the Advisor Council, FIWS covers all routine and typical travel expenses for Advisor Council members to attend meetings, including hotel and transportation costs. Loring Ward has made no commitments to FIWS in connection with this role.

Jeff Remming, Chief Innovation Officer, is a member of TDA's Advisor Panel. While Mr. Remming is not directly compensated for his role on the Advisor Panel, TDA covers all routine and typical travel expenses for Advisor Panel members to attend meetings, including hotel and transportation costs. Loring Ward has made no commitments to TDA in connection with this role.

Loring Ward also pays various forms of direct and indirect compensation to certain Independent Advisors, which can take the form of (i) marketing, administrative, supervisory, service, conference support, shareholder service, or other fees or reimbursements, (ii) certain travel and lodging expenses associated with due diligence and educational seminars sponsored by Loring Ward, (iii) logistical and financial support for Independent Advisor-hosted educational seminars for Clients or potential Clients,

and (iv) software licenses to aid in the development and presentation of asset allocation recommendations to clients.

Loring Ward is not a party to any formal soft dollar arrangements with any third party; however, Loring Ward receives monetary and non-monetary support from DFA and/or certain other vendors that can include, but not necessarily be limited to: (i) marketing of Loring Ward services, (ii) Independent Advisor referrals, (iii) the use of its facilities for meetings and presentations and (iv) investment analysis software. Loring Ward regularly provides speakers, meals and beverage service, and materials and logistic support for various educational events held for Clients and their Independent Advisors. These educational events may be jointly-sponsored by Loring Ward and its business partners, including but not limited to, DFA or Envestnet, and expenses are often shared amongst Loring Ward and its joint sponsors. This has the potential to create a conflict of interest, as it may appear to provide an incentive for Loring Ward to recommend that clients purchase shares of the DFA Funds or SA Funds rather than shares of other mutual funds (or any other security, for that matter). Loring Ward addresses this potential conflict of interest by allowing clients to implement the same or similar asset allocation strategies using other funds and securities that the Client and/or Independent Advisor so choose. Clients are under no obligation to implement the asset allocation programs developed by Loring Ward, and may specify other investment strategies and restrictions upon opening the account or at any time thereafter.

Fund companies like DFA, Bridgeway Capital Management (Bridgeway), AQR and Stronieridge also provide Buckingham and Loring Ward assistance in the production of seminars, podcasts and educational events and, on limited occasions, provide customary business entertainment to Loring Ward personnel. On limited occasions, certain Loring Ward professionals are invited by custodians, service providers or fund companies to speak/present at a strategic planning meeting, at that organizations conference or at an industry conference for which that speaker will be reimbursed for travel expenses. This is an economic benefit for Loring Ward to receive reimbursement for travel expenses, however, neither Loring Ward nor Buckingham have made any commitment to direct business to any of these companies as a result of the reimbursement of travel expenses for a speaking engagement. Speakers from Loring Ward may be offered an honorarium for speaking engagements. It is the policy of Loring Ward to direct the sponsor to donate such honorariums to a 501(c)(3) organization of Loring Ward's choice.

DFA has also provided its own personnel and outside consultants for purposes of developing prospects for Loring Ward, continuing education for existing Loring Ward investment advisor clients and internal strategic planning for BAM. DFA, through a web-based service, provides referrals of investor clients to Loring Ward's affiliate, Buckingham. DFA makes such referrals to many investment advisors based on the geographic location of the prospective client. DFA does not provide help to Buckingham in recruiting investor clients in any other way.

Loring Ward compensates affiliated persons of Loring Ward or Buckingham for client referrals. Clients should understand that these persons have an economic incentive to recommend the advisory services of Loring Ward.

## **ITEM 15: CUSTODY**

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Loring Ward does not maintain custody of Client assets although we may be deemed to have custody of Client assets if given the authority to withdraw assets from Client accounts. Under government regulations, Loring Ward is deemed to have custody of Client assets if, for example, Clients authorize us

to instruct their qualified custodians to deduct advisory fees directly from their account or if Clients grant us authority to move money to another person's account. The qualified custodians we use maintain actual custody of Client assets.

Clients should receive account statements from their custodian (and Loring Ward) at least once each calendar quarter. Loring Ward urges Clients to carefully review such statements and compare the custodial statements to the Loring Ward account statements. Loring Ward's statements could vary from custodial statements due to differences in accounting procedures, reporting dates, reporting ability, or valuation methodologies of certain securities. If a Client or Independent Advisor identifies unexplained differences, please call Loring Ward's Compliance Department toll-free at (800) 366-7266 so reconciliation may be made.

#### **ITEM 16: INVESTMENT DISCRETION**

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Except for fixed income subadvised accounts, Loring Ward does not exercise investment discretion for Clients' individual accounts. Based upon its agreement with Clients, Loring Ward will have received pre-approved authorization to trade identified securities held in custodial accounts within certain target allocation bands without obtaining specific Client consent for each transaction, unless otherwise instructed. Loring Ward may exercise independent judgment in connection with the timing and execution of the purchase and sale of assets according to the instructions given to Loring Ward.

Should material life events occur, Clients should immediately contact their Independent Advisor to determine if changes to an account and the allocation of the assets held in the account are necessary. Such events include but are not limited to marriage, the birth of children, occupational changes, a death in the immediate family, or any other event that may impact a Client's financial future or risk tolerance.

Loring Ward may have limited discretionary authority with regard to its management of the SA Funds' securities. This authority would include the ability to determine the amount of the securities to be purchased or sold to meet the asset-class allocation target of the SA Funds. However, because the SA Funds have engaged DFA as a sub-adviser for nine of the ten SA Funds, Loring Ward currently does not directly exercise this discretion for those nine SA Funds.

In the administration of Client accounts, Loring Ward does not exercise discretion and instead acts pursuant to a limited power of attorney based on Client and/or Independent Advisor instructions.

When performing sub-advisory services for other registered investment advisers, registered investment companies, and other statutory and/or business trusts, Loring Ward maintains limited discretionary authority to construct and rebalance the underlying assets that comprise a fund. This limited discretionary authority is subject to that fund's prospectus and other instructions or guidelines as provided by the other registered investment adviser. Such limited discretionary authority does not extend to Client accounts.

In the course of constructing Model Portfolios for use in Plan accounts utilizing LWRS and the accounts of independent registered investment advisers utilizing Strategic Services, Loring Ward maintains limited discretionary authority to construct and rebalance the Model Portfolio using SA Funds, DFA Funds, and certain other approved mutual funds or money market funds. Such limited discretionary authority does not extend to Client accounts.

For managed fixed income only accounts, Loring Ward's discretion will be limited to the selection of investment-grade fixed income securities for investment advisor's client portfolios. Loring Ward will have no discretion to establish a client asset allocation. Loring Ward will monitor securities within sub-

advised fixed income accounts and may recommend sales, as appropriate, to the investment advisor. Loring Ward receives discretion from the independent advisors that hire and retain Loring Ward for such services.

#### **ITEM 17: VOTING CLIENT SECURITIES**

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Loring Ward generally does not receive the authority to vote proxies for issuers represented in Clients' accounts. Clients may contact Loring Ward directly at the phone number or address listed on the first page of this document to obtain information or to inquire about proxy voting. Clients should receive their proxies or other solicitations directly from their custodian(s), recordkeeper(s), or transfer agent(s); however, Loring Ward will promptly forward any Client proxy materials received in error directly to the Client or the Client's Independent Advisor. Loring Ward has delegated to DFA voting of the shares of issuers held in the SA Funds with the exception of the SA Worldwide Moderate Growth Fund, for which Loring Ward will vote proxies in the same proportion as the vote of all other holders of the SA Worldwide Moderate Growth Fund.

Loring Ward will only vote proxies while providing sub-advisory services for other registered investment advisers, registered investment companies, and other statutory and/or business trusts if it has been so delegated by that party.

#### **ITEM 18: FINANCIAL INFORMATION**

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Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about their financial condition. Loring Ward is not aware of any financial commitment that is likely to impair its abilities to provide the services identified above.