

# Seabridge Wealth Management, LLC

## Firm Brochure

*This brochure provides information about the qualifications and business practices of Seabridge Wealth Management, LLC. If you have any questions about the contents of this brochure, please do not hesitate to contact us at (727) 456-0011 or by email at: [info@seabridge.net](mailto:info@seabridge.net). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Seabridge Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Seabridge Wealth Management, LLC's CRD number is: 158398*

One Beach Drive SE, Suite 220  
St. Petersburg, FL 33701  
Main: (727) 456-0011  
Fax: (727) 456-0013  
[info@seabridge.net](mailto:info@seabridge.net)  
[www.seabridge.net](http://www.seabridge.net)

*Registration does not imply a certain level of skill or training.*

Version Date: 01/25/2016

## **Item 2: Material Changes**

Noted below are the material changes in this brochure from the last annual updating amendment of Seabridge Wealth Management, LLC on March 26, 2015.

- Valerie C. DiGennaro was added as a principal owner of Seabridge Wealth Management, LLC.

- Assets Under Management were updated to reflect \$117,498,000 as of 12/21/2015.

- The Retirement Plan Advisory Fee (Corporate 401K plans) was updated.

- Item 19 with reference to State Registered Advisors was removed. Seabridge moved from a state registered advisor to an SEC registered advisor effective 01/13/2016.

## Item 3: Table of Contents

Item 1: Cover Page .....	
Item 2: Material Changes.....	i
Item 3: Table of Contents.....	ii
Item 4: Advisory Business.....	1
A. Description of the Advisory Firm.....	1
B. Types of Advisory Services.....	1
Investment Advisory Services .....	1
Retirement Plan Advisory Services.....	1
Financial Advisory Services.....	2
Services Limited to Specific Types of Investments.....	2
C. Client Tailored Services and Client Imposed Restrictions .....	2
D. Wrap Fee Programs .....	2
E. Assets Under Management .....	2
Item 5: Fees and Compensation.....	3
A. Fee Schedule .....	3
Investment Advisory Fees.....	3
Retirement Plan Advisory Fees (Corporate 401k plans, etc.).....	4
Financial Advisory Services (“FAS”) Fees.....	4
B. Payment of Fees.....	5
Payment of Investment Advisory Fees .....	5
Payment of Retirement Plan Advisory Fees.....	5
Payment of Financial Advisory Service Fees .....	5
C. Clients Are Responsible For Third Party Fees.....	5
D. Prepayment of Fees .....	5
E. Outside Compensation For the Sale of Securities to Clients .....	6
Item 6: Performance-Based Fees and Side-By-Side Management .....	6
Item 7: Types of Clients .....	6
Minimum Account Size .....	6
Item 8: Methods of Analysis and Investment Strategies .....	7
A. Methods of Analysis and Investment Strategies.....	7
Methods of Analysis and Investment Strategies.....	7
B. Material Risks Involved.....	7
Methods of Analysis .....	7
Investment Strategies.....	7
C. Risks of Specific Securities Utilized .....	8
Item 9: Disciplinary Information.....	8
A. Criminal or Civil Actions.....	8

B.	Administrative Proceedings.....	8
C.	Self-regulatory Organization (SR) Proceedings .....	8
Item 10:	Other Financial Industry Activities and Affiliations.....	8
A.	Registration as a Broker/Dealer or Broker/Dealer Representative .....	8
B.	Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor .....	8
C.	Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests.....	8
D.	Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections.....	9
Item 11:	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	9
A.	Code of Ethics .....	9
B.	Recommendations Involving Material Financial Interests .....	9
C.	Investing Personal Money in the Same Securities as Clients.....	9
D.	Trading Securities At/ Around the Same Time as Clients' Securities .....	9
Item 12:	Brokerage Practices .....	10
A.	Factors Used to Select Custodians and/or Broker/Dealers .....	10
1.	Research and Other Soft-Dollar Benefits .....	10
2.	Brokerage for Client Referrals.....	11
3.	Clients Directing Which Broker/Dealer/Custodian to Use.....	11
B.	Aggregating (Block) Trading for Multiple Client Accounts.....	11
Item 13:	Reviews of Accounts.....	11
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews.....	11
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts .....	12
C.	Content and Frequency of Regular Reports Provided to Clients.....	12
Item 14:	Client Referrals and Other Compensation .....	12
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes).....	12
B.	Compensation to Non – Advisory Personnel for Client Referrals.....	12
Item 15:	Custody .....	12
Item 16:	Investment Discretion.....	13
Item 17:	Voting Client Securities (Proxy Voting).....	13
Item 18:	Financial Information.....	13
A.	Balance Sheet.....	13
B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....	13
C.	Bankruptcy Petitions in Previous Ten Years .....	13

## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

Seabridge Wealth Management, LLC is a Limited Liability Company organized in the state of Florida.

This firm has been in business since June 2011, and the principal owners are Matthew Richard DiGennaro and Valerie Clark DiGennaro. Matthew Richard DiGennaro is a Managing Member and CEO. Valerie Clark DiGennaro is a Member and Head of Sales.

### **B. Types of Advisory Services**

Seabridge Wealth Management, LLC (hereinafter "SWM") offers the following services to advisory clients:

#### ***Investment Advisory Services***

SWM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. SWM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Advisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

SWM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. SWM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### ***Retirement Plan Advisory Services***

SWM will provide assistance to Retirement Plans by performing one or more of the following consulting services:

- a. review of the investment-related portion of the Investment Policy Statement;
- b. provide an asset allocation review to assist the Retirement Plan with developing an asset allocation strategy;
- c. analyze and recommend index mutual funds and/or exchange traded funds that the Retirement Plan may offer to its participants on a self-directed basis;

- d. analyze performance of specified securities over various time periods; and
- e. conduct general educational presentations for Retirement Plan participants, at least once per year, that may include generic asset allocation and investment guidance.

SWM will not take discretion, custody of assets or provide trade execution with respect to Retirement Plan assets, nor provide individual investment advice to participants.

### ***Financial Advisory Services***

Financial Advisory Services may include, but is not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### ***Services Limited to Specific Types of Investments***

SWM generally limits its money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, REITs, commodity index funds, and government securities. SWM may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

SWM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. SWM does not participate in any wrap fee programs.

## **E. Assets Under Management**

SWM has the following assets under management ("AUM"):

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$117,498,000	\$0.00	12/21/2015

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Advisory Fees*

Total Assets Under Management	Annual Fee
\$2,500,000 - \$5,000,000	0.95%
\$5,000,001 - \$10,000,000	0.90%
\$10,000,001 - \$25,000,000	0.85%
\$25,000,001 - \$50,000,000	0.80%
Above \$50,000,000	0.75%

The minimum account size is \$2,500,000 and the minimum annual account fee is \$12,000. These fees are negotiable in rare circumstances depending upon the needs of the client and complexity of the situation but as a general rule we don't negotiate our fees given our published fee schedule forms the foundation for us to operate with transparency and fairness for all of our clients. The account size minimum may be waived by the IA based on the needs of the client and the complexity of the situation. The final fee schedule will be attached as an Exhibit in the Investment Advisory Contract.

The Fee payment will be based on the value of the assets in the account as of the close of business on the last business day of the period as valued by the custodian of the assets. Fees are paid monthly or quarterly in arrears. Clients may terminate their contracts with thirty (30) days' written notice to either party. Because fees are charged in arrears, no refund policy is necessary. However, any accounts that are terminated by either party will have the contracted advisory fee continue to accrue for the contracted 30-day notice (termination) period. The remaining, and accruing, advisory fee for that 30-day notice period may be charged to the client immediately upon notice of termination. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract.

Investment advisory fees are withdrawn directly from the Client's accounts with client written authorization. As such, the IA is required to: a) Obtain client authorization for the direct deduction of fees from the Client account, and b) Disclose that the Custodian will send a statement to the Client wherein Advisor fees are listed.

The IA will send the Client a statement of fee calculations as fees are deducted from the Client's account.

***Retirement Plan Advisory Fees (Corporate 401k plans, etc.)***

<b>Total Assets in the Plan</b>	<b>Annual Fee</b>
\$2,500,000 – \$4,999,999	minimum fee
\$5,000,000 – \$9,999,999	0.49%
\$10,000,000 – \$14,999,999	0.39%
\$15,000,000 – \$19,999,999	0.35%
\$20,000,000 – \$24,999,999	0.33%
\$25,000,000 – \$29,999,999	0.31%
\$30,000,000 – \$34,999,999	0.29%
\$35,000,000 – \$39,999,999	0.28%
\$40,000,000 – \$44,999,999	0.27%
\$45,000,000 – \$49,999,999	0.26%
\$50,000,000 – \$54,999,999	0.25%
\$55,000,000 – \$59,999,999	0.24%
\$60,000,000 – \$64,999,999	0.23%
\$65,000,000 – \$69,999,999	0.22%
\$70,000,000 – \$74,999,999	0.21%
\$75,000,000 – \$79,999,999	0.20%
\$80,000,000 – \$84,999,999	0.19%
\$85,000,000 – \$89,999,999	0.18%
\$90,000,000 – \$94,999,999	0.17%
\$95,000,000 – \$99,999,999	0.16%
\$100,000,000 +	0.15%

The minimum Retirement Plan size is \$2,500,000 in AUM and the minimum annual account fee is \$25,000. The above fee schedule, as well as account size minimum, is negotiable in certain circumstances where the needs of the client and complexity of the situation warrants. However, the minimum annual account fee may still apply. The final fee schedule will be attached as an Exhibit in the Investment Fiduciary & Retirement Plan Consulting Agreement.

Fees are paid monthly or quarterly in arrears. Clients may terminate their contracts with thirty (30) days' written notice to either party. Because fees are charged in arrears, no refund policy is necessary. However, any accounts that are terminated by either party will have the contracted advisory fee continue to accrue for the contracted 30-day notice (termination) period. The remaining, and accruing, advisory fee for that 30-day notice period may be charged to the client immediately upon notice of termination. Clients may terminate their accounts without penalty within five (5) business days of signing the advisory contract.



### ***Financial Advisory Services (“FAS”) Fees***

These services are designed for the Clients who contract for IA services one-time and up-front only. There are no ongoing IA services after delivery of the contracted service(s). Additional IA services would require another FAS services contract. Should there be an occasion where an hourly fee is best suited for the needs of the client, that hourly rate will be at a rate of \$400 per hour, with a minimum fee of \$2,000. FAS Fees are paid in advance, but never more than six months in advance. If client terminates this agreement before completion or delivery of the FAS, any fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees for FAS will be a fixed amount, and not based upon any percentage of assets.

#### **B. Payment of Fees**

##### ***Payment of Investment Advisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. The Fee will be based on the value of the assets in the account as of the close of business on the last business day of the month as valued by the custodian of the assets. Fees are paid monthly or quarterly in arrears.

##### ***Payment of Retirement Plan Advisory Fees***

Fees for this service are paid to SWM monthly or quarterly, in arrears. Fees are to be paid to SWM via check, bank wire or direct debit from the custodial account if on an approved SWM platform. Funds are to be received at SWM no later than the 10<sup>th</sup> business day of the month following the billing month. The Fee payment will be based on the value of the Retirement Plan AUM as of the close of business on the last business day of the period as valued by the custodian of the assets.

##### ***Payment of Financial Advisory Service Fees***

FAS fees are to be paid in advance. All fees are to be paid to SWM via check or bank wire.

#### **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by SWM. Please see Item 12 of this brochure regarding broker/custodian.

#### **D. Prepayment of Fees**

SWM collects Investment Advisory Fees and Retirement Plan Advisory Fees in arrears.

Financial Advisory Service Fees are collected in advance. Fixed fees will be refunded based on the prorated amount of work completed at the point of termination. For hourly fees, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

### **E. Outside Compensation For the Sale of Securities to Clients**

Neither SWM nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

SWM will **not** receive commissions, 12b1 fees, sales charges, fund expenses, or any other miscellaneous sales fees or other forms of compensation. Further, SWM will not accept gifts from any service provider or product provider. SWM has structured the company this way to remain objective as to security selection. This further allows SWM to remain fully aligned with the goals and objectives of clients with no conflicts of interest.

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

SWM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **Item 7: Types of Clients**

SWM generally provides investment advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Institutional Retirement Plans
- ❖ Corporations or Business Entities
- ❖ Government Entities
- ❖ Education Institutions

#### ***Minimum Account Size***

There is an account minimum of \$2,500,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis and Investment Strategies***

SWM's strategy is to construct a portfolio across a wide range of asset classes using low-cost and broadly diversified investments. To capture the broad diversification of the various markets segments (i.e. S&P 500 index, Asian equity, Global fixed income, etc.) low cost funds, index funds and exchange-traded funds (ETFs) will be the product of choice whenever possible and/or practical. These funds are well-suited because they are designed to replicate financial market returns less a small fund expense. Index funds have low turnover of securities that make them more tax-efficient than other mutual fund types. Thus the analysis is more on the actual market segments and asset allocation than on individual securities.

SWM considers all mutual funds managed and distributed by Dimensional Fund Advisors to be Low cost, index-like mutual funds as defined by SWM.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

#### ***Methods of Analysis***

The method employed by SWM is based on Modern Portfolio Theory. This approach attempts to maximize the expected return of a portfolio – for a given level of risk – by diversifying that portfolio over a wide range of asset classes. With the understanding that certain asset classes change values in differing ways, combining asset classes that are not highly correlated with each other seeks to reduce the total variance (risk) of the portfolio. However, given that global markets and individual segments inherently fluctuate, the risk assumed is that the market or market segments represented in individual portfolios will fail to reach the expectations of investors.

#### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. SWM does not engage in, nor promote, frequent trading.

Short term trading generally holds greater risk and clients should be aware that there is a material risk of loss using this strategy.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

### **C. Risks of Specific Securities Utilized**

SWM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SR) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither SWM nor its representatives are registered as or have pending applications to become a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither SWM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither SWM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

#### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

SWM does not utilize nor select other advisors or third party managers. All assets are managed by SWM.

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

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

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions including Procedures and Reporting, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Political & Charitable Contributions, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, and Compliance Officer Duties. Our Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

SWM does not recommend that clients buy or sell any security in which a related person to SWM or SWM has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of SWM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SWM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SWM will always document any transactions that could be construed as conflicts of interest and will always transact client business before SWM associate business when similar securities are being bought or sold.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of SWM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SWM to buy or sell securities before or after recommending securities to clients resulting

in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SWM will always transact client's transactions before SWM associate business when similar securities are being bought or sold. All employee transactions must wait at least one business day to execute trades in their personal accounts.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The custodian, Schwab Institutional, a division of Charles Schwab & Co., Inc., CRD # 5393, was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. SWM will never charge a premium or commission on transactions, beyond the actual trading or custodial cost imposed by the custodian. SWM will require that all non-ERISA clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although SWM may require that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. SWM is independently owned and operated and not affiliated with Schwab.

#### ***1. Research and Other Soft-Dollar Benefits***

Schwab provides SWM with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. Schwab's brokerage services include the execution of securities transactions, 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.

For SWM client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Advisor Services also makes available to SWM other products and services that benefit SWM but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of SWM's accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist SWM in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of SWM's fees

from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help SWM manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to SWM. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to SWM. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of SWM personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, SWM may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

## **2. *Brokerage for Client Referrals***

SWM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. *Clients Directing Which Broker/Dealer/Custodian to Use***

SWM will not allow clients to direct SWM to use a specific broker-dealer to execute transactions. Clients must use SWM recommended custodian (broker-dealer). By requiring clients to use our specific custodian, SWM may be unable to achieve most favorable execution of client transactions and this may cost clients' money over using a lower-cost custodian.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

SWM may or may not block trade buys or sells across client's accounts. Block trading may benefit a large group of clients by providing SWM the ability to purchase larger blocks resulting in smaller transaction costs to the client.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed on a regular basis by either Matt DiGennaro (Chief Executive Officer and managing member) or Doug Case (Chief Investment Officer). Doug Case is the Chief Investment Officer and reviews clients' accounts with regards to their investment policies and risk tolerance levels.



## **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

## **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least monthly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

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

## **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

SWM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to SWM clients.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

SWM has an agreement with the CPA firm, Roberge Poskus International ("RPI"), for referrals to SWM in exchange for a fee. RPI may be paid a percentage of the overall client advisory fee for the referral of the RPI client to SWM. The referral fee will be percentage of advisory fees charged by SWM to each referred client. This referral fee will be fully disclosed to the RPI's client(s) in advance.

# **Item 15: Custody**

SWM, with client written authority, has limited custody of client's assets through direct fee deduction of SWM's Investment Advisory fees only. Constructive custody of all client assets and holdings are maintained at Schwab Institutional ("Schwab"), a division of Charles Schwab & Co., Inc. (CRD # 5393). Clients will receive the required account statements monthly from Schwab and the required billing invoices/fee calculation monthly from SWM. Both should be carefully reviewed for accuracy. Other than the direct deduction of SWM Investment Advisory fees from the custodian, SWM will never have custody of any client funds or securities. In addition, SWM will not have the ability to send or direct 3rd party wires nor possess any client passwords or credit card numbers.



## **Item 16: Investment Discretion**

For those client accounts where SWM provides ongoing supervision, the client has given SWM written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides SWM discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

## **Item 17: Voting Client Securities (Proxy Voting)**

SWM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

SWM neither requires nor solicits prepayment of a client's investment advisory fee, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither SWM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

SWM has not been the subject of a bankruptcy petition in the last ten years.