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SEC Form ADV Part 2A – Appendix  
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This brochure provides information about the qualifications and business practices of One Charles Private Wealth Services, LLC (“One Charles”). If you have any questions about the contents of this brochure, please contact us at (617) 337-4206. 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 One Charles also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). References herein to One Charles as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

## Item 2. Material Changes

The following material changes to the operations of One Charles Private Wealth Services, LLC ("**One Charles**") have occurred since the initial filing of this Form ADV Part 2A - Appendix (the "**Wrap Brochure**") on February 3, 2017:

- In July 2017, investment vehicles affiliated with Stone Point Capital LLC ("**Stone Point**") and Kohlberg Kravis Roberts & Co. L.P. ("**KKR**") each made an investment in Focus Financial Partners, LLC ("**Focus**"). This transaction resulted in certain funds managed by Stone Point collectively becoming a principal owner of Focus and the KKR investment vehicles collectively becoming a minority owner of Focus. Because One Charles is an indirect, wholly-owned subsidiary of Focus, the Stone Point and KKR investment vehicles are indirect owners of One Charles. Items 4 and 9 have been revised to reflect this new ownership structure and certain conflicts of interest that may arise as result of the structure.
- In July 2018, Focus Financial Partners Inc. ("Focus Pubco") commenced an initial public offering ("IPO") of shares of common stock. Focus Pubco is the sole managing member of Focus Financial Partners, LLC ("Focus LLC") and, immediately following the IPO, owned an approximately two-thirds economic interest in Focus LLC. Because [Partner Firm] is an indirect, wholly-owned subsidiary of Focus LLC, [Partner Firm] is now an indirect, majority-owned subsidiary of Focus Pubco, a public company. Item 4 has been revised to reflect this new ownership structure.

### Item 3. Table of Contents

Item 2. Material Changes .....	i
Item 3. Table of Contents .....	ii
Item 4. Services, Fees and Compensation.....	1
Our Services .....	1
Item 5. Account Requirements and Types of Clients .....	2
Item 6. Portfolio Manager Selection and Evaluation .....	2
Types of Advisory Services Offered.....	2
Tailored Services - The Circle of Care.....	3
Performance Based Fees and Side-by-Side Management .....	3
Methods of Analysis, Investment Strategies and Risk of Loss .....	4
Voting Client Securities .....	6
Item 7. Client Information Provided to Portfolio Managers .....	6
Item 8. Client Contact with Portfolio Managers .....	7
Item 9. Additional Information .....	7
Disciplinary Information.....	7
Other Financial Industry Activities and Affiliations.....	7
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	8
Review of Accounts.....	8
Client Referrals and Other Compensation .....	8
Financial Information .....	9

## Item 4. Services, Fees and Compensation

One Charles is an SEC Registered Investment Adviser led by Paul A. Squarcia. Mr. Squarcia left his prior firm, where he led a staff of financial advisors in providing wealth management solutions for affluent clients and businesses for 15 years, to focus on creating his own comprehensive, customized wealth management solution for clients.

Through an exclusive long-term arrangement with One Charles, OCPW Management Company, LLC (the “**Manager**”) has agreed to provide the services of its sole member to act as an officer of One Charles and provide supervision, oversight, and operational support services to One Charles. Mr. Squarcia is the sole owner of the Manager.

As of December 31, 2017, One Charles manages \$291,630,000 on a discretionary basis and \$2,770,000 on a non-discretionary basis.

While this brochure generally describes the business of One Charles, certain sections also discuss the activities of its personnel, including its officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on behalf of One Charles and is subject to the Firm’s supervision or control (each, a “**Supervised Person**”).

### Our Services

At One Charles, we look at your whole life. We discover your unique circumstances and aspirations and how your beliefs shape not only your life but also your attitudes around finances. Then we incorporate your life story across sustainable financial solutions. This is your “living well” model—a flexible, adaptable plan that aligns with your values. To ensure fulfillment of the plan, we are your stewards and work collaboratively with the other professionals in your life.

One Charles provides investment management services on a wrap fee basis under the One Charles Wrap Fee Program (the “**Program**”). A wrap fee means that clients do not pay transactional charges in connection with trading in securities and instead pay a single fee that covers trade execution, custody, reporting, account maintenance and investment management fees. However, to the extent they apply, clients are still responsible for other fees, such as fees charged by independent managers and/or separately managed accounts, mutual fund expenses, ETF expenses, mark-ups, mark-downs, transfer taxes, odd lot differentials, exchange fees, interest charges, American Depository Receipt agency processing fees, trustee fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts. These additional fees are between the client and the account custodian and are paid in addition to any fees the client pays to One Charles.

The current annual Program fees are negotiable and can be up to 1.5%, based upon various objective and subjective factors. As a result, One Charles’ clients could pay diverse fees based upon the market value of their assets, the complexity of the engagement, and the level and scope of the overall investment advisory and/or consulting services to be rendered. Because of these factors, the services

to be provided by One Charles to any particular client could be available from other advisers at lower or higher fees. All clients and prospective clients should be guided accordingly.

The fees we charge and compensation we receive for investment advisory services varies depending on the products and services offered, as outlined below. A portion of these fees is applied towards platform administrative costs and certain transactional costs incurred for providing investment advisory services and is deducted from the amount received by One Charles. All fee arrangements are negotiable and One Charles may agree to waive, reduce, or cover the fees it charges or other applicable fees or costs either on an ongoing or a one-time basis.

Fees are billed by us quarterly, in advance, according to the rate clients have negotiated with One Charles based on the fair market value of the client's portfolio as reported to us by the independent custodian at which assets are held.

## **Item 5. Account Requirements and Types of Clients**

We provide advisory services to a variety of clients, including individuals, business entities, trusts, estates, charitable organizations, and pension and profit sharing plans.

One Charles typically requires clients to place at least \$500,000 under the firm's management as a condition to establishing an advisory relationship. One Charles, in its sole discretion, may waive or reduce its minimum asset requirement based upon certain criteria such as: anticipated future earning capacity, anticipated future additional assets, related accounts, account composition, or as negotiated with clients.

## **Item 6. Portfolio Manager Selection and Evaluation**

### **Types of Advisory Services Offered**

One Charles manages its clients' investment portfolios on a discretionary or non-discretionary basis by allocating assets among various third-party managers, no-load and load-waived mutual funds, exchange-traded funds (ETFs), and various alternative investment options.

One Charles tailors its advisory services to accommodate the needs of its individual clients and continually seeks to manage its clients' portfolios in a manner consistent with their specific investment profiles. Clients are advised to promptly notify One Charles if any changes occur in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may request reasonable restrictions on the management of their accounts if One Charles determines, in its sole discretion, the conditions will not materially impact the performance of a portfolio strategy.

One Charles receives the fees paid for participation in the Program, as described in Item 4.

One Charles is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to investment management services and investment advice provided to ERISA plan clients, including ERISA plan participants. One Charles is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, IRAs and IRA owners (collectively, "Retirement

Account Clients”). As such, One Charles is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a “PTE”).

A conflict of interest arises and the prohibited transaction rules are implicated when One Charles recommends that an ERISA plan participant take a distribution from an ERISA Plan and roll it over to an IRA that One Charles advises or if One Charles recommends that an IRA owner transfer his IRA to an IRA that One Charles advises because One Charles will receive compensation that it would not have received absent the recommendation – i.e., the IRA advisory fee. When One Charles engages in this transaction, it relies on the PTE known as the Best Interest Contract Exemption or BICE which requires compliance with the “impartial conduct standards.” The impartial conduct standards are designed to mitigate conflicts of interest by requiring that investment advice be in the “best interest” of the Retirement Account Client, that advisers not make any materially misleading statements and not charge a fee that exceeds a reasonable amount. The best interest standard requires that advisers act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use, based on the investment objectives, risk tolerance, financial circumstances and needs of the Retirement Account Client. This mirrors the prudent man standard of conduct and duty of loyalty found in ERISA.

### **Tailored Services - The *Circle of Care***

At One Charles Private Wealth, the Circle of Care is our own unique approach to wealth preservation and protection. Our clients want more than advice solely on their portfolio. They want advisors who help them with all the complexities they face financially. Your finances are connected to your whole life so we work with your finances where they impact you, not in the abstract.

Wealth protection and preservation start with an overall assessment of your current life situation and goals. By understanding the risks pertaining to your wealth and lifestyle, we can better manage them. By looking at your goals, we understand what you want to accomplish with your money. To increase the likelihood of achieving your objectives, we combine risk mitigation and risk-taking strategies. Then we aggressively pursue estate planning and other risk management techniques. Time and again, we find that this work has not been done—or has not been executed—leaving your wealth at significant risk.

### **Performance Based Fees and Side-by-Side Management**

One Charles is not compensated based on a share of the capital gains or capital appreciation of assets in client accounts, also known as performance-based fees.

One Charles presents certain affluent clients who meet minimum net worth and income requirements imposed by unaffiliated third-party asset managers with the option to leverage assets

held at One Charles. If clients decide to pursue these strategies, they would sign a customer agreement directly with the third-party asset manager. Some of these third-party asset managers charge performance-based fees in addition to fees based on a percentage of assets under management. These fees are disclosed in the agreement between the third-party adviser and client. One Charles receives no portion of any performance-based fees charged by any third-party asset managers.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

Our investment approach is based upon our belief that asset allocation is primarily responsible for long-term returns, not market timing or stock picking. We recommend diversified portfolios, principally through the use of mutual funds and ETFs to gain exposure to the broader market while supplementing portfolios with alternative investment products and option-overlay strategies. One Charles develops portfolios aimed at implementing this investment strategy while taking into account our clients' various tolerances for risk.

To develop the One Charles portfolios, we generally apply a combination of fundamental and technical methods of analysis.

***Fundamental Analysis.*** Fundamental analysis involves an evaluation of an issuer's financial condition and competitive position. We analyze an issuer's financial condition, the capabilities of management, earnings capacity, products and services, as well as its position amongst competitors.

Risks of utilizing this method of analysis: Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This method normally encourages equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value

***Technical Analysis.*** Technical analysis involves the examination of past market data rather than specific company information. Technical analysis may involve the use of mathematically based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company.

Risks of utilizing technical analysis: Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

We apply these methods of analysis by focusing on the following products and strategies:

***Mutual Fund Securities*** - Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds can be tax inefficient in

certain circumstances, which may result in clients paying capital gains taxes on fund investments while not having yet sold the fund.

**Exchange-Traded Funds** - ETFs are investment companies with shares that are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral, and the liquidity of the supporting collateral. Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

**Option Overlay/Collateral Yield Enhancement** - This is an index option-based overlay strategy seeking to generate incremental cash flow and improve risk-adjusted returns on existing portfolio holdings. It seeks to generate returns by "harvesting" the time decay of option premiums by actively managing a portfolio of short-dated index option spreads on the S&P500 index. This strategy involves selling options to generate premiums while simultaneously purchasing further out-of-the-money options to contain and quantify risk. Investing in this strategy is speculative and involves varying degrees of risk, including substantial degrees of risk in some cases. Assets tied to this strategy may be leveraged which may increase the risk of investment loss. The performance of this strategy may be volatile.

**Cybersecurity** - The computer systems, networks and devices used by One Charles and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted because of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and



other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities to prevent any cybersecurity breaches in the future.

This is not a complete list of risks involved with investing. Investing in securities and other investment products involves inherent risks, including the possible loss of the total principal amount invested, which clients should be prepared to bear. Clients who are investing in mutual funds or exchange traded products should refer to the underlying fund's prospectus for additional risk disclosure. Although we seek to achieve the investment objectives and financial goals of our clients, past investment performance does not guarantee future results and we are unable to make any guarantees to clients with respect to avoiding monetary losses.

### **Voting Client Securities**

When you own certain securities, such as shares in a corporation, you may have the right to exercise a vote with respect to various matters involving the management of the company that issued the securities you own. Rather than voting on these matters directly, you may grant a "proxy" to enable another person or entity to vote on these matters on your behalf.

One Charles does not: (i) vote proxies related to any investments held in client accounts; or (ii) participate in any legal proceedings involving investments held in client accounts, or that involve the sponsors or issuers of any investments (including bankruptcy proceedings). Unless other arrangements are made between One Charles and our clients, we will send all proxy and legal proceeding related documents we receive to our clients so that they may act upon the materials.

## **Item 7. Client Information Provided to Portfolio Managers**

One Charles currently acts as the portfolio manager. While we do not expect this to change in the foreseeable future, clients generally grant One Charles the authority to discuss certain non-public information with third parties—including potential independent managers who we may engage to manage their accounts. Depending upon the specific arrangement, the firm may be authorized to disclose various personal information including, without limitation: names, phone numbers, addresses, social security numbers, tax identification numbers, and account numbers. One Charles may also share certain information related to its clients' financial positions and investment objectives in an effort to ensure that the independent managers' investment decisions remain aligned with its clients' best interests. This information is communicated on an initial and ongoing basis, or as otherwise necessary, within a reasonable amount of time, to the management of its clients' portfolios.

## Item 8. Client Contact with Portfolio Managers

One Charles does not impose restrictions on its clients' ability to correspond with its employees and investment adviser representatives.

## Item 9. Additional Information

### **Disciplinary Information**

Neither One Charles nor any of its investment adviser representatives have been involved in any legal or disciplinary actions related to the firm's advisory business.

### **Other Financial Industry Activities and Affiliations**

#### *Broker-Dealer - Registered Representatives*

Certain of One Charles' investment adviser representatives are registered representatives of Purshe Kaplan Sterling Investments, Inc., a FINRA member broker-dealer. Clients may choose to engage One Charles' representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

#### *Affiliation with Focus Financial*

Focus, the sole owner of One Charles, also owns the Focus Partners, among whom include other registered investment advisers, broker-dealers, pension consultants, insurance firms, and financial services firms. The Focus Partners provide wealth management, benefits 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 ADV.

As noted above in response to Item 4, certain investment vehicles managed by Stone Point collectively are principal owners of Focus, and certain investment vehicles managed by KKR collectively are minority owners of Focus. Because One Charles is an indirect, wholly-owned subsidiary of Focus, the Stone Point and KKR investment vehicles are indirect owners of One Charles. None of Stone Point, KKR, or any of their affiliates participates in the management or investment recommendations of our business.

One Charles has recommended, and may in the future recommend, that clients invest in products or investment vehicles that are managed or sponsored directly by KKR, or one of their respective affiliates (each vehicle, an "**Owner-Affiliated Fund**"). Any fees charged by Owner-Affiliated Funds will be paid indirectly or directly to KKR or their affiliates. Because KKR is an indirect owner of One Charles, KKR, or its affiliates will benefit financially if One Charles recommends investments in an Owner-Affiliated Fund. To mitigate the conflicts of interest that arise out of investments in an Owner-Affiliated Fund, One Charles will only recommend investments in an Owner-Affiliated Fund if we determine it to be in the best interests of the relevant client.

Additional information about Focus can be found at [www.focusfinancialpartners.com](http://www.focusfinancialpartners.com).

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

One Charles has adopted a Code of Ethics for all supervised persons of the firm that emphasizes the high standard of business conduct it expects from all personnel and highlights the fiduciary duty both the firm and its personnel owe to clients. It also imposes confidentiality requirements related to client information and contains prohibitions on insider trading, restrictions on accepting significant gifts (along with required reporting of certain gifts and business entertainment items), and personal securities trading procedures and reporting requirements, among other topics. The Code of Ethics also requires each supervised person to annually, and as it is amended, acknowledge and agree to its terms.

Subject to restrictions in the Code of Ethics, One Charles' employees may buy and sell the same securities that may be recommended to clients. The Code of Ethics is designed to ensure that the personal securities transactions of our employees do not interfere with our ability to render advisory services that are in the best interests of our clients. Certain classes of securities have been deemed exempt from the Code of Ethics based on our determination that transactions in these types of securities would not materially interfere with the best interests of our clients. There is a possibility that employees could benefit from a client's market activity in a security held by an employee. As required by the Code of Ethics, employee trading is monitored by review of quarterly transaction reports and annual holdings report to reasonably prevent and detect conflicts of interest between One Charles and our clients.

Current or prospective clients may request a copy of our Code of Ethics by contacting Howard Corey, Chief Operating Officer, at 617-337-4215 (toll free: 844-819-6279) or [hcorey@onecharlespw.com](mailto:hcorey@onecharlespw.com).

## **Review of Accounts**

The partners at One Charles periodically review individual client accounts in connection with regularly scheduled meetings with clients. These meetings typically occur quarterly but can be scheduled to occur more frequently. All clients are encouraged to review financial planning issues, investment objectives, and account performance with One Charles on no less than an annual basis. Clients are also advised to inform One Charles of any interim changes in their investment objectives or financial situations. One Charles may conduct account reviews on another than periodic basis upon the occurrence of certain events, such as a change in a client's investment objectives or financial situation or market corrections.

At least quarterly, clients receive written transaction confirmation notices and account statements directly from the broker-dealer, custodian, or program sponsor holding their accounts. One Charles may also provide a written periodic report summarizing account activity and performance. Clients are encouraged to compare any reports received from One Charles to those they receive from the custodians holding their assets.

## **Client Referrals and Other Compensation**

As discussed above, Focus is One Charles' parent company. From time to time, Focus holds partnership meetings and other industry and best-practices conferences, which typically include One

Charles, other Focus Partners, and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including One Charles. 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 One Charles. Although participation of Focus Partners' 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 One Charles to focus on those conference sponsors in the course of our 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 One Charles. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement.

The following entities have provided conference sponsorship to Focus in the last year:

- Fidelity Brokerage Services
- J.P. Morgan Asset Management
- Charles G. Schwab & Co.

#### **Financial Information**

We do not solicit fees of more than \$1,200, per client, six months or more in advance. One Charles is not aware of a financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over client accounts. One Charles has not been the subject of a bankruptcy petition.