



Brenton Point Wealth Advisors LLC

900 Third Avenue

New York, NY 10022

212-451-1400

[www.brentonpoint.com](http://www.brentonpoint.com)

FORM ADV PART 2A APPENDIX 1

Wrap Fee Program Brochure – Brenton Point Solutions

July 11, 2017

This wrap fee program brochure ("Wrap Fee Brochure") provides information about the qualifications and business practices of Brenton Point Wealth Advisors LLC. If you have any questions about the contents of this brochure, please contact us at (212) 451-1400.

The information in this Wrap Fee Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Brenton Point Wealth Advisors LLC is registered with the SEC as an investment adviser. SEC registration does not imply any level of skill or training.

Additional information about Brenton Point Wealth Advisors LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

BPWA (as defined in Item 4 below) filed an other than annual amendment to its Form ADV Part 2A Appendix 1 on March 31, 2017.

Though BPWA believes that since our previous (March 31, 2017) update, there have been no material changes, we recommend that you read this Form ADV Part 2A Appendix 1 in its entirety.

### Item 3 – Table of Contents

ITEM 1 COVER PAGE.....	1
ITEM 2 MATERIAL CHANGES .....	2
ITEM 3 TABLE OF CONTENTS .....	3
ITEM 4 SERVICES, FEES AND COMPENSATION .....	4
ITEM 5 ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS .....	8
ITEM 6 PORTFOLIO MANAGER SELECTION AND EVALUATION .....	9
ITEM 7 CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS .....	17
ITEM 8 CLIENT CONTACT WITH PORTFOLIO MANAGERS .....	17
ITEM 9 ADDITIONAL INFORMATION .....	18

## **Item 4 – Services, Fees and Compensation**

### **Introduction**

Brenton Point Wealth Advisors LLC (hereinafter “BPWA” or “Advisor” or “We” or “Us”) is a private wealth management company that was founded in 2016 and is headquartered in New York, NY. BPWA manages, or expects to manage, money for wealthy families and individuals as well as foundations, endowments, charitable organizations and other business or family related entities. BPWA’s principal owner is Brenton Point LLC, whose principal owner is Joseph DiMenna.

BPWA provides, or intends to provide, discretionary and non-discretionary investment advisory, investment consulting, planning and other services. These services are tailored based on a comprehensive understanding of your unique circumstances, asset base, interests and financial goals.

We have a strategic partnership with our affiliate, Zweig-DiMenna Associates LLC (“Zweig-DiMenna”), which provides us with various services, including certain general investment market strategy guidance, and certain administrative, accounting, compliance and operational support. Zweig-DiMenna has been an investment adviser to private pooled investment vehicles for over thirty years. In some cases, our officers and employees provide services as dual employees and officers of Zweig-DiMenna. *Please see Item 9 about our dual officer/employee arrangements.*

### **Wrap Fee Program**

BPWA primarily offers its investment management services pursuant to a wrap fee program known as Brenton Point Solutions (the “Wrap Fee Program”). We offer discretionary and non-discretionary wrap fee program services through our Wrap Fee Program. Our investment advice is tailored to meet your needs and investment objectives. If you retain our firm for Wrap Fee Program services, we will meet with you to determine your assets, financial situation, investment objectives, time horizon, liquidity requirements, risk tolerances and any special instructions or restrictions (“Investor Profile”). This information will be used to develop a strategy that enables our firm to provide focused investment advice and/or to implement a customized investment strategy on your behalf. Once we construct your personalized investment portfolio, your account’s advisor will periodically monitor your advisory account(s), generally, on at least a quarterly or semi-annual basis, and, when appropriate, implement (or if you have a non-discretionary account, suggest) a rebalancing/reallocation of the portfolio based upon your account’s investments, changing market or economic conditions or changes in your individual investment objective and/or circumstances.

Investment allocations in the Wrap Fee Program generally consist of investment funds (including mutual funds, exchange traded funds and closed end funds). We may advise investing in variable annuities, other insurance products, 529 plans and other products. We may also purchase individual stocks that trade on recognized exchanges, fixed income securities, other securities and contracts and options on each of the foregoing, and cash equivalents when constructing your portfolios.

In order to help you achieve your investment objective(s), we from time to time may, but are not obligated to, recommend the allocation of certain Account assets to managers that are not affiliated

with us, which will generally be fixed income managers (“Third Party Managers”). Regardless of whether we manage your assets on a discretionary or non-discretionary basis, allocations to a Third Party Manager will only be made upon your execution of an investment management agreement with such Third Party Manager after you have received, and had the opportunity to review, relevant disclosures from the Third Party Manager. For purposes of this Wrap Fee Brochure, the definition of Third Party Managers does not include shares of mutual funds, exchange traded funds (“ETF”s), closed-end investment companies and money market funds (“Registered Investment Companies”) and Client’s prior execution of a Third Party Manager investment management agreement or subscription agreement is not required before any investment is made in shares of such Registered Investment Companies. Factors which we shall consider in recommending a Third Party Manager may include your stated investment objectives and the Third Party Manager’s management style, performance, and reputation. More information on Third Party Managers can be obtained by request.

In addition to the foregoing, we may provide you with one or more of the following additional services: (i) financial planning advice; (ii) development of a financial summary; (iii) development of a financial management strategy; and/or (iv) financial reporting; and/or (v) employee benefit plan services (the “Additional Services”). The provision of any Additional Services will be agreed to on an individual basis with you. The Additional Services are further described in the ADV Part 2 Brochure that is distributed to each client who uses the Additional Services and can be viewed at the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). There may be an additional charge for any Additional Services we may provide.

BPWA and/or its affiliates may render advice to or take actions for other Clients that differ from the advice given or the timing or nature of any action taken for your Account. In addition, BPWA may, but is not required to, purchase, sell or recommend for purchase or sale for your Account any security which BPWA, its principals, affiliates or employees, may purchase or sell for its or their own accounts or for the account of any other Client.

BPWA does not guarantee (i) the future performance of the Account or any specific level of performance of the Account, or (ii) the success of any investment decision or strategy that BPWA may use, or (iii) the success of BPWA’s advisory or management services.

#### **Custodian and Broker**

Pershing Advisors Solutions, LLC (“Pershing”) acts as custodian for our wrap fee clients. It provides *execution and clearing services, and performs administrative services, such as quarterly performance reporting* for your account. We reserve the right to replace Pershing or add additional custodians as we may determine, which custodians shall be subject to, and act in accordance with, the terms and conditions of your investment management agreement with us. Third Party Managers may custody your managed account assets with a custodian other than Pershing.

We invest in Registered Investment Companies, individual stocks that trade on recognized exchanges, fixed income securities, other securities, and contracts and options on each of the foregoing, and cash

equivalents for your account through Pershing and/or any other properly registered broker-dealers that we may agree upon with you. Third Party Managers will make investment decisions pursuant to their procedures, and therefore may use brokers and/or custodians other than Pershing.

## **Fees**

We charge our fees for the Wrap Fee Program (the "Wrap Fee") quarterly in advance. The Wrap Fee will be a percentage fee of the market value of your Account assets as of the last business day of the previous quarter (the "Computation Date") including any funds managed by Third Party Managers and any cash/or cash equivalents. The Wrap Fee covers, in addition to our advisory or management services, "institutional platform services" performed by Pershing. The institutional platform services include, among others, the execution and clearing of trades by Pershing, custody, and other related services. The Wrap Fee, generally, is automatically deducted by Pershing or such other custodian as that we may agree upon with you. If you so select, you can be billed directly for your advisory fees, rather than deducting the fees automatically from your account. Our standard maximum fee schedule is set forth below. There may be an additional charge for any Additional Services we may provide. The Wrap Fee, as well as any other fees described in this Brochure, may be modified by BPWA on 30 days written notice to you. The Wrap Fee may be negotiable, depending upon various factors, including but not limited to the size of your Account, the amount of trading in your account, the services to be provided to your Account by BPWA, and related-party assets advised or managed by BPWA.

<b>Value of Assets</b>	<b>Maximum Annualized Fee as a Percent of Assets</b>
<b>Up to \$999,999</b>	<b>1.50%</b>
<b>From \$1,000,000 - \$2,999,999</b>	<b>1.25%</b>
<b>From \$3,000,000 - \$4,999,999</b>	<b>1.00%</b>
<b>From \$5,000,000 - \$9,999,999</b>	<b>0.75%</b>
<b>From \$10,000,000 - \$24,999,999</b>	<b>0.50%</b>
<b>From \$25,000,000 - \$49,999,999</b>	<b>0.45%</b>
<b>Over \$50,000,000</b>	<b>0.40%</b>

The Wrap Fee will be adjusted for any contributions made to, or withdrawals from, the account. For the initial period of the account, the Wrap Fee will be due and payable at the time of the opening of the account on a pro rata basis for the remainder of the quarter, based on the market value of the account at the time of the opening of the account (giving effect to any assets being transferred in connection with the opening of the account). In any partial quarter, the Wrap Fee will be calculated based upon the number of days that the account was open. In the case of termination of an investment management agreement with us, the Wrap Fee paid for the then current quarter shall be refunded on a pro rata basis

from the effective date of termination of the investment management agreement until the end of that quarter.

The market value of the account will be computed by valuing each security listed on a national exchange at the closing sale price on the Computation Date. Funds managed by Third Party Managers (as described and defined above) will be valued according to the net asset value provided to us by that Third Party Manager (as described and defined above). Investments in mutual funds will be valued at the net asset value determined on the Computation Date. All other securities and assets in the account will be valued in good faith in a manner determined by us to reflect fair value. Any such valuation should not be considered a guarantee of any kind whatsoever with respect to the value of the account assets.

### **Important Things to Consider About Fees Related to your Wrap Fee Program Account**

The Wrap Fee is a recurring fee for our services which includes ongoing investment advice, the execution of transactions, custody of assets and reporting and other administrative services provided in connection with your Wrap Fee Program account as applicable. Brokerage and custody portions of the Wrap Fee may cost you more than if your account was charged a traditional transaction-based commission in which you would buy the same or similar investments separately and pay a sales charge or commission for each transaction. The factors that bear upon the cost of the Wrap Fee Program in relation to the cost of the same or similar investments purchased separately include the:

- Type and size of the account in which the investments are purchased;
- Historical and expected amount and number of trades in the account; and
- Number and range of supplementary advisory and ongoing client-related services provided to you.

The fee paid by BPWA to Pershing for its institutional platform services is an asset-based fee rather than a transaction-based fee. Substantially greater transaction cost savings may be realized in the context of a traditional pay-per-trade commission structure as opposed to a Wrap Fee, especially if a Client is a “buy and hold” investor or if a Client otherwise anticipates engaging in a lower level of trading activity.

### **Additional Fees**

The Wrap Fee does not cover (i) custody services provided by custodians other than Pershing; (ii) the brokerage fee of trades transacted through brokers other than Pershing, including, without limitation, “mark-ups” or “mark-downs” that Brokers other than Pershing may receive, or “dealer spreads” that Brokers other than Pershing may receive when acting as principal in certain transactions; (iii) certain costs or charges that may be imposed by Pershing or third parties, including, but not limited to, costs associated with exchanging foreign currencies, odd lot differentials, activity assessment fees, transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law; (iv) the annual fee that the custodian charges to Individual Retirement Accounts (“IRA accounts”) or certain other retirement plans; (v) costs associated with using margin (to the extent, if any, that margin may be used for your account); and (vi) other fees

and expenses associated with investing in Registered Investment Companies and with Third Party Managers, as described below.

As part of our Wrap Fee Program services to you, Account assets may be invested in various investment products including but not limited to shares of Registered Investment Companies, variable annuities, other insurance products and, 529 plans (collectively, "Investment Products"). The Client will incur a proportionate share of the Investment Products' expenses, including distribution, advisory, execution and other fees. These fees are separate from, and in addition to, the Wrap Fee payable to BPWA under the Investment Management Agreement and the assets invested in Investment Products are included in Account assets for purposes of calculating BPWA's Wrap Fee.

Investment Products, including Registered Investment Companies, are generally available directly to the public. Thus, a Client can obtain such Investment Products that may be recommended and/or utilized by BPWA independent of engaging BPWA as an investment advisor. However, if a Client determines to do so, he/she/it will not receive the benefit of the Advisor's initial and ongoing investment advisory services.

Account assets may be invested with Third Party Managers, who will invest a Client's assets either directly or through third party investment vehicles. Such assets are subject to separate fees and expenses which are in addition to the Wrap Fee payable to BPWA, and such assets are included in Account assets for purposes of calculating BPWA's Wrap Fee. The Wrap Fee applies and remains payable with respect to allocations to Third Party Managers even if such investments are suspended, gated or otherwise unable to be redeemed. The fees and expenses of each Third Party Manager will be disclosed to the Client directly by the Third Party Manager and will be paid directly to the Third Party Manager (or its investment vehicle) by the Client or deducted from the Account pursuant to a separate agreement with the Third Party Manager.

At any specific point in time, depending upon perceived or anticipated market conditions/events, BPWA may, but is not required to, maintain cash positions for defensive purposes. All cash positions (money markets, etc.) shall be included in Account assets for purposes of calculating BPWA's Wrap Fee. There is no assurance that BPWA will correctly perceive or anticipate such conditions/events, and even if it does, BPWA may still not take the appropriate defensive actions in a timely manner.

To fully understand the total cost you will incur, you should review all fees charged by BPWA, Investment Products, and Third Party Managers.

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

We offer our Wrap Fee Program services to - individuals, business or family related entities, trusts, estates, foundations, endowments, charitable organizations, and pension and profit sharing plans. We generally require a minimum client net worth of \$2,000,000 for our investment advisory services. In our sole discretion, we may waive or reduce our minimum asset requirement. BPWA



manages accounts for BPWA employees, and may manage accounts for Zweig-DiMenna employees. Such accounts will be subject to the BPWA Code of Ethics as described in Item 9 below.

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

Our investment process involves the possible selection of Third Party Managers for a portion of your Account. Prospective Third Party Managers are identified by your account advisor through commercially available databases, due diligence, referrals from third parties and direct solicitations by the Third Party Managers. Your account advisor gathers such information about the Third Party Managers and presents the material to the BPWA Advisory Committee for the Committee's consideration and, if appropriate, the Committee's approval. The members of the Advisory Committee are: Kevin Cannon, Chief Executive Officer of BPWA and Zweig-DiMenna; Patrick Gingras, Co-President and Head of Private Clients of BPWA; Paul Michalowski, Co-President and Chief Operating Officer of BPWA and Head of Global Marketing of Zweig-DiMenna; and Michael Schaus, Director of Market Research of BPWA and Zweig-DiMenna. In addition, members of the Advisory Committee will from time to time consult with Joseph DiMenna, who is our Market Strategist, regarding certain of his general economic views and his understanding of economic conditions. *Please see Item 9 for more information regarding the dual affiliation of certain of our officers and employees with Zweig-DiMenna.*

We do not conduct separate performance calculations on Third Party Managers. Custodians and third party data and reporting vendors have their own data checks and processes to verify the accuracy of the data they provide. The Advisory Committee does not approve Third Party Managers based on performance alone. The Advisory Committee reviews many factors regarding a Third Party Manager before approval, including:

- Operational functionality;
- Safety of client assets;
- Investment Review;
- Infrastructure;
- Portfolio Manager capabilities; and
- Track Record.

Once these areas have been reviewed, the Advisory Committee determines whether or not to approve the Third Party Manager. While the Advisory Committee will approve the Third Party Manager that can be in your account, your portfolio will be constructed by your specific account advisor. Your advisor shall select, if appropriate, Third Party Managers for your account based on various factors, including, among others, performance, strategies, methods of analysis, fees and Investor Profile. Your advisor will guide you towards, and implement, appropriate asset allocation frameworks, strategies, and investments, given your requirements and investment objectives.

The due diligence that we perform on a Third Party Manager includes, but is not limited to, reviewing the Third Party Manager's and/or its recommended investment vehicles' investment strategies, use of

leverage, performance, risk/reward ratios, and drawdowns; and, with respect to Third Party Managers, engaging in periodic discussions with the management regarding investment performance and market conditions; and various aspects of operational due diligence.

BPWA performs initial and ongoing due diligence on all Third Party Managers and investment vehicles sponsored by Third Party Managers that it recommends to your Account. This due diligence process: (i) applies only to Third Party Managers and investment vehicles that BPWA has specifically recommended; and (ii) does not include performing due diligence on any underlying funds, securities, accounts or investments selected or recommended by a Third Party Manager. BPWA does not provide initial due diligence on any Client investment (whether a Third Party Manager, Registered Investment Company, security, account, stock, or bond) that was not recommended by BPWA, even though BPWA's services may include consolidated reporting that includes information about these investments. In the event that you are transferring assets managed by a Third Party Manager, or other assets, in connection with your opening the Account, or at any time while you have an Account with BPWA, BPWA will not be performing any initial due diligence on those Third Party Managers or other assets, before they are transferred to your Account.

BPWA's due diligence on recommended Third Party Managers and their investment vehicles is limited to that which is conducted in the manner described in your Investment Management Agreement and this Wrap Fee Brochure and there is no guarantee that BPWA's due diligence process will be effective in detecting any issues or deficiencies that may exist with respect to (i) a Third Party Manager or that Third Party Manager's investment strategy or guidelines, or (ii) the accuracy of the information being provided by a Third Party Manager with respect to such assets.

If we recommend to you alternative investments, the due diligence that we would perform shall generally include: (i) the use, if possible, of separate accounts to gain full transparency and control; (ii) the use, if available, of transparency reports issued by independent fund administrators and risk aggregators; (iii) the verification of relationships with critical service providers; (iv) the confirmation that assets are in fact serviced by the administrator and held at the custodian identified; and (v) conducting, to the extent reasonably feasible, onsite reviews.

Allocations to a Third Party Manager will only be made upon your execution of an investment management agreement with such Third Party Manager or upon your execution of a subscription agreement for a private investment fund managed by such Third Party Manager after you have received, and had the opportunity to review, relevant disclosures from the Third Party Managers.

We act as portfolio manager for your account with respect to the selection of Investment Products, including Registered Investment Companies, as well as individual stocks that trade on recognized exchanges, fixed income securities, other securities and contracts and options on each of the foregoing, cash and cash equivalents as we deem appropriate having regard to your investment objectives, strategy and guidelines. We do not believe that this causes any conflict of interest with the fact that we may also recommend Third Party Managers for your account.

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

We do not charge any performance-based fees (that is, fees based on a share of capital gains on or capital appreciation of your assets) for managing your account(s).

“Side-by-side management” refers to the simultaneous management of multiple types of client accounts/investment products. As a registered investment advisor, we are required to (i) disclose if we or any of our supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, (ii) explain the conflicts of interest that we or our supervised persons would face by managing these accounts at the same time, such as that we or our supervised persons would have an incentive to favor accounts for which we or our supervised persons receive a performance-based fee, and (iii) describe generally how we address these conflicts.

While some of our officers and employees (including members of our Advisory Committee) are officers or employees of Zweig-DiMenna (which acts as investment adviser to various private pooled investment vehicles that do charge performance-based fees), we do not expect there to be any side-by-side management of your account(s) with the funds managed by Zweig-DiMenna, and we, therefore, do not expect there to be any such conflicts of interest in managing your account(s).

A potential conflict of interest exists because different Clients have different size accounts and different fee structures (please see Item 4 above). As a fiduciary, BPWA endeavors to allocate investment opportunities among its Clients in a fair and equitable manner. BPWA will allocate all securities and other investment opportunities among Clients in accordance with BPWA’s policies and procedures regarding trade allocations.

The Advisor advises both discretionary and non-discretionary investment advisory accounts. Because of, among other things, the logistics involved in managing accounts on a non-discretionary investment advisory basis (including the need to contact the client for his or her consent prior to any transaction and the number of clients with non-discretionary accounts that the Advisor has), the Advisor will generally effect transactions for discretionary accounts before the Advisor effects transactions for the non-discretionary accounts. Therefore, it is possible that the non-discretionary accounts’ transactions may not be effected in a timely manner (if at all), and/or the price and quantities of the securities (if still available) will be adversely effected.

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

#### **ANALYSIS AND SCREENING PROCESS**

We develop asset allocation strategies based on our independent research and our understanding of economic conditions. We use analytic tools from sources such as Morningstar, Factset, Bloomberg and commentary and analysis from various financial institutions.

As part of our strategic relationship with Zweig-DiMenna, investment professionals from Zweig-DiMenna will provide macroeconomic research to assist us in the asset allocation process.

Our investment process encompasses three major areas:

- Identifying investment trends and opportunities;
- Asset allocation; and
- Investment Selection.

This process is designed to provide guidance to be customized to your particular investment goals and risk tolerance.

### **1. Identifying Investment Trends and Opportunities**

We begin our investment process by researching broad, macro-economic trends and valuations utilizing external and internal resources. We use fundamental, technical and cyclical analysis in conducting our macro-economic research.

### **2. Asset Allocation**

We determine asset allocation based on investment themes and attractive risk-adjusted return potential. Based on those investment themes, we develop an asset allocation framework based on your investment objectives.

### **3. Investment Selection**

We conduct qualitative and quantitative research to find and assess Third Party Managers, and tactical positions. Macro-economic research (including the research provided by Zweig-DiMenna), broad asset allocation frameworks, and related information are then discussed with our Advisory Committee, which generally meets on at least a quarterly basis. The Advisory Committee's role is to provide broad guidance in regards to asset allocation and general investment opportunities. *Please see above for the Role of the Advisory Committee in approving Third Party Managers.* The Advisory Committee will provide investment advice and guidance around investment trends, themes and asset allocation and will approve Third Party Managers that can be in your account(s). Your portfolio will be constructed by your specific advisor. Your advisor will guide you towards, and implement, appropriate strategies, asset allocation frameworks and investments, given your requirements and investment objectives.

## **CERTAIN TYPES OF INVESTMENTS**

Some of the investments that we may, but are not obligated to, from time to time recommend to you include investments in Registered Investment Companies and/or Third Party Managers. We also may, but are not obligated to, recommend investments in individual stocks that trade on recognized exchanges, fixed income securities, other securities and contracts and options on each of the foregoing, cash and cash equivalents in connection with the construction of your investment portfolio.

See above for more information about our selection of Third Party Managers.

## **RISKS**

All investing (including investing in securities) involves a risk of loss that you should be prepared to bear before investing. We do not guarantee or represent that our investment recommendations will be successful. We cannot assure you that our investments of your money will be profitable, and in fact, you could incur substantial losses. Your investments with us are not a bank deposit and are not insured or guaranteed by the FDIC or any other government agency, and accordingly, there is a risk of loss of principal – the risk that the value of any or all of the securities in your account, when sold or otherwise disposed of, may be less than the price paid for the securities.

The risks set forth below represent a general summary of the material risks involved in our investment strategies described in this Wrap Fee Brochure.

BPWA expects that a portion of your assets will be invested in one or more Investment Products, including Registered Investment Companies. Although BPWA conducts due diligence on the Investment Products prior to the investing of client assets, there can be no guarantee that BPWA's diligence will be successful or that a client will not suffer losses.

Some of the Registered Investment Companies that we may recommend include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate, government, and municipal fixed income securities, and commodities. Equity securities may include large capitalization, medium capitalization, and small capitalization stocks. Mutual funds, ETFs and closed-end investment company shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

If we recommend Registered Investment Companies that have investment strategies in US and international small capitalization, emerging market securities, and commodity futures, you should be aware that those investment strategies are likely to involve more risks than investments in large or medium capitalization stocks. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities or TIPS) present the risk of loss of purchasing power through lower expected returns. This risk is greatest for longer-term bonds. All fixed income investments, including Treasury bonds, are subject to day-to-day market value fluctuations. If fixed income investments are sold prior to maturity, they could be worth more or less or the same as your initial investment.

You should also be aware that Registered Investment Companies and other investment strategies may contain international securities or securities that represent shares in a foreign stock. Special risks associated with investments in foreign companies include exposure to currency fluctuations, less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, political or economic instability, seizure or nationalization of assets, imposition of taxes or repatriation restrictions and differing auditing and legal standards. The securities of issuers located in emerging markets can be more volatile and less liquid than those of issuers in more mature economies. These risks may be greater with investments in developing countries.

More information about the risks of any particular Registered Investment Company and market sectors can be reviewed in the relevant Registered Investment Company's disclosure documents.

A portion of your assets may be managed by one or more Third Party Managers. Although BPWA conducts due diligence on Third-Party Managers prior to approving them to trade client assets, there can be no guarantee that BPWA's diligence will be successful or that the client's investment with a Third Party Manager will not suffer losses.

BPWA relies on the Third Party Manager(s) to operate in accordance with its investment strategy or guidelines and on the accuracy of the information provided by the Third Party Manager. If a Third Party Manager or its investment vehicle does not operate in accordance with its investment strategy or guidelines, or if the information furnished by a Third Party Manager is not accurate, a Client's investment with a Third Party Manager and its investment vehicle may sustain losses. BPWA does not have any control over (i) the decisions made by any Third Party Manager; or (ii) the institutions selected by the Third Party Manager for brokerage, clearing, custody or other services ("Third Party Financial Institutions") related to its investment vehicle. The bankruptcy or fraud at any Third Party Financial Institution could result in substantial losses to the Client. More information about the risks of any Third Party Manager or that Third Party Manager's investment strategy or guidelines can be reviewed in that Third Party Manager's investment advisory brochures and related documents.

If BPWA deems it suitable for a client, BPWA may recommend investments in privately placed securities, which are not registered with federal or state regulators and the offering documents of which are generally not reviewed or approved by federal or state regulators. This makes it difficult for both you and BPWA to assess the performance of such securities or independently verify information that is reported. The companies offering such securities may not be required to provide periodic pricing or valuation information to BPWA. All of this can make it easier for an unscrupulous company to engage in fraud.

While BPWA generally expects most of a client's portfolio to be liquid, certain investments may be highly illiquid, such as investments in privately placed securities. The federal securities laws place significant restrictions on transferring or redeeming such securities. As such, there is no secondary market for such securities and none is expected to develop.

Investments may be made in Registered Investment Companies, private investment funds, separately managed accounts traded by a Third-Party Manager, in variable annuities, other insurance products, 529 plans and other products that have Underlying Investments (collectively, "Underlying Investments"). The investment performance of a client's account at BPWA, as well as the Underlying Investments held by such account, may be volatile. In addition, client assets will be invested in individual equity and debt securities and may be invested in other financial products from time to time, which are also subject to certain risks. All investments of client assets entail certain risks, including the possible loss of the entire principal amount invested.

The fees and expenses of the Wrap Fee Program and the Underlying Investments – which may be substantial regardless of any positive return – may offset the Wrap Fee Program and the Underlying Investment's profits. If BPWA's investments are not successful, these payments and expenses may, over a period of time, cause losses.

BPWA and the managers to the Underlying Investments may be subject to various potential and actual conflicts of interest. BPWA and its affiliates perform advisory or management services for various clients and BPWA may render advice to or take actions for other clients that differs from the advice given or the timing or nature of any action taken for your Account. In addition, BPWA may, but is not required to, purchase, sell or recommend for purchase or sale for the Account any security which BPWA, its principals, affiliates or employees, may purchase or sell for its or their own accounts or for the account of any other client.

The death, disability or departure of key BPWA personnel may have a material adverse effect on investment performance. Similar risks would apply if such events occurred with respect to the key personnel of a Third Party Manager, a Registered Investment Company or a private investment fund that a client's account has investments in.

With respect to certain strategies, BPWA may attempt to minimize the tax impact of such strategies on its client. However, such attempts may not be successful, including, without limitation, because BPWA may have an incomplete understanding of such client's tax situation.

A client's assets may be invested in various global markets throughout the world. As a result, the client may be exposed to risks relating to non-US markets, including, without limitation, risks relating to currency exchange, tax, lack of liquidity, market manipulation, political instability and higher transaction costs.

There is also the possibility that tax rates will change in a manner that will cause an investment to lose value because investors perceive that its after-tax return is not as attractive as before. For example, the interest rates for municipal (i.e. tax-exempt) bonds tend to change in relation to the interest rates for taxable bonds. The relationship between the interest rates changes as the tax rate changes. But, the tax rate is just one of several factors affecting this relationship.

The risk of regulatory changes can also adversely affect an investment. This includes a wide range of factors such as unfavorable changes in environmental laws, laws that restrict international capital movements, and new rules that restrict activity in certain industries.

If suitable for a client, certain investment strategies may use leverage and other speculative investment practices or trading strategies that may increase the risk of investment loss.

The risk management techniques which may be utilized by BPWA cannot provide any assurance that an investment will not be exposed to risks of significant trading losses. Your investment is subject to potential loss, in whole or in part. Certain Underlying Investments may not be suitable for all investors. Investors must have the financial ability, sophistication/experience and willingness to bear the risks of opening an account at BPWA.

A risk exists that a market will simply cease to function. The US securities markets closed for a period following the 2001 attack on the World Trade Center. The market for many types of fixed income securities suddenly failed in 2008 with little or no warning. Political instability or a political change that

investors believe will result in damage to a region's economy can cause investments to lose value. Political risk is a factor in the US federal government and in individual states within the US.

Every method of investment analysis has its own inherent risks. To perform an accurate market analysis BPWA must have access to current/new market information. BPWA has no control over the dissemination rate of market information; therefore, unbeknownst to BPWA, certain analyses may be compiled with stale or inaccurate or incomplete information, severely limiting the value of BPWA's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

In the interest of efficient trade execution, BPWA may, but shall not be obligated to, aggregate orders for a client account with orders for other clients. BPWA generally will allocate securities so purchased or sold, as well as the expense incurred in the transaction, in the manner that it considers to be equitable and consistent with its fiduciary obligations to the Client and its other clients. BPWA assigns the Account the average price resulting from such trades and clients participating in an aggregate order may be charged materially different transaction expenses. In the event an order is only partially filled, generally, the trade shall be allocated pro rata in accordance with the amount specified for each Client at the time of the order, subject to the discretion of BPWA not to fill orders on a pro rata basis due to various factors. With respect to limited opportunity securities, if BPWA did not advise or manage multiple client accounts, Client would be able to receive or sell a greater percentage of limited opportunity securities.

Investment performance will depend largely on BPWA's decisions as to strategic asset allocation and tactical adjustments made to the asset allocation. At times, BPWA's judgments as to the asset classes in which clients should invest may prove to be wrong, as some asset classes may perform worse than others or the markets generally from time to time or for extended periods of time.

Clients that determine to engage the Advisor on a non-discretionary investment advisory basis should be aware that the Advisor cannot effect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event of a market correction during which the client is unavailable (or the Adviser has many non-discretionary client accounts to contact), the Advisor will be unable to effect any account transactions (as it would for its discretionary clients) without first obtaining the client's consent.

If you invest a pension, profit-sharing or 401(k) plan maintained by a US. corporation and/or union, or you are an individual participant in such a plan, or if you have an IRA or Keogh plan, or you are a participant in, or investing for, an entity whose assets include or are deemed to include the assets of such account, plan or person with BPWA, BPWA may be subject to restrictions and limitations under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or Section 4975(e)(3) of the Internal Revenue Code of 1986. Please see your Investment Management Agreement for further information.



Cybersecurity breaches involving us or our service providers, or to your Investment Products, Third Party Manager(s), private fund managers, and/or Underlying Investment and their respective service providers, may cause disruptions and impact business operations, potentially resulting in financial losses to you; impediments to trading; the inability of us and/or other service providers to transact business; violations of applicable privacy and other laws; as well as the inadvertent release of confidential information.

### **Voting Client Securities**

We handle proxy voting only when you provide that authority. If you wish to vote your proxies in a manner that is different from our proxy voting policies and procedures, you must contact us to arrange alternate procedures. BPWA shall not vote the proxies as to assets managed by Third Party Managers, although the Third Party Manager may have proxy voting authority over such assets.

We have entered into an agreement with Broadridge Investor Communication Solutions, Inc. for the purpose of using the ProxyEdge platform to assist in the proxy voting process. ProxyEdge allows us to manage, track, reconcile and report proxy voting through electronic delivery of ballots, online voting, and integrated reporting and recordkeeping.

Proxies of public companies are voted by BPWA. We reserve the right to refrain from voting a proxy of a foreign issuer due to the logistical considerations associated with voting such proxies including, without limited to, that the cost may outweigh the benefit. In some instances, a proxy vote may present a conflict between your interests, on the one hand, and our interests on the other hand (a "Client Conflict"). When a Client Conflict exists the manner in which we will vote will be determined by a member of the Advisory Committee in the best interests of you, the owner of the underlying security. We shall not vote the proxies as to assets managed by Third Party Managers, although the Third Party Manager may maintain the account with Pershing as custodian.

Upon request, you may obtain information about how we voted your securities and a copy of our proxy voting policy and procedures by telephoning us at 212-451-1400.

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

Initially your account advisor, or another representative of BPWA, will interview you to determine your Investor Profile. We do not provide Investor Profile information to Registered Investment Companies or Third Party Managers. Third Party Managers may request certain Investor Profile information from you during the account opening process.

### **Item 8 – Client Contact with Portfolio Managers**

BPWA does not place restrictions on contact between you and your account advisor. *For more information about the review process of your account, please see Item 9.*

We do not place any restrictions on client contact with Third Party Managers and/or Registered Investment Companies. Some Third Party Managers and/or Registered Investment Companies may have their own restrictions on client contact.

## **Item 9 – Additional Information**

### **Disciplinary Information**

As a registered investment advisor, we are required to disclose any legal or disciplinary events that would be material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. We do not have any such legal or disciplinary items to report.

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

Some of our officers and employees are also dual officers and employees of our affiliated entity, Zweig-DiMenna, which is also a registered investment adviser with the SEC. Zweig-DiMenna acts as the investment adviser to various private pooled investment vehicles. For example, certain of our management persons, including our Chief Executive Officer, Director of Market Research, Treasurer and Chief Compliance Officer, serve in similar capacities with Zweig-DiMenna; and our Co-President and Chief Operating Officer is Head of Global Marketing of Zweig-DiMenna. In addition, Joseph DiMenna, who is our principal beneficial owner and Market Strategist, is the President and Managing Director and head portfolio manager for Zweig-DiMenna. Our Advisory Committee also includes certain management persons and employees of Zweig-DiMenna. Although it is not expected that any of the dual officers or Joseph DiMenna will be involved in the day to day portfolio management of your accounts, both BPWA and Zweig-DiMenna have implemented policies and procedures to address any potential conflicts of interests that might arise from the foregoing situation.

Zweig-DiMenna is registered with the Commodity Futures Trading Commission ("CFTC") as both a commodity pool operator and a commodity trading advisor, and Zweig-DiMenna is also a member of the National Futures Association ("NFA"). Certain of our management persons are registered with the NFA as associated persons of Zweig-DiMenna.

Watermark Securities, Inc. ("Watermark Securities") is a broker-dealer of which Joseph DiMenna is the principal shareholder. Certain of our management persons are registered representatives associated with Watermark Securities. It is not expected that we will direct any portion of our clients' securities transactions to Watermark Securities.

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

We have adopted a Code of Ethics ("Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act") that is applicable to our employees ("Employees").

Dual officers of BPWA and Zweig-DiMenna will be subject to Code of Ethics of Zweig-DiMenna. *For further information about the Zweig-DiMenna Code of Ethics, please see the Zweig-DiMenna ADV Part 2 Brochure that can be viewed at the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).* The Code requires Employees to exercise their authority and responsibility for the benefit of clients and to refrain from activities that may conflict with the interests of clients. The Code contains policies and procedures that, among other things:

- Prohibit trading on the basis of material non-public information;
- Prohibit Employees from taking personal advantage of opportunities belonging to clients;
- Place limitations on personal trading by Employees and impose preclearance and quarterly and annual reporting obligations with respect to such trading;
- Impose standards of business conduct for all Employees;
- Require the distribution of the Code (and any amendments) to Employees and require Employees to provide a written acknowledgment of their receipt thereof;
- Require the reporting and review of Employees' personal securities transactions;
- Require Employees to report violations of the Code to our Chief Compliance Officer; and
- Require Employees to comply with federal securities laws.

Our Chief Compliance Officer monitors compliance with these and all other aspects of the Code.

We will provide a copy of the Code to a client or prospective client upon request by telephoning us at 212-451-1400.

We generally do not (i) engage in principal transactions with our clients; (ii) cause principal trades to be effected between our affiliates and our clients; (iii) effect agency cross transactions; or (iv) engage in cross trades. If we were to consider engaging in any such transactions, our Chief Compliance Officer would review such potential transactions to assure that it achieves best execution and is priced fairly, that you are not disadvantaged by the trade and whether your account can engage in such a transaction. Principal trades and agency cross transactions will only be permitted if your consent has been obtained in accordance with the requirements of the Advisers Act and the rules adopted thereunder.

As discussed, some of our officers and employees are also dual officers of Zweig-DiMenna, which acts as the investment adviser to various private pooled investment vehicles. It is not expected that our accounts and the Zweig-DiMenna funds would be trading in the same securities at the same time, but both we and Zweig-DiMenna have implemented review procedures to track the accounts, and shall address any potential conflicts of interests that might arise from the foregoing situation.

### **Review of Accounts**

Your account's advisor will periodically monitor your advisory account(s), generally, on at least a quarterly or semi-annual basis, and, when appropriate, implement (or if you have a non-discretionary account, suggest) a reallocation/rebalancing of the portfolio based upon your account's investments,

changing market or economic conditions or changes in your Investor Profile. You are encouraged to discuss your goals, needs and objectives with BPWA and to keep us informed of any changes thereto. In addition, BPWA will, generally, review your advisory account on at least a quarterly or semi-annual basis.

Transaction reports and performance summaries are provided to you on a periodic basis, depending on your preference. These reports are sent by US Mail or electronically depending on your instructions. Access to statements, portfolio details and account activity are also available on-line.

#### **Client Referrals and Other Compensation**

BPWA does not receive an economic benefit from any person who is not a client for providing investment advice or other advisory services to clients of BPWA.

#### **Financial Information**

As a registered investment advisor, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to you. Currently, there is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to you.