

# **ADV Part 2 Brochure**

**Dated August 21, 2020**

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## **The Mosaic Financial Group, LLC**

**303 East Wacker, Suite 1675  
Chicago, Illinois 60601  
312-255-5490**

**Website: [www.themosaicgroupllc.com](http://www.themosaicgroupllc.com)**

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This Brochure provides information about the qualifications and business practice of The Mosaic Financial Group, LLC. If you have any questions about the contents of the brochure, please contact us at (312) 255-5490. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by the State Securities Authority. Additional information about The Mosaic Financial Group also is available on the SEC'S website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2 Material Changes**

This Firm Brochure, Form ADV 2A, dated March 26, 2020, is our annual disclosure document prepared according to the SEC's current requirements and rules.

Additional information about The Mosaic Financial Group, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with The Mosaic Financial Group, LLC who are registered, or are required to be registered, as investment adviser representatives of The Mosaic Financial Group, LLC.

Currently, the Firm's Brochure may be requested by contacting Jane-Ellen Wolak at 312-255-5493 or via email at [jwolak@themfg.com](mailto:jwolak@themfg.com).

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## **Item 4 Advisory Business**

Mosaic was established in 2000. Jane-Ellen Wolak, a founding principal heads the Investment Advisory Practice. She is joined by three tax partners and a professional staff with Financial and Accountancy experience that include CPA, and CFP®.

We provide the following portfolio management services to clients:

- Investment Advisory on both a *discretionary* and *non-discretionary* basis
- Portfolio Monitoring

We also provide the following services:

- Estate and Financial Planning
- Tax preparation
- Consulting
- Bookkeeping

### **Investment Advisory Services**

Mosaic believes that asset allocation is the primary driver of investment returns and risk. At the start of a new client relationship Mosaic will review the current investment portfolio and historical investment strategy. We will learn about our client's financial circumstances, investment objectives, and any special instructions, restrictions or limits that they may wish Mosaic to follow. Any restrictions communicated to Mosaic will be memorialized and adhered to. During the initial stages and on a regular basis thereafter Mosaic will engage their clients on discussions of risk, reward and the importance of balance in portfolio design. This dialogue attempts to define their investment views, risk tolerance, liquidity needs and long-term objectives. The results of these discussions lead to a target asset allocation that is consistent with their investment objectives. This target allocation may be modified as circumstances change.

The selection and execution of the asset allocation may be handled under two types of investment advisory relationships: ***Discretionary***-- which allows Mosaic to make all investment decisions without the prior consent of the client and ***Non-Discretionary*** --which requires approval of all investment decisions prior to execution. Our clients at the outset of their affiliation with Mosaic will determine what relationship they desire. This may be modified at any time by the client.

### ***Discretionary Services***

Under our discretionary services, after a thorough discussion the clients will select asset allocation targets that they deem appropriate with the risk and reward trade-offs and their investment horizon. This asset allocation strategy will then be executed by utilizing Separately Managed Accounts (SMA); herein defined as a third-party money manager, and/ or by Mosaic selecting various investment vehicles as described below. The division of assets between SMAs and other investment vehicles is determined by our judgment as to how best address the asset allocation targets.

When an SMA is used as described below the manager of the SMA will have discretion to manage the funds and invest based on their specific strategy. Mosaic (directly or through its authorized agent which currently is Greenrock Research, Inc. or (Greenrock)) will monitor the organization, investment philosophy and performance of each SMA. As a result, Mosaic may select additional or different SMAs as part of their ongoing discretionary services.

When investing the non-SMA portfolio, Mosaic may select from a broad range of securities to execute the asset allocation. The portfolio may have exposure to domestic equities, foreign developed country equities, emerging country equities, domestic fixed income, developed country fixed income, emerging country fixed income, domestic and foreign real estate and alternative investments. Alternative investments include risk parity strategies, long-short equity, long-short fixed income, futures, currencies, commodities, natural resources, master limited partnerships, global macro strategies and other non-traditional investments. These investments may be a mix of open and closed end mutual funds, exchange traded funds, individual securities and master limited partnerships. Both active and passive management may be utilized.

### ***Non-Discretionary Services***

Under our non-discretionary services, we design various asset allocation strategies that are consistent with our clients' goals. After a thorough discussion an acceptable asset allocation will be selected by our client. We will then provide our recommended mutual funds, exchange traded funds or SMAs by asset class. The investment vehicles we recommend are selected based on any or all of the following criteria:

- Manager style, philosophy, and consistency of track record
- Performance in down markets vs up markets (downside protection analysis)
- Risk and volatility as defined by standard deviation
- Historical performance
- Assets under management / Manager tenure
- Management fee structure
  - No-load / Load-waived mutual funds
  - Transaction fee / Asset-based pricing

Once investment vehicles are approved by the client, we allocate the portfolio based upon the strategic asset allocation. The process is the same for the reinvestment and/or repositioning of assets within an account thereafter.

Mosaic's total assets under management as of December 31, 2019 were \$975,473,572. We provide non-discretionary investment service on \$589,440,046 of assets and discretionary investment service on \$386,033,525 of assets. Mosaic does not participate in or receive compensation from wrap fee programs.

## **Portfolio Monitoring Services**

Portfolio monitoring services are available to clients who receive portfolio management services from an unrelated third party, or who manage their own portfolios. Mosaic will generate a performance monitoring report. The report may compare the investments against appropriate industry benchmarks. This service is designed as a tool to assist clients in evaluating their portfolios. We do not directly provide advice on any specific securities or managers as part of this service. Portfolio Monitoring Service services are not offered in conjunction with the Investment Advisory Services described below.

Mosaic provides monitoring services on \$372,617,620 of assets.

## **Estate and Financial Planning Services**

Estate and Financial Planning services are provided as an on-going or one-time service. Estate planning services are tailored for the client's needs. They may include a comprehensive analysis of the current plan and our recommendations of how to minimize their future estate tax liability. Alternatively, these services may be limited in scope, and customized to our clients' needs. We do not draft legal documents.

Financial planning services may include a comprehensive financial plan. The plan may include a detailed analysis of the client's resources, financial goals, and objectives. In general, the financial plan may address any or all the following areas:

- *Personal:* Family records, budgeting, personal liability, debt management, and review of financial goals and objectives
- *Tax & Cash Flow:* Income tax and cash flow analysis and planning for current and future years. We will illustrate the impact of various cash flow strategies on a client's current income tax and future tax liability.
- *Death & Disability:* Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis
- *Retirement:* Analysis of current and future resources and retirement objectives to help the client achieve their retirement goals.
- *Investments:* Analysis of investment alternatives and their effect on a client's portfolio
- *Estate:* Planning for an orderly distribution of assets at death, minimizing taxes and consideration of client objectives.

We gather the required information through in-depth personal interviews. Information gathered includes the following:

- Current financial status
- Future goals
- Attitudes toward risk

Related documents supplied by the client are carefully reviewed. The client may be provided a detailed questionnaire to assist with this process. Should a client choose to implement the recommendations contained in the financial plan report, we recommend that the client work closely with their attorney, accountant, insurance agent, and/or investment advisor. Implementation of the financial plan recommendations is entirely at the client's discretion.

We will typically present the plan to the client within 90 days of the contract date, provided that all of the information needed to prepare the plan has been promptly provided by the client.

Ongoing financial planning engagements are also available. If selected, following completion of the initial comprehensive financial plan, we will assist in the implementation of the plan. We continually monitor changes to the client's financial circumstances and update the financial plan accordingly. In addition to the financial planning areas listed above, we will also consult with clients regarding life decisions. These include, but are not limited to:

- Charitable giving
- Second home purchases
- Gifting strategies

We would be a ready resource for the client on all financial decisions to assist the client in managing their wealth.

## **Tax Preparation Services**

We prepare income tax returns for the following types of clients:

- Corporations
- Individuals
- Partnerships
- Trusts

We also prepare gift and estate tax returns.

## Consulting Services

Consulting is offered to clients who wish to receive advice on a project-specific basis. These project-specific engagements may be investment related or not. Some common topics include:

- Investments
- Estate planning
- Insurance planning
- Annuity analysis
- Tax advisory services
- Strategic planning for businesses
- Employee benefits analysis
- Roth conversion analysis

All of our services are tailored to meet the individual needs of each client. Each of our client's needs, goals, and objectives are unique. As such, we service each relationship individually. Certain clients may be restricted from investing in certain securities or are limited in the securities available. For example, a client may be limited by the choices offered through their company's 401(k) Plan. We understand these restrictions and modify our recommendations accordingly.

## Bookkeeping Services

Bookkeeping and compilation services are provided to both individual and corporation/partnership clients to assist them in the preparation of their personal financial statements.

## **Item 5 Fees and Compensation**

### Investment Advisory Services Fee

The annual fee for advisory services is charged as a percentage of assets under management according to the schedule below:

<u>Assets Under Mgmt.</u>	<u>Annual Base Fee</u>	<u>Additional Annual Fee</u>
\$0 - \$1,000,000	\$0	0.90% on all assets up to \$1,000,000
\$1,000,001 - \$2,000,000	\$ 9,000	0.60% on all assets over \$1,000,001
\$2,000,001 - \$3,000,000	\$15,000	0.50% on all assets over \$2,000,001
\$3,000,001 - \$5,000,000	\$20,000	0.40% on all assets over \$3,000,001
\$5,000,001 - \$10,000,000	\$28,000	0.30% on all assets over \$5,000,001
\$10,000,001 - \$20,000,000	\$43,000	0.20% on all assets over \$10,000,001
\$20,000,001 - \$30,000,000	\$63,000	0.10% on all assets over \$20,000,001
Over \$30,000,001	\$73,000	TBD on all assets over \$30,000,001



Mosaic utilizes different investment advisory service fee schedules for clients that had a relationship with us prior to the implementation of the schedule above. Otherwise fees are non-negotiable. Clients have the option to debit investment advisory fees directly from their account or pay by check. For both Investment Advisory and Portfolio Monitoring Services, clients will be invoiced in advance of each calendar quarter. This is described in detail in the next section.

In addition to our investment advisory fee, clients may also incur the following charges:

- Mutual fund expenses
- Separate account manager fees
- Custodial / brokerage fees (transaction costs or asset-based pricing fee)
- Asset movement fees (i.e., wiring fees)

We do not receive any compensation for the sale of securities, mutual funds or other investment products.

### **Portfolio Monitoring Services**

The annual fee for monitoring services is charged as a percentage of assets under management according to the schedule below:

<u>Assets Under Mgmt.</u>	<u>Annual Base Fee</u>	<u>Additional Annual Fee</u>
\$0 - \$5,000,000	\$0	0.12% on all assets up to \$5,000,000
\$5,000,001 - \$20,000,000	\$ 6,000	0.10% on all assets over \$5,000,001
Over \$20,000,001	\$21,000	0.08% on all assets over \$20,000,001

For both Investment Advisory and Portfolio Monitoring Services, clients will be invoiced in advance of each calendar quarter. We calculate the billable assets under management based on the fair market value on the last day of the preceding quarter. For example, the 1<sup>st</sup> Quarter invoice for 2020 was based on the fair market value of assets on December 31, 2019 and covers the period from January 1 through March 31, 2020. New accounts started at other than the beginning of a quarter will be billed from the date service began to bring them to a calendar quarter billing cycle. The invoice may be debited from the client account or paid separately. This decision is made by the client when they sign the Investment Advisory Agreement.

If the advisory relationship is terminated before the end of the billing period, a refund will be issued for the remaining days in the period. A 365-day calendar year will be used for the calculation.

The Investment Advisory and Portfolio Reporting services agreement remains in effect until terminated by Mosaic or by our client providing written notice to Mosaic. Upon receipt of the written notice, this agreement will remain in effect for a period of 30-days. On the 31st day after receiving the letter of termination this agreement will be terminated.

## **Financial Planning Fee**

We charge a fixed one-time fee typically ranging from \$1,250-\$10,000 depending on the scope and complexity of the client's circumstances. If these services are provided on an ongoing basis the fees will typically range from \$5,000-\$50,000, depending on the scope and complexity of the client's circumstances, and the specific services outlined.

## **Tax Preparation Fees**

We charge a fee based on the complexity of the tax return. A separate engagement letter detailing our fee estimate is provided before any work is commenced.

## **Consulting Services Fees**

Fees for consulting services may be charged one of two ways:

- As a fixed fee, typically ranging from \$1,000 - \$50,000. Half of this fee may be due upon signing the consulting agreement, with the balance due upon presentation of the project. Typically, the retainer for consulting services will be earned within 90 days of the contract date, provided that all information needed to perform the service has been promptly provided by the client.
- On an hourly basis of \$150-\$450 per hour depending on the nature of the service and the personnel involved. Hourly fees shall be due and billable as invoiced.

For estate and financial planning, tax preparation and consulting services, 50% of fees may be invoiced in advance at the time the engagement letter is signed and the remainder once the project is completed. Alternatively, these services may be invoiced upon the completion of the project.

## **Bookkeeping Fees**

We charge a fee based on the complexity of the project. A separate engagement letter detailing our fee estimate is provided before any work is commenced.

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

Mosaic does not charge performance-based fees. Certain Private Equity or other underlying investments held within our clients' portfolio may charge performance-based fees. Mosaic believes there is no conflict in this structure, as it will be adequately disclosed before the investment is made.

## **Item 7 Types of Clients Mosaic Serves**

Mosaic provides service to the following types of clients:

- individuals
- trusts
- estates
- charitable organizations
- pension and profit-sharing plans and their participants
- partnerships
- corporations

We normally require minimum investable assets of two million dollars to provide investment advisory services and five million dollars for Portfolio Reporting Services. However, we do reserve the right to make exceptions at our discretion.

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

### **Building a Portfolio**

Mosaic is an asset allocator. Our intention is to understand your risk tolerances and design portfolios consistent with this risk objective. Return is a corollary of risk--the higher the risk, the higher the expected return. Similarly, the lower the risk, the lower the expected return. The art of portfolio design is to balance risk and reward consistent with your objectives.

Mosaic does not currently employ model portfolios but individualizes each portfolio to suit our clients' needs. A portfolio may include multiple accounts with varying strategies.

Our asset allocation model includes four categories:

- Cash
- Fixed Income
  - Bonds that are rated A or above by a rating agency
  - Inflation Protected Bonds including TIPS
- Alternatives may include:
  - High Yield Debt
  - Commodities
  - Long/Short strategies
  - Market Neutral strategies
  - Master Limited Partnerships
  - Other alternative strategies
- Equity
  - Large Cap

- Mid/Small Cap
- International
- Emerging Markets

In evaluating investments to address a particular aspect of clients' asset allocations, we will chart the investment performance of one investment compared to others over various time periods to determine which to select. This analysis will take account of the various technical indicators associated with each choice. The evaluation process is ongoing and continues to assess the merits of the choices available. When a superior choice which addresses an asset class is determined, the prior choice may be sold and replaced by the new, depending on tax considerations.

Please note we will not provide advice on any investment recommendations made by third party investment advisers. Clients need to review the disclosure documents of any third-party investment advisers to which they are referred by us.

Risk of loss is present in all portfolios. Efforts to minimize risk include asset allocation, diversification through the use of exchange traded vehicles and mutual funds and the placement of non-correlating assets in a portfolio. The inclusion of baskets of securities through exchange traded vehicles and mutual funds diminish company specific risk associated with individual securities and credit risk associated with individual bonds. Nonetheless, a portfolio will be subject to systemic risk which is also known as market risk and relates to factors that affect the overall economy or securities markets. Systemic risk affects all companies, regardless of the company's financial condition, management, or capital structure, and, depending on the investment, can involve international as well as domestic factors. The major systemic risks include interest rate risk, currency risk, inflation risk, sociopolitical risk and liquidity risk. Even money market funds, which attempt to maintain a constant dollar value, are also subject to risk that the manager will fail in its attempt, thereby exposing the holder to risk of loss.

### ***Nondiscretionary***

Once a strategic asset allocation is agreed upon with our client, investment vehicles will be selected for each asset class. Recommendations for these investments will typically be limited to mutual fund managers, SMAs, ETFs, certificates of deposit and various fixed income instruments. Upon receiving our client's approval, the investment will be made with the individual investment vehicle.

This process is ongoing, and the strategic asset allocation is reviewed, and manager performance is evaluated during our client meetings. Recommendations are made based on our clients changing goals and objectives.

We may purchase individual securities for a client portfolio at their request. In these situations, the client has authorized us to purchase the security for their portfolio.

## ***Discretionary***

Under our discretionary service--asset allocation is viewed as both strategic and tactical. Strategic allocations change infrequently. It is expressed as a range for each allocation category. Tactical allocation will move up and down within the range (and if the conviction is sufficiently strong, move outside the range or void the asset class altogether). Tactical allocation attempts to exploit momentum or valuation advantages where the belief is strong that the durability of the trend will continue for a sufficiently long period to allow for it to be exploited.

Under our discretionary service both active and passive (index oriented) investments are used when constructing portfolios. Fees internal to an investment are considered when choices are made between competing investments to address an aspect of the asset allocation. Similarly, volatility for each investment is considered by itself but also in conjunction with its impact on the overall portfolio. Finally, the correlation of items in the portfolio is considered in the portfolio design in an attempt to blend components which do not highly correlate with each other to mitigate portfolio volatility.

Consistent with the overall strategic and tactical allocations in place, portfolios are rebalanced to the allocation targets at least annually. If the variance from the target allocation is greater than 10% and not supported by a tactical decision or client decision, a more frequent rebalancing will occur.

## **Investment Risk**

We do not guarantee the future performance of your investment account or any specific level of performance, the success of any investment decision or strategy that we may use, or the success of our overall management of the account. It is important to understand that investment decisions made for the account are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.

Investors or prospective investors should carefully review the disclosure, offering, and organizational documents for any third-party manager or investment fund(s) under consideration for investment for a detailed explanation of many of the risks associated with any particular investment. Clients should understand that investing in any securities including equities, fixed income, and alternatives involves a risk of loss of both income and principal that a client must be prepared to bear.

## **Item 9 Disciplinary Information**

We do not have any ongoing or past legal or disciplinary events that would compromise the integrity of our firm.

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

Mosaic, its principals and/or employees do not have any other financial service industry affiliations that would negatively impact clients of Mosaic. As stated above, in addition to investment advisory and portfolio monitoring services, Mosaic provides tax, financial planning, bookkeeping and consulting services to its clients.

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

### **Code of Ethics**

Mosaic has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Our Code of Ethics--sets a high ethical standard of business conduct reflecting our fiduciary obligations to our clients.

The Code of Ethics:

- Ensures that we are in compliance with federal securities laws,
- Requires our investment professionals to periodically report personal securities transactions and holdings,
- Provides a process for the reporting of violations,
- Is required to be acknowledged and adhered to by all employees of Mosaic; and
- Allows us to develop strong internal controls and prevent possible insider trading, conflicts of interest, and potential regulatory violations.

A copy of our Code of Ethics is available to all clients and prospective clients upon request. Please contact Jane-Ellen Wolak at 312-255-5493 or via email at [jwolak@themfg.com](mailto:jwolak@themfg.com).

### **Participation or Interest in Client Transactions**

All client trades are placed individually for the respective client's account. The one exception is if a client has an SMA manager. If so, the manager may use block trading in allocating securities to the respective account. Mosaic employees do not participate or have an interest in any client trades.

### **Personal Trading**

Individuals associated with our firm, including Principals, employees, families, and friends, may invest their personal accounts with the same managers we recommend to our clients. We believe that this practice does not cause a conflict of interest.

## **Item 12 Brokerage Practices**

We do not have the discretionary authority to determine the Broker/Custodian to be used or the commission rates to be paid. However, we do have a relationship with Charles Schwab and Pershing Advisor Services that allow us to negotiate a more favorable fee structure, which is passed on to clients. Clients have the option of using either of these brokers or selecting their own. In directing the use of a particular Broker/Custodian, it should be understood that we will not have authority to negotiate commissions or obtain volume discounts and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.

When a client retains an SMA to manage a portfolio, the SMA manager has the responsibility to determine the brokerage firm used for execution of transactions. The SMA may select the firm the client currently uses as a custodian for its other assets or another brokerage firm the SMA determines provides the best execution for specific transactions.

We participate in institutional services programs offered to independent investment advisers by Charles Schwab and Pershing Advisor Solutions. Clients in need of Brokerage/Custodial services may have such a program recommended to them. As part of these programs, we receive benefits that we would not receive if we did not offer investment advice. The benefit is educational in nature and benefits both the advisor and all clients of Mosaic. We do not believe there is a conflict of interest regarding this benefit.

These programs provide us with certain non-monetary benefits as follows:

- Predefined pricing schedule
  - Purchase and sale of securities
  - Custody of assets
- Access to Institutional fund managers
  - Proprietary research, economic insights, and trend analyses that we would not otherwise receive
  - Invitations to various dinners and events. Our policy is to, “not accept an invitation to a dinner or event unless there is a clear business/educational purpose”

We do not receive any client referrals from any broker and or custodian as a result of where our client’s custody their assets.

### **Item 13 Review of Accounts**

We review accounts on a continual basis. A principal or a senior team member is responsible for the review. As part of our review we look at market and economic conditions, political circumstances, and individual needs and goals of our clients. A detailed review of a client's account may be triggered by us or the client. During a review the overall asset allocation is compared to the target for the client to determine if adjustments are needed. Individual investments are reviewed to determine if they are meeting the objective of the portfolio. Recommendations will be made as needed or as we deem advisable. The frequency of these reviews will be set by our clients.

Likewise, SMA managers are reviewed on a quarterly basis.

Reports are available to clients on a quarterly basis. Reports consist of overall portfolio performance, individual investment / manager performance, holdings, and asset allocation. More commonly, reports are produced and provided when we meet with the client.

### **Item 14 Client Referral and Other Compensation**

Our only source of compensation is what is outlined in our fee schedule stated above. We do not receive any additional compensation for referrals, including from solicitations.

### **Item 15 Custody**

In the normal course of business, Mosaic does not custody client assets. However, our clients have asked us to provide certain services which give us custody of their assets. These services include check writing authorization (i.e., bill payment service), trustee powers (i.e., appointment as trustee), third party standing letter of authorization, or power of attorney over client investments. Under these circumstances we are deemed to have custody. In these situations, the client decides at which custodian the assets are held at. A client may select one or multiple custodians. This decision is entirely that of the client.

We have a reasonable belief that the qualified custodian will provide at least quarterly, a statement itemizing all assets and transactions in the account. We recommend to our clients that they reconcile / compare the custodial statements to the performance monitoring reports we provide.



## **Item 16 Investment Discretion**

We manage both discretionary and non-discretionary accounts for our clients. Our clients sign an engagement letter selecting discretionary or non-discretionary accounts. On discretionary accounts client approval is not required to execute trades. For non-discretionary accounts, we will make recommendations to our clients based on their goals and objectives and trade upon receiving their approval. Clients provide us with a limited power of attorney to execute trades in their accounts. Additionally, when an SMA is retained to manage some or all of our clients' assets the SMA Manager will have discretionary authority over the assets allocated to that SMA for investments.

## **Item 17 Voting Client Securities**

Mosaic does not exercise proxy voting authority over our clients' securities. Mosaic may give advice concerning proxy voting but exercises no authority to vote the proxies. If a material conflict arises in giving you advice on proxy voting questions, Mosaic will disclose to you the existence of the conflict.

You delegate to the SMA Manager the authority to vote proxies when an SMA manages your account. In those instances where the SMA disclaims proxy voting authority, you will be notified that you are responsible to vote the proxies.

Mosaic will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proof of Claim" in class action settlements.

Mosaic clients may obtain a copy of our complete proxy voting policies and procedures by contacting Jane-Ellen Wolak at 312-255-5493 or via email at [jwolak@themfg.com](mailto:jwolak@themfg.com).

## **Item 18 Financial Information**

As a registered investment management firm, we are required to provide you with information about any financial condition or financial commitment likely to impair our ability to meet our contractual and fiduciary commitments to our clients. Our firm and its principals have no financial events or proceeding to disclose.

Under no circumstances will Mosaic collect fees in excess of \$1,200 more than six months in advance of services rendered.