

**Breed's Hill Capital LLC**  
**Form ADV Part 2A**  
**Investment Adviser Brochure**

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*This brochure provides information about the qualifications and business practices of Breed's Hill Capital LLC ("BHC"). If you have any questions about the contents of this brochure, please contact us at (617) 580-3440 or by email at: [john@breedshillcapital.com](mailto:john@breedshillcapital.com). 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 Breed's Hill Capital LLC is also available on the SEC's website at <https://adviserinfo.sec.gov/Firm/169314>.*

## **Item 2: Summary of Material Changes**

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In this Item of Breed's Hill Capital's (Breed's Hill, we, us, our or the Firm) Form ADV Part 2 we are required to discuss any material changes that have been made to Form ADV Part 2 since the last Annual Amendment, dated March 25, 2019.

Since the last Annual Amendment filing, the Firm has no material changes to report.

Our Form ADV Part 2 may be requested at any time, without charge, by contacting John Jehle Edwards, Managing Member, Chief Executive Officer and Chief Compliance Officer at (617) 580-3440 or by email at [john@breedshillcapital.com](mailto:john@breedshillcapital.com).

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## **Item 4: Advisory Business**

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### **Description of the Advisory Firm**

Breed's Hill Capital LLC (Breed's Hill, we, us, our, or the Firm) was founded in 2013. John Jehle Edwards, is the Founder, Managing Member and primary owner of Breed's Hill.

### **Types of Advisory Services**

We offer the following services to advisory clients:

#### **Wealth Management Services**

We offer ongoing wealth management services, which includes investment advisory and financial planning services, based on the individual goals, objectives, time horizon, and risk tolerance of each client. We outline the client's current situation (income, tax levels, and risk tolerance levels) and provide wealth management services that include, but are not limited to, the following:

- Investment strategy
- Asset Allocation
- Asset Selection
- Risk Tolerance
- Regular Portfolio Monitoring
- Estate and Gift Planning
- Tax Planning
- Insurance and Asset Protections
- Cash Flow Planning

We strive to ensure that the services provided to clients constantly respect the fiduciary duties owed to our clients and without consideration of our economic, investment or other financial interests. To meet our fiduciary obligations, we attempt to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios. Accordingly, our policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is our policy to allocate investment opportunities and transactions we identify as being appropriate and prudent, including initial public offerings (IPOs) and other investment opportunities that might have a limited supply, among our clients on a fair and equitable basis over time.

### **Selection of Other Advisers**

We may also direct clients to third-party unaffiliated investment advisers. Before selecting other investment advisers for clients, we conduct due diligence on each investment adviser and ensure that each is properly licensed or registered.

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

We generally limit our investment advice to mutual funds, equities, fixed income securities, ETFs, real estate funds (including REITs), non-U.S. securities, commodities, private funds, insurance products including annuities and private placements. We may use other securities as well to help diversify a portfolio when applicable.

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

We offer the same suite of services to all our clients. However, specific client investment strategies and their implementation are dependent upon each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent us from properly servicing the client account, or if the restrictions would require us to deviate from our standard suite of services, we reserve the right to end the relationship.

### **Fiduciary Statement**

BHC and our employees are fiduciaries who must take into consideration the best interests of our clients. We will act with competence, dignity, integrity, and in an ethical manner, when dealing with clients. We will use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

As a fiduciary, we have the obligation to deal fairly with our clients. We have the following responsibilities when working with a client:

- To render impartial advice;
- To make appropriate recommendations based on the client's needs, financial circumstances and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have reasonable basis, information, and understanding of the facts to provide appropriate recommendations and representations;
- Disclose any material conflict of interest in writing; and
- Treat clients fairly and equitably.

### **Wrap Fee Programs**

A wrap fee program is an investment program where the client pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. At the present time, we do not participate in any wrap fee programs.

### **Assets Under Management**

As of December 31, 2019, we managed \$1,410,343,349 of assets under management; \$1,302,419,524 is managed on a non-discretionary basis, and \$107,923,825 is managed on a discretionary basis.

## Item 5: Fees and Compensation

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### **Wealth Management Services Fees**

Our fees for wealth management services are based upon a percentage of a client's investable assets and are attached as Schedule A of each client's Investment Advisory Agreement. Clients may terminate the Investment Advisory Agreement generally with thirty days' notice to us.

Wealth management fees are as follows:

<b>Assets Under Management</b>	<b>Annual Fee</b>
First \$10,000,000	0.75%
Next \$10,000,000	0.55%
Next \$30,000,000	0.35%
Balance over \$50,000,000	0.25%

Wealth management fees are withdrawn directly from each client's account with written authorization. Fees are paid quarterly, in advance.

In limited circumstances, a fixed fee may be charged to clients. All fixed fees are negotiated with the client on a case by case basis. All fees are paid quarterly in advance.

### **Selection of Other Advisers Fees**

We may direct clients to third-party unaffiliated investment advisers, who will charge the client a management fee. We do not receive compensation for these referrals.

The timing, frequency, and method of paying fees for the selection of third-party investment advisers will depend on the specific third-party adviser selected and will be disclosed to the client prior to entering into a relationship with the third-party adviser.

### **General Information on Compensation and Other Fees**

In certain circumstances, fees, account minimums and payment terms are negotiable depending on client's unique situation – such as the size of the aggregate related party portfolio size, family holdings, low cost basis securities, or certain passively advised investments and pre-existing relationships with clients. Certain clients may pay more or less than others depending on the amount of assets, type of portfolio, or the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation.

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and

securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and variable annuity sub-accounts to their shareholders. These fees and expenses are described in each fund's or sub account's prospectus. These fees will generally include a management fee, other expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge.

A client could invest in a mutual fund or sub-account directly, without our services. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual funds or sub-accounts are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds/sub-accounts and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

#### **Prepayment of Fees**

We collect fees in advance. Refunds for fees paid in advance will be returned within fourteen days of termination of the agreement to the client via check or return deposit back into the client's account. For all asset-based fees paid in advance, the fee refunded will be the balance of the fees collected in advance minus the daily rate times the number of days in the billing period up to and including the day of termination. The daily rate is calculated by dividing the annual asset-based fee by 365.

#### **Outside Compensation for the Sale of Securities to Clients**

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

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

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



## Item 7: Types of Clients

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We generally provide advisory services on a non-discretionary basis to high-net-worth individuals and charitable organizations.

### **Minimum Account Size**

We require a minimum account under certain circumstances of \$100,000 for investment advisory clients, although this may be negotiable. We may group certain related client accounts for the purposes of achieving the minimum account size.

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

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

#### **Methods of Analysis**

Our methods of analysis include fundamental analysis, technical analysis, quantitative analysis and modern portfolio theory.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage 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 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.

Quantitative Model Risk. Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Modern Portfolio Theory assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

#### **Investment Strategies**

We use long term trading and margin transactions.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets on a shorter time frame than desired.

## **Material Risks Involved**

### **General Investment Risks**

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although we manage assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the following investment risks of loss:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties (i.e. Non-traded REITs and other alternative investments) are not.

- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9: Disciplinary Information**

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Registered investment advisers are required to disclose all pertinent facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There are no material, legal or disciplinary events to disclose under this item.

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

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

Neither we nor our management persons are registered as, or have pending applications to register as, a broker-dealer or a registered representative of a broker-dealer.

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

Neither we nor our management persons are registered as or have pending applications to register as a futures commission merchant, commodity pool operator, or commodity trading advisor or an associated person of the foregoing entities.

### **Financial Industry Activities**

John Jehle Edwards is the sole member of BHC Fiduciary LLC, an entity providing trusteeship and executorship services to our clients.

### **Selection of Other Advisers or Managers**

We may direct clients to third-party unaffiliated investment advisers, who will charge the client a management fee. We do not receive compensation for these referrals. We will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. Before selecting other investment advisers for clients, we will conduct due diligence on such investment advisers and ensure such advisers are properly licensed or registered as investment advisers.

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

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### **Code of Ethics**

Our employees must comply with a Code of Ethics and Statement for Insider Trading. The Code describes our high standard of business conduct, and fiduciary duty to our clients. The Code's key provisions include:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of client information

John Jehle Edwards, Managing Member, Chief Executive Officer, and Chief Compliance Officer reviews all employee trades each quarter. These reviews ensure that personal trading does not affect the markets, and that our clients receive preferential treatment.

Our employees must acknowledge the terms of the Code of Ethics at least annually. Any individual not in compliance with the Code of Ethics may be subject to termination.

Clients and prospective clients can obtain a copy of our Code of Ethics by contacting John Jehle Edwards at (617) 580-3440.

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

From time to time, our employees may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for our employees to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. We will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **Recommendations Involving Material Financial Interests**

While we serve as the Managing Member to our private fund, we are no longer accepting new investors for the fund. As this time, we do not recommend that clients buy or sell any security in which we or a related person have a material financial interest.

It is our policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. We will also not cross trades between client accounts.

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

From time to time, our employees may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for our employees to buy or sell

securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, as noted above we will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.



## **Item 12: Brokerage Practices**

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

We do not receive formal soft dollar benefits other than execution from broker/dealers in connection with client securities transactions. See disclosure below in “Directed Brokerage – Other Economic Benefits”.

### **Brokerage for Client Referrals**

We may receive referrals from broker-dealers or third-party brokers. We do not receive compensation for these referrals.

### **Directed Brokerage**

Custodians/broker-dealers will be recommended based on our duty to seek “best execution,” which is the obligation to seek to execute securities transactions for a client on terms that are the most favorable to the client under the circumstances. The client will not necessarily pay the lowest commission or commission equivalent. We may also consider the market expertise and research access provided by the payment of commissions, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers to aid in our research efforts. We will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian. We currently recommend Charles Schwab and Fidelity Investments to our clients but can certainly work with clients who maintain funds and securities at other broker-dealers/custodians.

While not routine, the client may direct us to use a particular broker-dealer to execute some or all transactions for the client. This brokerage direction must be requested by the client in writing. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer. By directing brokerage, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Not all advisers require or allow their clients to direct brokerage. Subject to its duty of best execution, we may decline a client’s request to direct brokerage if, in our sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

If the client requests us to arrange for the execution of securities brokerage transactions for the client’s account, we shall direct such transactions through broker-dealers that we reasonably believe will provide best execution. We shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its client in light of its duty to obtain best execution.

### **Directed Brokerage – Other Economic Benefits**

We may receive traditional “non-cash benefits” from our custodians. These custodians may make available to us other products and services that benefit us but may not directly benefit

our clients' accounts. Many of these products and services may be used to service all or a substantial number of our accounts.

Products and services offered by the custodians that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of our fees from our clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Other third-party service providers and/or insurance companies may also provide non-cash benefits to us and/or our Investment Adviser Representatives (IARs) from time to time, but not limited to waivers or reductions of conference registration fees; meals; entertainment; and promotional premium items that have nominal value. We believe these items have no material value and do not, either individually or collectively, impair our independence. Prior to the acceptance of or delivery of any consideration, IARs must obtain authorization and approval from John Jehle Edwards, Chief Compliance Officer.

Breed's Hill has been provided with a one-time credit from Schwab to be used towards technology and/or other economic benefits. Breed's Hill has received this benefit without cost because Breed's Hill renders wealth management services to clients that maintain assets with Schwab. This economic benefit may benefit Breed's Hill but not its clients directly. In fulfilling its duties to its clients, Breed's Hill endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Breed's Hill's receipt of economic benefits from Schwab creates a conflict of interest since these benefits may influence Breed's Hill's choice of broker-dealer over another broker-dealer that does not furnish similar technology or other economic benefits. Breed's Hill does not believe this benefit impairs its fiduciary duty to clients.

Schwab may also provide reimbursement to clients for termination fees charged by their former custodian, due to the transition of assets to Schwab. Any termination fees charged will be reimbursed directly to the client by Schwab and not to Breed's Hill.

#### **Aggregating (Block) Trading Multiple Client Accounts**

BHC does not aggregate or bunch the securities to be purchased or sold for multiple clients, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

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

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### **Reviews**

All client accounts are reviewed at least quarterly by John Jehle Edwards, our Chief Executive Officer and Chief Compliance Officer, with regard to clients' respective investment policies and risk tolerance levels. The client review includes comparing the portfolio and current security positions with the goals and objectives as outlined by the client, reviewing changes to the client's investment circumstances, evaluating the specific holdings, re-balancing the portfolio and communicating the current status of the portfolio and any recommended actions to the client.

### **Review Triggers**

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

### **Reports Provided to Clients**

Clients receive monthly and/or quarterly broker/custodian reports.

We will also provide each wealth management client with a written report, at least quarterly, that details the client's account including assets held and asset value.

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

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### **Other Compensation**

We do not receive any economic benefits (other than normal compensation and benefits described in Item 12) from any firm or individual for providing investment advice.

### **Compensation – Client Referrals**

We do not make or accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## Item 15: Custody

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### **Fee Debiting**

Clients may authorize us (in the client agreement) to debit fees directly from the client's account at the broker dealer, bank or other qualified custodian (custodian). Client investment assets will be held with a custodian agreed upon by the client and us. The custodian is advised in writing of the limitation of our access to the account. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

### **Trusteeship/Executor**

BHC Fiduciary, LLC or a related person (disclosed in Item 10) acts as trustee for client trusts. This form of custody is offered on a limited basis. In order to comply with the SEC's Custody Rule with regard to the custody of the trust assets; BHC Fiduciary, LLC is subject to an annual Surprise Examination by an independent accountant.

### **Custody – Third Party Money Transfers**

Clients may provide us with a standing letter of authorization (or similar asset transfer authorization) which allows us to disburse funds on behalf of clients to third parties. We ensure the following conditions are in place when deemed to have custody via third party money movement:

1. The client provides a Written Authorization to the custodian that includes all appropriate information as to how the transfer should be directed;
2. The Written Authorization includes instruction to direct transfers to the third party either on a specified schedule or from time to time;
3. Appropriate verification is performed by the custodian, along with a transfer of funds notice to the client promptly after each transfer;
4. The client may terminate or change the instruction to the custodian;
5. We have no authority or ability to designate or change any information about the third party contained in the instruction;
6. We maintain records showing that the third party is not a related party of the Firm or located at the same address as us; and
7. The custodian sends the client a written initial notice confirming the instruction and an annual written confirmation thereafter.

### **Account Statements**

As described above and in Item 13, clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Clients will receive all account statements that are required in each jurisdiction, and they should carefully review those statements for accuracy. We urge clients to carefully review such statements and compare the account statements that they receive from qualified custodian with those that we provide.

## **Item 16: Investment Discretion**

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We do not currently provide discretionary Wealth Management services to clients, except where the Firm or a related person acts as trustee or manager of a fund. Where we have not been given discretionary authority, we consult with the client prior to each trade.

For those accounts where a related person serves as trustee, we may accept limited power of attorney to act on a discretionary basis on behalf of clients. A limited power of attorney allows us to execute trades on behalf of clients.

When such limited powers exist between us and the client, we have the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client account objectives. Additionally, we may accept any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to us in writing.

## **Item 17: Voting Client Securities**

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At the present time, we will not ask for, nor accept authority to vote client securities outside of accounts where a related person of the Firm serves as trustee. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

If requested, we may provide advice to clients regarding proxy votes. If any conflict of interest exists, it will be disclosed to the client. Clients may contact John Jehle Edwards at (617) 580-3440 for information about proxy voting.

## Item 18: Financial Information

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### **Financial Condition**

We neither require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore do are not required to provide a balance sheet to clients.

We do not have any financial condition that is likely to reasonably impair our ability to meet contractual commitments to our clients.

We have not been the subject of a bankruptcy petition at any time during the past ten years.