



**Brandywine Oak**  
**PRIVATE WEALTH**

**Brandywine Oak Private Wealth LLC**

500 Old Forge Lane  
Suite 501  
Kennett Square, PA 19348

**Telephone: 484-785-0050**  
**Facsimile: 484-785-0049**

<https://www.brandywineoak.com>

March 27, 2020

**FORM ADV PART 2A  
BROCHURE**

This brochure provides information about the qualifications and business practices of Brandywine Oak Private Wealth LLC. If you have any questions about the contents of this brochure, contact us at 484-785-0050. 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 Brandywine Oak Private Wealth LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Brandywine Oak Private Wealth LLC's searchable IARD/CRD # is 297021.

Brandywine Oak Private Wealth LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

In this Item, Brandywine Oak Private Wealth is required to discuss any material changes that have been made to the brochure since the last annual amendment.

Since the last Annual Amendment ADV filing dated March 26, 2019, we have revised our ADV 2A Disclosure Brochure to provide for more concise disclosures. This Brochure revises virtually every section of the Brochure filed with our previous annual amendment. We have revised or provided additional information or disclosures so that our clients will better understand our services, the fees and expenses for our services, and the conflicts of interest affecting the recommendations made by our firm and its Supervised Persons. Clients are urged to review this Brochure in its entirety and contact Brittany Kalsky, Chief Compliance Officer, at 484-785-0050 with any questions. Below are some of the material changes related to disclosures updates that we wanted to highlight.

- We have enhanced the disclosures under the *Advisory Business* and *Fees and Compensations* sections to include disclosures related to our relationship with Dynasty Wealth Management, LLC's ("DWM") platform and the associated fees when clients utilize DWM's Platform and the Independent Managers associate with the platform.
- We enhanced our disclosure under the *Other Financial Industry Activities and Affiliations* section related to our relationship with Dynasty Financial Partners, LLC to disclose that we have entered into an agreement with a Dynasty affiliate to sell, via a note, an agreed percentage of the revenue generated by Brandywine Oak Private Wealth and in return receives a fixed amount of funds payable over an agreed time frame. Please see the *Other Financial Industry Activities and Affiliations* section for the full disclosure and conflicts of interest associated with this note.
- The universe of securities and products that Supervised Persons recommend in their separate capacity as a registered representative with PKS has been limited by Brandywine Oak Private Wealth to generally include structured products, life insurance, and securities-based insurance related products, such as guaranteed investment contracts ("GICs"), long term care policies and annuities. Please see the *Fees and Compensation* section for additional details related to this disclosure.
- We enhanced our disclosures under the *Methods of Analysis, Investment Strategies and Risk of Loss* section to include disclosures related to the risks of security back lines of credit, margin, structure products, variable annuities, limited partnerships and other risk considerations. Please refer to the *Methods of Analysis, Investment Strategies and Risk of Loss* section for the related disclosures.

### **Item 3 Table of Contents**

Item 1 Cover Page	Page 1
Item 2 Summary of Material Changes	Page 2
Item 3 Table of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 7
Item 6 Performance-Based Fees and Side-By-Side Management	Page 11
Item 7 Types of Clients	Page 12
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 12
Item 9 Disciplinary Information	Page 18
Item 10 Other Financial Industry Activities and Affiliations	Page 18
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 19
Item 12 Brokerage Practices	Page 20
Item 13 Review of Accounts	Page 23
Item 14 Client Referrals and Other Compensation	Page 24
Item 15 Custody	Page 24
Item 16 Investment Discretion	Page 24
Item 17 Voting Client Securities	Page 25
Item 18 Financial Information	Page 25
Item 19 Requirements for State-Registered Advisers	Page 26
Item 20 Additional Information	Page 26

## **Item 4 Advisory Business**

### **Description of Firm**

Brandywine Oak Private Wealth LLC is a registered investment adviser based in Kennett Square, Pennsylvania. We are organized as a limited liability company ("LLC") under the laws of the State of Delaware. We have been providing investment advisory services since July 27, 2018. We are owned by Michael Henley, Steve Maconi, Alison C. D. Brooks, Tracy McGuire and Mark Jackson.

Brandywine Oak Private Wealth offers a variety of advisory services, which include financial planning, consulting, and investment and wealth management services. Prior to Brandywine Oak Private Wealth rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Brandywine Oak Private Wealth setting forth the relevant terms and conditions of the advisory relationship (the "Advisory Agreement").

While this brochure generally describes the business of Brandywine Oak Private Wealth, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on Brandywine Oak Private Wealth's behalf and are subject to the Firm's supervision or control.

### **Financial Planning and Consulting Services**

Brandywine Oak Private Wealth offers clients a broad range of financial planning and consulting services, which include any or all of the following functions:

- Business Planning
- Cash Flow Planning
- Trust and Estate Planning
- Banking Services
- Educational Planning
- Insurance Planning
- Retirement Planning
- Liability Management
- Charitable Planning
- Family Gifting
- Tax Planning
- Financial Reporting

While each of these services is available on a stand-alone basis, certain of them can also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, Brandywine Oak Private Wealth is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.,) and is expressly authorized to rely on such information. Brandywine Oak Private Wealth recommends certain clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage Brandywine Oak Private Wealth or its affiliates to provide (or continue to provide) additional services for compensation, including investment management services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Brandywine Oak Private Wealth under a financial planning or consulting engagement.

Financial plans are based on the client's financial situation at the time Brandywine Oak Private Wealth present the plan to the client, and on the financial information the client provides to Brandywine Oak Private Wealth. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Brandywine Oak Private Wealth's recommendations and/or services.

### **Investment and Wealth Management Services**

Brandywine Oak Private Wealth provides certain clients with investment and wealth management services which include a broad range of financial planning and consulting services as well as discretionary and/or non-discretionary management of investment portfolios.

Brandywine Oak Private Wealth tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Brandywine Oak Private Wealth consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Brandywine Oak Private Wealth if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if Brandywine Oak Private Wealth determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

If a client selects to participate in Brandywine Oak Private Wealth's discretionary investment and wealth management services, Brandywine Oak Private Wealth requires clients to grant or firm discretionary authority to manage the client account(s). Subject to a grant of discretionary authorization, Brandywine Oak Private Wealth will have the authority and responsibility to formulate investment strategies on the client's behalf. Discretionary authorization will allow Brandywine Oak Private Wealth to determine the specific securities, and the amount of securities, to be purchased or sold for the client account(s) without obtaining the client's approval prior to each transaction. Brandywine Oak Private Wealth will also have discretion over the broker or dealer to be used for securities transactions in the client's account(s). Discretionary authority is typically granted through the Advisory Agreement each client signs with Brandywine Oak Private Wealth, a limited power of attorney, or trading authorization forms.

Brandywine Oak Private Wealth may also offer non-discretionary investment and wealth management services. If a client select to enter into non-discretionary arrangements with Brandywine Oak Private Wealth, Brandywine Oak Private Wealth must obtain the client's approval prior to executing any transactions on behalf of the client's account(s). Clients have an unrestricted right to decline to implement any advice provided by Brandywine Oak Private Wealth on a non-discretionary basis.

Brandywine Oak Private Wealth may invest client assets according to one or more model portfolios developed by Brandywine Oak Private Wealth. These models are designed for investors with varying degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative investment approach. Brandywine Oak Private Wealth may use one or more independent investment managers ("Independent Managers") to manage a portion of your account on a discretionary basis, as described in more detail below.

### **Use of Independent Managers**

As mentioned above, Brandywine Oak Private Wealth selects certain Independent Managers to actively manage a portion of its clients' assets. Brandywine Oak Private Wealth evaluates a variety of information about Independent Managers, which includes the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party

analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Brandywine Oak Private Wealth also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Brandywine Oak Private Wealth continues to provide services relative to the discretionary of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Brandywine Oak Private Wealth seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Brandywine Oak Private Wealth has entered into a contractual relationship with Dynasty Financial Partners, LLC ("Dynasty"), which provides Brandywine Oak Private Wealth with operational and back office support including access to a network of service providers. Through the Dynasty network of service providers, Brandywine Oak Private Wealth has access to discounts on reporting, custody, brokerage, compliance and other related services. Dynasty charges a "Core Fee," which, unless otherwise disclosed, is included in Brandywine Oak Private Wealth's annual investment management fee, as described in *Fees and Compensation* section below. In addition, Dynasty's subsidiary, Dynasty Wealth Management, LLC ("DWM") is an SEC registered investment adviser, which also provides access to a range of investment services including: separately managed accounts ("SMAs"), mutual fund and ETF asset allocation strategies, and unified managed accounts ("UMAs") managed by external third party managers (collectively the "Investment Programs"). Brandywine Oak Private Wealth and its clients may separately engage the services of Dynasty and/or its subsidiaries to access the Investment Programs. Under the UMA program, Brandywine Oak Private Wealth will maintain the ability to construct a single portfolio by selecting the specific, underlying investment vehicles and asset allocations. Under the SMA program, Brandywine Oak Private Wealth has the ability to construct a single portfolio by selecting the specific, underlying manager, investment vehicles and/or asset allocations. Brandywine Oak Private Wealth may receive more advantageous pricing in the future as assets allocated to the Investment Programs increase. This arrangement presents a conflict of interest because Brandywine Oak Private Wealth is incentivized to allocate client investment assets to the Investment Programs in order to receive more advantageous pricing from Dynasty.

DWM sponsors an investment management platform (the "Platform") that is available to the advisers in the Dynasty Network, such as Brandywine Oak Private Wealth. Through the Platform, DWM and Dynasty collectively provide certain technology, administrative, operations and advisory support services that allow advisers to manage their own portfolios and access independent third-party managers that provide discretionary services in the form of traditional managed accounts and investment models. Advisers can allocate all or a portion of client assets among the different independent third-party managers via the Platform. Advisers may also use the model management feature of the Platform by creating their own asset allocation model and underlying investments that comprise the model. Through the model management feature, advisers may be able to outsource the implementation of trade orders and periodic rebalancing of the model when needed.

Brandywine Oak Private Wealth will maintain the direct contractual relationship with each client and obtain, through such agreements, the authority to engage independent third-party managers, DWM and/or Dynasty, as applicable, for services rendered through the Platform in service of such client. Brandywine Oak Private Wealth may delegate discretionary trading authority to DWM and/or independent third-party managers to effect investment and reinvestment of client assets with the ability to buy, sell or otherwise effect investment transactions and allocate client assets. If a client is participating in certain Investment Programs, DWM or the designated manager, as applicable, is also

authorized without prior consultation of Brandywine Oak Private Wealth or the client to buy, sell, trade or allocate such client's assets in accordance with the client's designated portfolio and to deliver instructions to the designated broker-dealer and/or custodian of such client's assets.

### **Types of Investments**

Brandywine Oak Private Wealth primarily allocates client assets among various exchange-traded funds ("ETFs"), individual debt and equity securities, in accordance with their stated investment objectives. In addition, Brandywine Oak Private Wealth also recommends that certain eligible clients invest in privately placed securities, which may include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds), or structured products.

Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios. Clients can engage Brandywine Oak Private Wealth to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Brandywine Oak Private Wealth directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider. Please refer to the *Methods of Analysis, Investment Strategies and Risk of Loss* below for additional disclosures on this topic.

Since Brandywine Oak Private Wealth's investment strategies and advice are based on each client's specific financial situation, the investment advice our Firm provides to one client may be different or conflicting with the advice we give to other clients regarding the same security or investment.

### **Assets Under Management**

As of February 19, 2020, we provide continuous management services for \$729,015,096 in client assets on a discretionary basis.

## **Item 5 Fees and Compensation**

Brandywine Oak Private Wealth offers services on a fee basis, which includes fixed hourly fees, as well as fees based upon assets under management. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, offers securities brokerage services and/or insurance products under a separate commission-based arrangement.

### **Financial Planning and Consulting Fees**

Brandywine Oak Private Wealth charges a fixed fee for providing financial planning and consulting services to certain clients under a stand-alone engagement. These fees are negotiable, but range from \$1,000 to \$5,000 depending upon the scope and complexity of the services, the client's financial situation and objectives. If the client engages the Firm for additional investment advisory services, Brandywine Oak Private Wealth may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement and Brandywine Oak Private Wealth requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Advisory Agreement. The outstanding balance is due upon delivery of the financial plan or completion of the agreed upon services. The Firm does not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered. Should the engagement last longer than six months between acceptance of financial planning agreement and delivery of the financial plan, any prepaid unearned fees will be promptly returned to the client less a pro rata charge for bona fide financial planning services rendered to date.

The Advisory Agreement can be terminate upon written notice from either party. If clients have pre-paid financial planning fees that Brandywine Oak Private Management has not yet earned, clients will receive a prorated refund of those fees. If financial planning fees are payable in arrears, clients will be responsible for a prorated fee based on services performed prior to termination of the Advisory Agreement.

### **Investment and Wealth Management Fees**

Brandywine Oak Private Wealth offers investment and wealth management services for an annual fee based on the amount of assets under the Firm's management. This management fee varies between 50 and 150 basis points (0.50% - 1.50%), based upon the size and complexity of a client's account, as well as the specific services such client will utilize. Brandywine Oak Private Wealth may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by Brandywine Oak Private Wealth on the last business day of the previous quarter. There may be immaterial differences between the quarter end market value reflected on your custodial statement and the valuation as of the last business day of the calendar quarter used for billing purposes, given timing and account activity. If assets in excess of \$50,000 are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a pro rata basis. In the event the Advisory Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Brandywine Oak Private Wealth may negotiate a fee rate that differs from the range set forth above.

Brandywine Oak Private Wealth will deduct the investment and wealth management fee directly from the client account through the qualified custodian holding the client's funds and securities. Brandywine Oak Private Wealth will deduct the investment and wealth management fee only when the client has given our firm written authorization permitting the fees to be paid directly from the client's account. Further, the qualified custodian will deliver an account statement to each client at least quarterly. These account statements will show all disbursements from the account. Clients should review all statements for accuracy.

The Advisory Agreement can be terminate upon written notice from either party. Clients will incur a pro rata charge for services rendered prior to the termination of the Advisory Agreement, which means clients will incur advisory fees only in proportion to the number of days in the quarter for which they were a client. If clients have pre-paid advisory fees that Brandywine Oak Private Wealth have not yet earned, clients will receive a prorated refund of those fees.

### **Use of Independent Managers**

In instances where Brandywine Oak Private Wealth utilizes Dynasty's Platform services as part of the management of the client's account, the Platform related charges are not included in the annual investment and wealth management fee clients pay to Brandywine Oak Private Wealth. Clients will be charged, separate from and in addition to the annual investment and wealth management fee, any applicable Platform Fees as well as applicable independent manager fees.



Each of the Platform Fee and Independent Manager Fees are determined by the particular program(s) and manager(s) with which the client assets are invested, and calculated based upon the percentage of the client's per household and assets under management, as applicable. The Platform Fee generally ranges from 0 - 0.45% annually, independent fixed income manager fees generally range from 0 - 0.20% annually, and independent equity manager fees generally range from 0 - 0.60% annually.

As mentioned above, if Dynasty reduces its Platform Fee, Brandywine Oak Private Wealth may receive more advantageous pricing in the future as assets allocated to the Investment Programs increase. This results in a conflict of interest where Brandywine Oak Private Wealth invests client assets in programs with reduced Platform Fees that the Firm would otherwise be responsible for. Brandywine Oak Private Wealth will only make investment recommendations that are in the best interest of clients, and clients will benefit if Platform Fees are reduced where the client is paying for such Platform Fees.

Clients provide Brandywine Oak Private Wealth, Dynasty, and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment and wealth management advisory fees as well as Dynasty and/or the Independent Managers' fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Brandywine Oak Private Wealth.

Clients will note there will be two debits reflected on the custodial statement for advisory related services. One debit will represent Brandywine Oak Private Wealth's investment and wealth management fee. The second debit will represent the sum of Dynasty's Platform Fee(s) and Independent Manager fee(s), accordingly. Clients should review such statements to determine the total amount of fees associated with the management of the client account, and clients should review the Advisory Agreement with Brandywine Oak Private Wealth to determine the investment management fee being paid to Brandywine Oak Private Wealth.

#### **Use of Margin or Securities-Backed Lines of Credit**

Brandywine Oak Private Wealth can recommend that certain clients utilize margin in the client's investment portfolio or other borrowing such as non-purpose loans. Brandywine Oak Private Wealth can accomplish this recommendation through two ways, either a securities-back line of credit or a margin loan, both have specific risks to consider. Brandywine Oak Private Wealth only recommends such borrowing for non-investment needs, such as bridge loans and other financing needs. The Firm's fees are determined based upon the value of the assets being managed net of any margin or borrowing. The Firm will not, however, charge fees to accounts that, as a result of outstanding margin or borrowing, reflect a negative balance. Please refer to the *Methods of Analysis, Investment Strategies and Risk of Loss* section for additional details on the use of margin and securities-backed lines of credit.

#### **Account Additions and Withdrawals**

Clients can make additions to and withdrawals from their account at any time, subject to Brandywine Oak Private Wealth's right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to Brandywine Oak Private Wealth, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Brandywine Oak Private Wealth may consult with its clients about the options and implications of transferring securities. Clients are advised that when

transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

### **Additional Fees and Expenses**

In addition to the advisory fees paid to Brandywine Oak Private Wealth, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, fees attributable to alternative assets, fees charged by the Independent Managers, margin or interest costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), 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. The Firm's brokerage practices are described at length in the *Brokerage Practices* section below.

### **Compensation for the Sale of Securities or Other Investment Products**

Clients can engage certain persons associated with Brandywine Oak Private Wealth (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with Brandywine Oak Private Wealth.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), may provide securities brokerage services and implement securities transactions under a separate commission based arrangement. Supervised Persons are entitled to a portion of the brokerage commissions paid to PKS, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Brandywine Oak Private Wealth may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with PKS.

A conflict of interest exists to the extent that a Supervised Person of Brandywine Oak Private Wealth recommends the purchase or sale of securities through a brokerage relationship where that Supervised Person receives commissions or other additional compensation as a result of that recommendation (the "Brokerage Relationship"). However, the universe of securities and products that Supervised Persons recommend in their separate capacity as a registered representative with PKS has been limited by Brandywine Oak Private Wealth to generally include structured products, life insurance, and securities-based insurance related products, such as guaranteed investment contracts ("GICs"), long term care policies and annuities. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons, for the limited scope of products authorized, are in the best interest of that client. Because the Supervised Persons may receive compensation in connection with the sale of mutual funds in the Brokerage Relationship, a conflict of interest exists as such Supervised Persons, may have an incentive to recommend more expensive mutual fund share classes to clients where such Supervised Persons earn more compensation with respect to the sale of such mutual fund share classes.

Clients should understand that the investments made in the Brokerage Relationship are not receiving advisory services from the Firm. Therefore, the Firm does not have a fiduciary duty over the Brokerage Relationship recommendations. For certain accounts covered by the Employee Retirement Income Security Act of 1974 ("ERISA") and such others that Brandywine Oak Private Wealth, in its sole discretion, deems appropriate, Brandywine Oak Private Wealth provide its investment advisory

services to certain clients on a fee-offset basis. In this scenario, Brandywine Oak Private Wealth offsets its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by the Firm's Supervised Persons in their individual capacities as registered representatives of PKS.

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to clients. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to clients for the purpose of generating commissions. Clients are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

#### Trade Away Transactions

The Firm may execute trades with a broker-dealer other than the client's primary custodian that nonetheless settle at and are held at the client's primary custodian ("trade away transactions"). Trade away transactions can be entered into on behalf of clients that have entered into agreements for prime brokerage clearing services with their custodian. Because clients are not required to execute a separate agreement with the other broker-dealer to enter into trade away transactions, the Firm and its Supervised Persons have discretion in selecting the broker-dealer to use to effect client transactions.

The Firm will use PKS for trade away transactions ("PKS trade away transactions"). As discussed herein, certain of the Firm's Supervised Persons are registered representatives of PKS and will receive transaction-based compensation for the PKS trade away transactions.

Various conflicts of interest arise out of the PKS trade away transactions. Among other things, the Firm's Supervised Persons have an incentive to engage in the PKS trade away transactions where the advisory fees that the Supervised Person would otherwise earn for managing such assets is less than the compensation that the Supervised Person would earn by executing the transaction as a registered representative through PKS. Such Supervised Persons also have an incentive to engage in frequent transactions through the PKS trade away transactions arrangement because of the compensation that they can earn as registered representatives of PKS. Frequent trading can increase the transaction costs charged to clients, negatively impact performance results, and have adverse tax consequences for clients. A conflict of interest also exists because the Firm's Supervised Persons have an incentive to recommend PKS to execute trade away transactions on behalf of clients because they can earn brokerage compensation as registered representatives of PKS (as opposed to other broker-dealers where the Supervised Person would not receive brokerage compensation). Additionally, because trade away transactions are deemed to be unsolicited trades by PKS, PKS does not conduct any suitability reviews with respect to securities acquired through PKS trade away transactions.

The Firm will continue to have a fiduciary duty over the client's advisory assets that are executed through the PKS trade away transactions and has policies and procedures in place to mitigate the impact of the conflicts. In addition, the assets purchased through a PKS trade away transaction will be held in accounts separate, or otherwise tracked separately, from other assets over which the Firm provides management services and charges management fees. The Firm does not charge clients advisory fees on assets acquired through trade away transactions.

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

Brandywine Oak Private Wealth does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

## Item 7 Types of Clients

Brandywine Oak Private Wealth offers services to individuals, trusts, estates, corporations and business entities.

In general, Brandywine Oak Private Wealth does not require a minimum dollar amount to open and maintain an advisory account; however, Brandywine Oak Private Wealth has the right to terminate an Account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

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

### Methods of Analysis and Investment Strategies

Brandywine Oak Private Wealth employs a goal-oriented family financial wealth plan which serves as the blueprint for the investment portfolio recommendations made to clients. Brandywine Oak Private Wealth firmly believes that all successful investing is goal-focused and planning-driven, while all unsuccessful investing is market-focused and timing-driven. Brandywine Oak Private Wealth is focused on responsibly managing a family's wealth in low-cost asset allocation strategies with a significant emphasis on ongoing tax minimization and risk management. Brandywine Oak Private Wealth utilizes behavioral finance and macroeconomic trends to create appropriate asset allocation strategies in an effort to earn competitive risk-adjusted returns and minimize common and costly behavioral investing mistakes.

Brandywine Oak Private Wealth manage several discretionary portfolios for clients that seek to achieve the objectives of their family's financial plan. These include multiple versions of core asset allocation models using passive low-cost index funds. Additionally, Brandywine Oak Private Wealth may use separately managed accounts for a portion of the asset allocation both in equity or tax-exempt fixed income where the Firm believes they are appropriate.

Brandywine Oak Private Wealth's investment philosophy is based on the following principles:

- To the extent it is possible, make an ongoing conscious effort to minimize the portfolio drag from fees and taxes;
- Develop highly diversified low-cost index fund (using exchange traded fund or ETFs) portfolios to access a broad range of asset classes and market sectors;
- Use asset-class based investments rather than manager-based security-selection investments;
- Strategically reallocate investments as market conditions warrant;
- Hold asset classes for extended periods of time and avoid chasing short-term trends; and
- Periodically rebalance as needed to maintain proper asset allocation targets.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

**Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Modern Portfolio Theory** - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

**Risk:** Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Securities-Back Lines of Credit ("SBLOCs")** - A SBLOC is a loan that allows investors to borrow money using securities held in their investment accounts as collateral. An SBLOC requires investors to make monthly interest-only payments, and the loan remains outstanding until it is repaid.

**Risk:** If the value of the securities declines to an amount where it is no longer sufficient to support the line of credit, investors will receive a "maintenance call", a notification that the investor must post additional collateral or repay the loan within a specified period (typically two or three days). If the investor is unable to add additional collateral to the account or repay the loan with readily available cash, the firm can liquidate the securities satisfy the maintenance call, which may have potential unintended tax consequences and could have a significant impact on an investors long-term investment goals.

**Margin Transactions or Margin Loans** - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan. A margin loan can be established on more than one account with the same ownership while maintaining a single margin relationship for regulatory purposes.

**Risk:** If the value of the shares drops sufficiently, the investor will be required to either deposit more cash into the account or sell a portion of the stock in order to maintain the margin requirements of the account. This is known as a "margin call." An investor's overall risk includes the amount of money invested plus the amount that was loaned to them.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

## **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

## **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

## **Recommendation of Particular Types of Securities**

Brandywine Oak Private Wealth may advise on other types of investments as appropriate for clients since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. Clients should consult with their legal, tax, and other advisors before engaging the Firm to provide investment management services on their behalf.

### **Market Risks**

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Brandywine Oak Private Wealth's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. In addition, investments may be adversely affected by financial markets and economic conditions throughout the world. There can be no assurance that Brandywine Oak Private Wealth will be able to predict these price movements accurately or capitalize on any such assumptions.

### **Volatility Risks**

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

### **Cash Management Risks**

The Firm may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

#### Use of Independent Managers

As stated above, Brandywine Oak Private Wealth selects certain Independent Managers to manage a portion of its clients' assets. In these situations, Brandywine Oak Private Wealth continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Brandywine Oak Private Wealth does not have the ability to supervise the Independent Managers on a day-to-day basis.

#### Management through Similarly Managed "Model" Accounts

Brandywine Oak Private Wealth manages certain accounts through the use of similarly managed "model" portfolios, whereby the Firm allocates all or a portion of its clients' assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets through the use of models, the Firm remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients' net after tax gains. While the Firm seeks to ensure that clients' assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client's individual tax ramifications. Clients should contact the Firm if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

#### Equity-Related Securities and Instruments

The Firm may take long positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, mid-capitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

#### Fixed Income Securities

Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.

#### Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business

day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

### Structured Products

A structured product, also known as a market-linked product, is generally a pre-packaged investment strategy based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances, and/or foreign currencies, and to a lesser extent, swaps. Structured products are usually issued by investment banks or affiliates thereof. They have a fixed maturity, and have two components: a note and a derivative. The derivative component is often an option. The note provides for periodic interest payments to the investor at a predetermined rate, and the derivative component provides for the payment at maturity. Some products use the derivative component as a put option written by the investor that gives the buyer of the put option the right to sell to the investor the security or securities at a predetermined price. Other products use the derivative component to provide for a call option written by the investor that gives the buyer of the call option the right to buy the security or securities from the investor at a predetermined price. A feature of some structured products is a "principal guarantee" function, which offers protection of principal if held to maturity. However, these products are not always Federal Deposit Insurance Corporation insured; they may only be insured by the issuer, and thus have the potential for loss of principal in the case of a liquidity crisis, or other solvency problems with the issuing company. Investing in structured products involves a number of risks including but not limited to: fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality; substantial loss of principal; limits on participation in any appreciation of the underlying instrument; limited liquidity; credit risk of the issuer; conflicts of interest; and, other events that are difficult to predict.

### Use of Private Collective Investment Vehicles

Brandywine Oak Private Wealth recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

### Limited Partnerships

A limited partnership is a financial affiliation that includes at least one general partner and a number of limited partners. The partnership invests in a venture, such as real estate development or oil exploration, for financial gain. The general partner has management authority and unlimited liability. The general partner runs the business and, in the event of bankruptcy, is responsible for all debts not paid or discharged. The limited partners have no management authority and their liability is limited to the amount of their capital commitment. Profits are divided between general and limited partners



according to an arrangement formed at the creation of the partnership. The range of risks are dependent on the nature of the partnership and disclosed in the offering documents if privately placed. Publicly traded limited partnership have similar risk attributes to equities. However, like privately placed limited partnerships their tax treatment is under a different tax regime from equities. You should speak to your tax adviser in regard to their tax treatment.

### Variable Annuities

A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate and the remainder of the funds accumulated forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds and mutual funds do. Some variable annuities offer "bonus credits." These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges), the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

### **Other Risk Considerations**

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

### Liquidity Risk

The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

### Credit Risk

Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

### *Inflation and Interest Rate Risk*

Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

### *Horizon and Longevity Risk*

The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

## **Item 9 Disciplinary Information**

Brandywine Oak Private Wealth has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

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

This item requires investment advisers to disclose certain financial industry activities and affiliations.

### **Registered Representatives of a Broker-Dealer**

Certain of the Firm's Supervised Persons are registered representatives of PKS and provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in the *Fees and Compensation* section.

### **Licensed Insurance Agents**

A number of the Firm's Supervised Persons are licensed insurance agents and offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Brandywine Oak Private Wealth recommends the purchase of insurance products where its Supervised Persons are entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

### **Licensed Insurance Agency**

Brandywine Oak Private Wealth is a dually licensed insurance agency. Additionally, a number of the Firm's Supervised Persons are licensed insurance agents and offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Brandywine Oak Private Wealth recommends the purchase of insurance products where its Supervised Persons are entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

### **Relationship with Dynasty Financial Partners, LLC**

As discussed above, Brandywine Oak Private Wealth maintains a business relationship with Dynasty Financial Partners, LLC ("Dynasty"). Dynasty offers operational and back office core service support including access to a network of service providers. Through the Dynasty network of service providers, Brandywine Oak Private Wealth has access to discounts on trading technology, transition support, reporting, custody, brokerage, compliance, and other related consulting services.

While Brandywine Oak Private Wealth believes this open architecture structure for operational services best serves the interests of its advisory clients, this relationship may potentially present certain conflicts of interest due to the fact that Dynasty retains a portion of the platform or other third party fees paid by the Firm or clients for the services referenced above. In light of the foregoing, Brandywine Oak Private Wealth seeks at all times to ensure that any material conflicts are addressed on a fully-disclosed basis and handled in a manner that is aligned with its clients' best interests. In addition, Brandywine Oak Private Wealth reviews all such relationships, including the service providers engaged through Dynasty, on an ongoing basis in an effort to ensure clients are receiving competitive rates in relation to the quality and scope of the services provided.

Brandywine Oak Private Wealth has entered into an agreement with Dynasty Capital Strategies, LLC ("DCS"), a Dynasty affiliate, to sell, via a note, an agreed percentage of the revenue generated by Brandywine Oak Private Wealth and in return receives a fixed amount of funds payable over an agreed time frame. Such funds may be used for business transition expenses and other costs associated with launching operations and for business expansion. Brandywine Oak Private Wealth is not obligated to enter into such a note in order to obtain other services from Dynasty, however, such notes are only made available for advisors who are and remain members of the Dynasty network of registered investment advisors. The notes are subject to standard underwriting practices by Dynasty and are based on commercially reasonable terms. These arrangements present certain conflicts of interest due to the fact that Brandywine Oak Private Wealth may be incentivized to use the services. In light of the foregoing, Brandywine Oak Private Wealth seeks at all times to ensure that any material conflicts are addressed on a fully-disclosed basis and handled in a manner that is aligned with its' clients best interests.

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

### **Description of Our Code of Ethics**

Brandywine Oak Private Wealth strives to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for Supervised Persons with our firm. Brandywine Oak Private Wealth's goal is to protect client interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with clients. Supervised Persons are expected to adhere strictly to these guidelines. Supervised Persons are also required to report any violations of our Code of Ethics. Additionally, Brandywine Oak Private Wealth maintains and enforces written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about clients or client's account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Firm's Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

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

Neither our firm nor Supervised Person with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**

Brandywine Oak Private Wealth or Supervised Persons may buy or sell the same securities that we recommend to clients or securities in which clients are already invested. A conflict of interest exists in such cases because Brandywine Oak Private Wealth or Supervised Persons have the ability to trade ahead of clients and potentially receive more favorable prices than clients will receive. To mitigate this conflict of interest, it is our Firm's policy that neither our Firm nor Supervised Persons shall have priority over client accounts in the purchase or sale of securities.

## **Aggregated Trading**

Brandywine Oak Private Wealth or Supervised Persons may buy or sell securities for clients at the same time our Firm or Supervised Persons buy or sell such securities for our own account. Brandywine Oak Private Wealth may also combine our orders to purchase securities with client orders to purchase securities ("aggregated trading"). Refer to the *Brokerage Practices* section in this brochure for information on our aggregated trading practices.

A conflict of interest exists in such cases because Brandywine Oak Private Wealth have the ability to trade ahead of clients and potentially receive more favorable prices than clients will receive. To eliminate this conflict of interest, it is our policy that neither our Firm nor Supervised Persons shall have priority over client accounts in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

### **Recommendation of Broker-Dealers for Client Transactions**

Brandywine Oak Private Wealth recommends that clients utilize the custody, brokerage and clearing services of National Financial Services LLC and Fidelity Brokerage Services LLC (together with affiliates, "Fidelity") for investment management accounts. The final decision to custody assets with Fidelity is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Brandywine Oak Private Wealth is independently owned and operated and not affiliated with Fidelity. Fidelity provides Brandywine Oak Private Wealth with access to its institutional trading and custody services, which are typically not available to retail investors.

Factors which Brandywine Oak Private Wealth considers in recommending Fidelity or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Fidelity enables the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. Fidelity has also agreed to reimburse clients for exit fees associated with moving accounts to Fidelity. The reimbursement is only available up to a certain amount for all of the Firm's clients over a twelve month period. Fees are reimbursed on a first-come-first-served basis so that no clients are favored. The commissions and/or transaction fees charged by Fidelity may be higher or lower than those charged by other Financial Institutions.

The commissions paid by Brandywine Oak Private Wealth's clients to Fidelity comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Brandywine Oak Private Wealth determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. Brandywine Oak Private Wealth seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist Brandywine Oak Private Wealth in its investment decision-making process. Such research will be used to service all of the Firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or

services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Brandywine Oak Private Wealth does not have to produce or pay for the products or services.

Brandywine Oak Private Wealth periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

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

Brandywine Oak Private Wealth does not have any soft dollar arrangements.

#### **Software, Support and Economic Benefits Provided by Financial Institutions**

Brandywine Oak Private Wealth receives without cost from Fidelity administrative support, computer software, related systems support, as well as other third party support as further described below (together "Support") which allow Brandywine Oak Private Wealth to better monitor client accounts maintained at Fidelity and otherwise conduct its business. Brandywine Oak Private Wealth receives the Support without cost because the Firm renders investment management services to clients that maintain assets at Fidelity. The Support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The Support benefits Brandywine Oak Private Wealth, but not its clients directly. Clients should be aware that Brandywine Oak Private Wealth's receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits may influence the Firm's choice of broker-dealer over another that does not furnish similar software, systems support or services. In fulfilling its duties to its clients, Brandywine Oak Private Wealth endeavors at all times to put the interests of its clients first and has determined that the recommendation of Fidelity is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, Brandywine Oak Private Wealth receives the following benefits from Fidelity: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

Fidelity also makes available to the Firm, at no additional charge, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by Brandywine Oak Private Wealth (within specified parameters). These research and brokerage services are used by the Firm to manage accounts for which it has investment discretion. Without this arrangement, the Firm might be compelled to purchase the same or similar services at its own expense.

Dynasty has assisted Brandywine Oak Private Wealth in negotiating or facilitating payments from Fidelity in the form of credits to be applied toward qualifying third party service provider expenses incurred in relation to transition costs or the provision of core services. This may include, but is not limited to, support of Brandywine Oak Private Wealth's research, marketing, technology or software platforms. In some instances, Dynasty may serve in an administrative capacity to support the disbursement of these funds furnished by Fidelity.

#### **Trade Away Transactions**

The Firm may execute trades with a broker-dealer other than the client's primary custodian that nonetheless settle at and are held at the client's primary custodian ("trade away transactions"). Trade away transactions can be entered into on behalf of clients that have entered into agreements for prime brokerage clearing services with their custodian. Because clients are not required to execute a separate agreement with the other broker-dealer to enter into trade away transactions, the Firm and its

Supervised Persons have discretion in selecting the broker-dealer to use to effect client transactions. The Firm will use PKS for trade away transactions ("PKS trade away transactions"). As discussed herein, certain of the Firm's Supervised Persons are registered representatives of PKS and will receive transaction-based compensation for the PKS trade away transactions. Please refer to the *Fees and Compensation* section for additional information related to the conflicts of interest related to trade away transactions.

### **Brokerage for Client Referrals**

Brandywine Oak Private Wealth does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

### **Directed Brokerage**

In limited circumstances, a client may request Brandywine Oak Private Wealth use a particular Financial Institution to execute some or all transactions for the client. This request should be made in writing and is subject to Brandywine Oak Private Wealth's approval. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "aggregate" client transactions for execution through other Financial Institutions with orders for other accounts managed by Brandywine Oak Private Wealth (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Brandywine Oak Private Wealth may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

### **Commissions or Sales Charges for Recommendations of Securities**

As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of PKS. These Supervised Persons are subject to FINRA Rule 3280 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless the registered representatives give prior notice of such transactions to PKS and, in most circumstances, PKS provides written consent. Therefore, clients are advised that certain Supervised Persons are restricted to conducting securities transactions through PKS if they have not secured written consent from PKS to execute securities transactions through a different broker-dealer. Absent such written consent or separation from PKS, these Supervised Persons are generally prohibited from executing securities transactions through any broker-dealer other than PKS under its internal supervisory policies. The Firm is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

### **Trade Aggregation**

Transactions for each client will be effected independently, unless Brandywine Oak Private Wealth decides to purchase or sell the same securities for several clients at approximately the same time. Brandywine Oak Private Wealth may (but is not obligated to) combine or "aggregate" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among Brandywine Oak Private Wealth's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which Brandywine Oak Private Wealth's Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Brandywine Oak Private Wealth does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Brandywine Oak Private Wealth does not aggregate trades for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If clients enter into non-discretionary arrangements with our Firm, Brandywine Oak Private Wealth may not be able to buy and sell the same quantities of securities under non-discretionary arrangements and clients may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our Firm.

## **Item 13 Review of Accounts**

### **Account Reviews**

Brandywine Oak Private Wealth monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by one or more of the Firm's Principals and/or investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Brandywine Oak Private Wealth and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### **Account Statements and Reports**

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Brandywine Oak Private Wealth and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Brandywine Oak Private Wealth or an outside service provider.

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

Dynasty has assisted us in negotiating or facilitating payments from Fidelity in the form of credits to be applied toward qualifying third-party service provider expenses incurred in relation to transition costs or the provision of core services. This may include, but is not limited to, support of our research, marketing, technology or software platforms. In some instances, Dynasty may serve in an administrative capacity to support the disbursement of these funds furnished by the custodian.

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on behalf of our firm are licensed insurance agents, and are registered representatives with Purshe Kaplan Sterling Investments, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the *Fees and Compensation* section.

### **Other Compensation**

Brandywine Oak Private Wealth does not currently provide compensation to any third-party solicitors for client referrals.

## **Item 15 Custody**

Brandywine Oak Private Wealth is deemed to have custody of client funds and securities because the Firm is given the ability to debit client accounts for payment of the Firm's fees and has standing letters of authorization from clients that authorize the Firm to disburse funds from client accounts. With respect to any standing letters of authorization, the Firm relies upon the exemptive relief granted by the U.S. Securities and Exchange Commission in the no-action letter granted to the Investment Advisers Association on February 21, 2017 and therefore need not conduct an annual surprise examination relating to such assets.

Client funds and securities are maintained at one or more Financial Institutions that serve as the qualified custodian with respect to such assets. Such qualified custodians will send account statements to clients at least once per calendar quarter that typically detail any transactions in such account for the relevant period.

In addition, as discussed in the *Review of Accounts* section, Brandywine Oak Private Wealth will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Brandywine Oak Private Wealth.

## **Item 16 Investment Discretion**

Brandywine Oak Private Wealth is given the authority to exercise discretion on behalf of clients. Brandywine Oak Private Wealth is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. Brandywine Oak Private Wealth is given this authority through a power-of-attorney included in the agreement between Brandywine Oak Private Wealth and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Brandywine Oak Private Wealth takes discretion over the following activities:



- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

If clients enter into non-discretionary arrangements with our Firm, Brandywine Oak Private Wealth will obtain the client's approval prior to the execution of any transactions for the account(s). Clients have an unrestricted right to decline to implement any advice provided by our Firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

Brandywine Oak Private Wealth will determine how to vote proxies based on the Firm's reasonable judgment of the vote most likely to produce favorable financial results for clients. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, Brandywine Oak Private Wealth will consider both sides of each proxy issue. Unless Brandywine Oak Private Wealth receive specific instructions from a client, Brandywine Oak Private Wealth will not base votes on social considerations.

In the event a client wishes to direct our firm on voting a particular proxy, they should contact our main office at the phone number on the cover page of this brochure with the instructions.

Conflicts of interest between clients and Brandywine Oak Private Wealth, or a principal of our firm, regarding certain proxy issues could arise. If Brandywine Oak Private Wealth determines that a material conflict of interest exists, Brandywine Oak Private Wealth will take the necessary steps to resolve the conflict before voting the proxies. For example, Brandywine Oak Private Wealth may disclose the existence and nature of the conflict to clients, and seek direction from clients as to how to vote on a particular issue; Brandywine Oak Private Wealth may abstain from voting, particularly if there are conflicting interests for clients (for example, where client account(s) hold different securities in a competitive merger situation); or, Brandywine Oak Private Wealth will take other necessary steps designed to ensure that a decision to vote is in each client's best interest and was not the product of the conflict.

Brandywine Oak Private Wealth keep certain records required by applicable law in connection with client proxy voting activities. Clients may obtain information on how Brandywine Oak Private Wealth voted proxies and/or obtain a full copy of Brandywine Oak Private Wealth proxy voting policies and procedures by making a written or oral request to our firm.

## **Item 18 Financial Information**

Brandywine Oak Private Wealth is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;

- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

Brandywine Oak Private Wealth is a federally registered investment adviser; therefore, Brandywine Oak Private Wealth is not required to respond to this item.

## **Item 20 Additional Information**

### **Trade Errors**

In the event a trading error occurs in a client's account, our Firm's policy is to restore the client's account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

### **Class Action Lawsuits**

Brandywine Oak Private Wealth does not determine if securities held by clients are the subject of a class action lawsuit or whether clients are eligible to participate in class action settlements or litigation nor does Brandywine Oak Private Wealth initiate or participate in litigation to recover damages on a client's behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by clients.

### **IRA Rollover Considerations**

As part of our Firm's investment advisory services to clients, Brandywine Oak Private Wealth may recommend that clients withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that Brandywine Oak Private Wealth will manage on a client's behalf. If a client elects to roll the assets to an IRA that is subject to our management, Brandywine Oak Private Wealth will charge clients an asset based fee as set forth in the Advisory Agreement the client executed with our Firm. This practice presents a conflict of interest because persons providing investment advice on our Firm's behalf have an incentive to recommend a rollover to clients for the purpose of generating fee based compensation rather than solely based on client needs. Clients are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if a client does complete the rollover, clients are under no obligation to have the assets in an IRA managed by our Firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, clients should consider the costs and benefits of:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
  - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that clients understand the differences between these types of accounts and to decide whether a rollover is best for them. Prior to proceeding, if clients have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.