



**Reynders, McVeigh Capital Management, LLC  
and its Division, Fresh Pond Capital  
Form ADV Part 2A  
Firm Brochure**

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Brochure prepared as of May 14, 2020

This brochure (the “Brochure”) provides information about the qualifications and business practices of Reynders, McVeigh Capital Management, LLC and its division, Fresh Pond Capital (“Reynders, McVeigh”, “the Firm”, “we”, or “our”), an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). Questions about the contents of this Brochure should be directed to our Chief Compliance Officer at 617-226-9999 or [info@reyndersmcveigh.com](mailto:info@reyndersmcveigh.com). The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Reynders, McVeigh Capital Management, LLC, is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Reynders, McVeigh is a registered investment adviser. Registration as an investment adviser does not imply a certain level of skill or training.

## Item 2: MATERIAL CHANGES

This Brochure is dated May 14, 2020, and serves as the annual update with respect to the fiscal year ended December 31, 2019, in accordance with the COVID-19-related filing deadline extension granted in SEC Advisers Act Releases No. 5463 (Mar. 13, 2020) and 5469 (Mar. 25, 2020). The following information provides a summary of material changes that have been made to this Brochure since the last annual update on March 29, 2019.

- Item 4 was revised to provide enhanced descriptions of the different types of investment advisory services offered by the Firm, including financial planning services.
- Item 8 was revised to discuss additional risks, including market disruption risk and cybersecurity risk.
- Item 17 was revised to clarify how a client may direct the Firm's vote of the client's shares in a particular proxy solicitation.

The foregoing is only a summary of the material changes to this brochure and is qualified by reference to the full discussion in the Brochure. This summary of material changes does not purport to identify every change to the Brochure since it was last published. While this is not a material change, clarifying revisions were made throughout the Brochure, including in Items 5, 6, 7, 10, 11, 12, 14, 15, and 16. Clients are encouraged to read the Brochure in detail and contact the Firm with any questions.

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#### Item 4: ADVISORY BUSINESS

Reynders, McVeigh Capital Management, LLC is committed to environmental, social, and governance (“ESG”) practices in providing investment advisory services to its clients. The Firm was founded in 2005 and is organized as a limited liability company under the laws of the Commonwealth of Massachusetts. The principal owners are Charlton Reynders, III and Patrick McVeigh. Mr. Reynders serves as Chairman & Chief Executive Officer. Mr. McVeigh serves as President and Chief Investment Officer.

Fresh Pond Capital is a division of Reynders, McVeigh Capital Management, LLC. Established in 2008, Fresh Pond Capital focuses on client activism and highly tailored social investments. The securities recommended to clients by Fresh Pond Capital are chosen from the same approved securities list as those chosen for Reynders, McVeigh clients, and Fresh Pond Capital shares office space, research, compliance, as well as operational and trading support, with Reynders, McVeigh Capital Management, LLC. Throughout the rest of the brochure, any references to Reynders, McVeigh include Fresh Pond Capital.

The Firm offers discretionary investment management services to separately managed accounts and a mutual fund; non-discretionary investment management services to separately managed accounts, wherein the Firm is responsible for arranging for the execution of transactions when the client accepts the Firm’s recommendation; asset advisement to trustee law firms, wherein the Firm provides investment advice but is not responsible for the execution of transactions when the Firm’s recommendation is accepted; and investment consulting services, which include the provision of investment research and model portfolio advice and strategies, wherein the clients are responsible for determining in what manner and to what extent they utilize the advice provided. The Firm does not include assets receiving investment consulting services in any regulatory reporting category. The Firm also provides financial planning services to retail investor clients.

Reynders, McVeigh’s investment advice and portfolio management services are provided on a continual basis. Services include the research and selection of equity and fixed income instruments and the appropriate allocation of these assets, in combination with a cash reserve, for client portfolios. The Firm offers financial advice and assistance in the review and implementation of retirement and estate planning, as well as trustee services. The Firm researches and recommends Impact Investments, which (as further defined below) seek an environmental or social return alongside a financial return, to clients who express an interest in such investment vehicles.

Reynders, McVeigh acts as investment adviser to the Reynders, McVeigh Core Equity Fund (“the Fund”), a mutual fund series of the Capitol Series Trust, a registered open-end management investment company registered with the SEC under the Investment Company Act of 1940, as amended.

Reynders, McVeigh tailors its advisory services to clients’ objectives and constraints. The Firm assists clients in assessing their appropriate investment objectives, helps set reasonable and responsible goals, and designs investment plans that meet clients’ needs. Clients may impose restrictions on investing in specific issuers or types of securities at any time by notifying their portfolio manager by phone or email, or by including the stipulation in the additional instructions section of their Investment Management Agreement. Specific client restrictions are maintained in the Firm’s trading systems to ensure that portfolios adhere to stated directives. Each portfolio is assigned to a counselor, and most portfolios also have a portfolio manager assigned, who reports to the counselor for that client relationship. Either the counselor or portfolio manager, when one is assigned, is responsible for the day-to-day management of that account.

As of December 31, 2019, Reynders, McVeigh managed (the following numbers are approximations) client assets of \$2.4722 billion of which \$2.2783 billion was managed on a discretionary basis and \$194 million was managed on a non-discretionary basis. In addition, Reynders, McVeigh advised directly on assets of approximately \$5.7007 billion.

## Item 5: FEES AND COMPENSATION

**SMA Management Fees:** Reynders, McVeigh's standard annual fee rate for managed accounts is 1 percent of the household's first \$3 million under management, and 0.75 percent on any assets under management in excess of \$3 million. Management fees are negotiable based upon circumstances and relationships with clients, including the scope of the Firm's services. Certain legacy client relationships are subject to flat-fee arrangements, which are generally not available to new clients.

The Firm's management fee for a separately managed account (the "SMA management fee") is calculated based upon the quarter-end valuations of the relevant managed account (also referred to herein as a managed portfolio) assets. The SMA management fees are generally payable in advance, meaning that clients are invoiced at the beginning of a 3-month billing period. SMA management fees may be paid in arrears, upon request. Services may be terminated by either party at any time by providing written notice to the other party. Terminated clients who have paid SMA management fees in advance will be issued refunds for any unearned portion of their fee.

SMA management fees are payable quarterly. Remittances are commonly withdrawn from the managed portfolios with prior written consent from the client. Clients can also direct that SMA management fees for an account be withdrawn from a different account, also under the Firm's management, than the one with respect to which the SMA management fee is being charged, with the exception of retirement accounts, which may not pay the fees of any other account. Invoices will be issued to clients who prefer to remit their payments directly. Regardless of the method of payment, clients receive fee calculations from Reynders, McVeigh.

**Fund Management Fees:** The Reynders, McVeigh Core Equity Fund pays a management fee of 0.75% to the Firm. In addition to the management fee, the Fund also pays expenses (capped at 0.20%) related to the organization, offering, and administration of the Fund. These expenses are set forth in the prospectus and Statement of Additional Information ("SAI") for the Fund, and investors in the Fund bear a pro-rata share of the Fund's fees and expenses. Client assets invested in the Fund are excluded from the assets used to calculate Reynders, McVeigh's asset-based SMA management fee.

Reynders, McVeigh is not compensated for the sale of Fund shares or shares of any other managers' mutual funds, ETFs, or any other investment products.

**Fees for Other Advisory Services:** The Firm does not have a fee schedule for its other advisory services, as compensation structures and rates are negotiated on a case by case basis with each client depending upon the relationship and the scope of the Firm's services. The Firm presently does not charge a fee for financial planning services, but may in its sole discretion elect to charge for such services in the future.

**Other Fees and Expenses:** Clients incur additional fees and expenses, depending on specific circumstances, as summarized below (please refer to Item 12 herein for additional information on brokerage and other transaction costs). Reynders, McVeigh does not earn revenue from any of the following fees and expenses:

- Fees charged by the custodian for the client's account, covering, e.g., the cost of holding the account's assets (for which certain custodians do not charge a separate fee) or other services provided by the custodian;
- Fees charged by the broker-dealer executing transactions for the account (which can include commissions or mark-ups/mark-downs on security (particularly fixed-income) transactions);
- Exchange fees, if these are passed on to clients by the broker-dealer executing the transaction;
- SEC fees on exchange-listed equity transactions;
- The account's pro-rata share of the internal fees and expenses charged by mutual funds, Exchange Traded Funds ("ETFs"), and/or private equity funds held in the account (these internal fees and expenses are disclosed in each relevant fund's prospectus or other offering documents);
- Deferred sales charges (on mutual funds or annuities);
- Transfer taxes;
- Wire transfer and electronic fund processing fees.

## Item 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Reynders, McVeigh does not charge performance-based fees (i.e., fees based on a portion of capital gains or on capital appreciation of assets invested).

Reynders, McVeigh manages accounts with different compensation structures and rates. While certain of these differences may reflect varying types and scope of services negotiated between the Firm and the client, differences in compensation could potentially incentivize the Firm to favor accounts that are likely to generate greater revenue for the Firm. Reynders, McVeigh addresses this conflict of interest through its disclosures, training the Firm's portfolio managers regarding their fiduciary duty to clients, and by establishing and maintaining reasonably designed trade allocation procedures, as described below in Item 12 – Trade Allocation and Aggregation, respectively.

## Item 7: TYPES OF CLIENTS

Reynders, McVeigh provides discretionary and non-discretionary investment management services and asset advisement to the following types of clients: individuals, including high net-worth individuals; trusts, estates, and charitable organizations; corporations and other businesses; pension and profit-sharing plans; and trusts administered by law firm trust departments. The Firm also provides financial planning services to retail investor clients and investment consulting services (in the form of model portfolio advice and strategies) to institutional clients.

In order for a client to open or maintain an account, Reynders, McVeigh generally requires the account to have sufficient assets in order to diversify its holdings. The Firm maintains sole discretion when establishing a specific account minimum in accordance with this requirement with respect to any particular account, and in waiving any such requirements for a particular account.

## Item 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### Method of Analysis

As an ESG investment manager, Reynders, McVeigh incorporates social factors holistically throughout its research process and focuses its investment lens on areas of positive global change and progressive disruption across industries. Reynders, McVeigh relies on its own internal research, and the Firm maintains a disciplined investment process that is designed to challenge assumptions and to bring its best ideas into portfolios.

**Equities:** Reynders, McVeigh excludes equities based on general social screens and based on specific client preferences and values. Importantly, the Firm's approach to sustainable investing also "screens in" innovative companies with long-term growth opportunities, strong balance sheets, and leadership teams that put a priority on ethics and transparency. The Firm works to purchase companies that they believe have sustainable earnings power, clean balance sheets, positive social contributions, and strong management in an effort to deliver powerful, compounding returns over time. The Firm seeks to make investments at what it believes is a discount to intrinsic value and combines bottom-up stock selection with top-down emphasis on long-term trends.

**Fixed Income:** The purpose of a fixed income portfolio is twofold: it seeks to generate income; and it seeks to provide stability in the investment mix. Reynders, McVeigh does not believe in taking on undue risk in fixed income investments and does not put principal at risk by purchasing suspect credits or inordinately long maturities. The Firm seeks out the highest-quality credits when constructing bond portfolios for clients and will only consider U.S. Treasury instruments, foreign government bonds, and municipal and corporate offerings.

## **Investment Strategy**

Reynders, McVeigh's investment philosophy is growth at a reasonable price (GARP). This investment strategy is implemented consistently across individual portfolios, although the allocation to each asset class may differ according to the objectives and constraints of individual clients. The Firm employs three investment strategies:

### **Equity Strategy**

Generally, the number of holdings in a portfolio invested in Reynders, McVeigh's equity strategy will range from 30-40, affording ample diversification. The Firm tends to avoid heavily regulated industries, and sector allocation does not necessarily correlate to the S&P 500 or MSCI World Index market weightings. The Firm's equity management process is backed by its belief that stocks of well-established companies that are producing powerful earnings and an above-average opportunity for dividend growth, when purchased at a reasonable price, will provide superior returns over long periods.

Long-term investment success requires a strategy that provides growth during times of opportunity and capital preservation in times of hardship. The Firm seeks out low-debt companies with progressive management teams. The Firm looks for industries that enjoy consistent or growing demand. Transparency in the reporting of revenues and earnings is a critical factor in the discipline; the Firm will only invest in companies where it believes it can reasonably assess the risks that it is taking on a client's behalf. If the Firm cannot see how and where a company is earning its money clearly on an income statement, it will not invest.

In respect of the equity strategy for accounts that are not large enough to hold the full, diversified equity portfolio, the Firm may recommend a mutual fund or exchange-traded fund. The Firm may invest, or recommend investing, client assets in the Reynders, McVeigh Core Equity Fund, which was developed to enable shareholders, regardless of portfolio size, to participate in the equity investment strategy of the Firm. As discussed above in Item 5, the Firm's SMA management fee does not apply with respect to client investments in the Fund.

### **Fixed-Income Strategy**

Bond portfolios are carefully tailored to individual circumstances. Tax status, liquidity requirements, and income needs are all critical factors in establishing the right fixed-income mix for each client. The Firm carefully monitors activity along the yield curve and will alter or add maturities when it is to a client's advantage or as current bonds mature. Actively managed fixed income portfolios are generally comprised of laddered individual credits with a goal of maintaining an average duration of between 18 months and 4 years.

### **Balanced Strategy**

Most accounts at Reynders McVeigh are balanced accounts that utilize the Firm's equity strategy, fixed-income strategy, and cash management in concert to build a core balanced portfolio. The Firm works with clients to understand long-term goals for growth, capital preservation requirements, liquidity needs, and other factors in order to establish long-term portfolio allocation target ranges for equity, bond, and cash holdings. The Firm reviews its assumptions and situational life changes with clients regularly to affirm long-term allocation targets in balanced accounts or to adjust them when needed.

Upon request, the Firm may recommend that clients invest a portion of their portfolios in impact investments, which seek an environmental or social return alongside a financial return. Clients who have expressed interest in seeking impact investment opportunities, and who are deemed suitable for such investments, are further counseled to understand the nature of the impact investments selected by the Firm. Impact investments may focus on social justice in low-income communities, affordable housing, food and sustainable agriculture, climate change, and global microfinance. The risk of the complete loss of principal is present. Significant due diligence is required to find suitable investments that create sustainable action and behavioral change.

## Risks Related to Investment Strategies

There are risks involved with any type of investment program. A summary of certain risks of investing in accordance with the principal investment strategies managed by Reynders, McVeigh is set forth below. The investment risks to which clients are subject will differ depending on the particular strategies or products in which clients have invested, and the securities and investments comprising such products or strategies. Only certain of the risks described below will apply to accounts or investments, depending on holdings. Additionally, the list below is not a comprehensive list of the risks related to the investment strategies and products managed by Reynders, McVeigh.

### General Risks

- **Investing involves risk of loss that clients should be prepared to bear. Reynders, McVeigh does not guarantee future performance.**
- Securities incorporated into Reynders, McVeigh's investment strategies may respond differently to market and other developments than other securities.
- The performance of Reynders, McVeigh's investment strategies largely depends on the talents and efforts of its investment professionals. There can be no assurance that Reynders, McVeigh's investment professionals or the strategies they employ will produce the desired results, or will continue to be associated with Reynders, McVeigh. An error in the judgment exercised by one or more investment professionals, movement in the market that differs from the expectations of such investment professionals, or the failure to retain such investment professionals at the Firm could have an adverse effect on the value of a client's investments.

Equity Securities. Investment portfolios may include positions in common stocks, preferred stocks, and convertible securities of U.S. issuers and non-U.S. issuers. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, as well as industry market conditions and general economic environments. Investments in small- and mid-capitalization stocks may be subject to higher degrees of risk, their earnings may be less predictable, their prices more volatile, and their liquidity less than investments in large-capitalization or more established companies' securities. Investments in securities and instruments in foreign markets involve substantial risks not typically associated with investments in U.S. securities. Foreign securities investments may be affected by changes in currency rates or exchange control regulations, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations. Changes in foreign currency exchange rates relative to the U.S. dollar will affect the U.S. dollar value of clients' assets denominated in that currency, and thereby impact clients' total return on such assets.

Investments in Fixed-Income Securities. Reynders, McVeigh may invest client assets in fixed-income securities issued by corporations, debt securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities, and commercial paper. These securities may pay fixed, variable or floating rates of interest, and may include zero-coupon obligations. Fixed-income securities are subject to the risk of the issuer's inability to meet the principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer, and general market conditions (*i.e.*, market risk) and liquidity.

Impact Investments. Reynders, McVeigh may recommend, on a non-discretionary basis, for a client to invest in impact investments, which are bonds, private equity funds, or other investment products that seek an environmental or social return alongside a financial return ("Impact Investments"). Reynders, McVeigh will never invest in Impact Investments without the prior written consent of the Firm's clients, even in an account over which the Firm otherwise has discretionary authority. There are numerous risk factors associated with Impact Investments. Such Impact Investments may experience greater volatility than traditional investments, which could cause significant losses in clients' portfolios. In addition, many Impact Investments are far less liquid than traditional investments in publicly traded securities, which will require clients to hold such investments for potentially indefinite periods of time. Many Impact Investments also require higher investment minimums than traditional



investments. In addition, Impact Investments may charge higher fees and incur greater expenses than traditional investments, which will reduce clients' net returns. Clients should carefully review the disclosure documents for each Impact Investment that Reynders, McVeigh recommends for a more detailed discussion of the associated risks.

**Registered Funds.** Reynders, McVeigh may invest clients' assets in both open-end mutual funds and closed-end funds. Open-end mutual funds are redeemable by selling the shares back to the issuer of such funds. Closed-end funds are generally not redeemable to the issuer, but liquidity can be obtained by selling the shares in such funds to a third-party purchaser in the secondary market. Registered funds involve additional expenses, in addition to the Firm's management fees that are discussed in detail in Item 5 of this Brochure. In addition, investment returns on mutual funds and closed-end funds will fluctuate and are subject to market volatility.

**Exchange Traded Funds.** ETFs represent baskets of securities that are traded on exchanges. ETFs may be purchased and sold throughout the trading day, allowing for intraday trading. In general, traders may sell ETFs short or buy ETFs on margin, although this is not an established practice at Reynders, McVeigh. ETFs are subject to the risks of the stocks, fixed income securities, or other securities in which the ETFs invest and subjects it to a *pro-rata* portion of the ETF's fees and expenses. As a result, the cost of investing in ETF shares may exceed the costs of investing directly in its underlying investments. Investment returns on ETFs will fluctuate and are subject to market volatility. Trading prices of ETFs may not reflect the actual net asset value of the underlying securities. The Firm, on behalf of a client account, may purchase ETFs at prices that exceed the net asset value of their underlying investments and may sell ETF investments at prices below such net asset value. Because the market price of ETF shares depends on the demand in the market for them, the market price of an ETF may be more volatile than the underlying portfolio of securities the ETF is designed to track, and the Firm may not be able to liquidate a client account's ETF holdings at the time and price desired, which may impact the account's performance.

**Market Disruption.** Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. The outbreak of respiratory disease caused by the coronavirus COVID-19 has had, and is expected to continue to have, a severely adverse impact on the economies of many nations, individual companies, and the market in general. The Firm does not know how long or the extent to which the securities markets and economies will continue to be affected by these events. The Firm also cannot predict the likelihood of occurrence or the effects of similar pandemics and epidemics in the future on the U.S. and other economies, or the investments in a client's portfolio or the potential for success of client accounts or the Fund. The Firm has a business continuity plan in place that is reasonably designed to ensure that maintain normal business operations, and that clients' assets are protected, and we periodically test this plan. However, the effects of market disruptions including the COVID-19 pandemic, may cause client accounts or the Fund to fail to meet their investment objectives, and may exacerbate various other risks discussed in this document. Additionally, market disruptions may result in increased market volatility; regulatory trading halts; closure of domestic or foreign exchanges, markets, or governments; or market participants operating pursuant to business continuity plans for indeterminate periods of time. Such events can be highly disruptive to economies and markets and significantly impact individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a client's investments and operation of the Fund. These events could also result in the closure of businesses that are integral to the Firm's operations or otherwise disrupt the ability of employees and service providers to perform essential tasks on behalf of the Firm.

**Cybersecurity Risk.** As the use of technology becomes more prevalent in the course of business, investment advisers and other financial services firms become more susceptible to operational, financial, and information security risks resulting from cyber-attacks and/or technological malfunctions. Cyber-attacks have occurred and will continue to occur. Cyber-attacks include, among other things, the attempted theft, loss, misuse, improper release, corruption or destruction of, or unauthorized access to, confidential or highly restricted client data relating; and attempted compromises or failures of systems, networks, devices and applications relating to the operations of the Firm and its service providers. Cybersecurity breaches may result from unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) or from outside attacks, such as denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Successful cyber-attacks and/or technological malfunctions affecting the Firm or its service providers can result in: financial losses to clients and Fund investors; the inability of the Firm to transact business with its clients; the inability to process transactions; the release of

private client information; violations of privacy and other laws; regulatory fines, penalties and reputational damage; and compliance and remediation costs, legal fees and other expenses. Similar types of cybersecurity risks are also present for issuers of securities in which client accounts may invest, which could result in material adverse consequences for such issuers and may cause the client's investment there in to lose value. While measures have been developed which are designed to reduce the risks associated with cybersecurity, there are inherent limitations in such measures and there is no guarantee those measures will be effective, particularly since the Firm does not directly control the cybersecurity measures of its service providers, financial intermediaries or companies in which it invests or with which it does business.

#### Item 9. DISCIPLINARY INFORMATION

Reynders, McVeigh is obligated to disclose all disciplinary events that would be material to anyone evaluating the Firm, whether to initiate a client/adviser relationship or to continue a client/adviser relationship. The Firm does not have any legal, financial, or other disciplinary items to report in response to this item.

#### Item 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

##### Other Affiliations

Reynders, McVeigh serves as the investment adviser for the Reynders, McVeigh Core Equity Fund, a mutual fund which is a series of Capitol Series Trust. This relationship poses a risk of conflict for the Firm's separately managed account and other advisory clients because investing separately managed account clients' assets in the Fund would, in some cases, result in additional revenue for the Firm. The conflict is managed by disclosing the non-Fund client fees payable to the Firm for its investment advisory services (e.g., the SMA management fee) and Fund-level fees and related conflicts to the client and by waiving the Firm's asset-based SMA management fee for the portion of the account invested in the Fund. The Firm may conclude that investment of client assets in the Fund is appropriate for a managed account client to, among other reasons, achieve greater diversification or an overall more efficient exposure to the Fund's asset class or investment strategy, compared to investing the client's assets directly in securities. In some cases, the management fees charged by the Fund will exceed the SMA management fee that would have otherwise been payable to the Firm, had the client's assets not been invested in the Fund. Before making the initial investment in the Fund, the client and their Reynders, McVeigh portfolio manager typically discuss whether the long-term benefits of the portfolio diversification provided by the Fund outweigh the risks and the additional cost involved, depending on the clients' existing SMA management fee arrangement. Client will be provided with fee documentation for the Fund, including the prospectus and SAI.

Reynders, McVeigh is affiliated with Highwood Productions, Inc., a Massachusetts corporation, as Charlton Reynders, III is the president of this corporation. Highwood Productions, Inc. is the managing member of Dolphin Film Production, LLC.

#### Item 11. CODE OF ETHICS

Reynders, McVeigh maintains a Code of Ethics (the "Code") pursuant to Rule 204A-1 of the Investment Advisers Act of 1940. The Code requires that all Reynders, McVeigh employees place the interests of clients first and foremost and comply with applicable laws and regulations. In brief, the Code addresses:

- 1) Improper personal trading by Access Persons<sup>1</sup> and immediate family<sup>2</sup>;
- 2) Improper use of material non-public information by the Firm or its employees;

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<sup>1</sup> As defined in the Reynders, McVeigh Compliance Manual, Access Persons include all employees, officers, directors, and members of Reynders, McVeigh and any other persons designated by the CCO, who have access to non-public information regarding the purchase or sale of securities by, or the securities holdings of, any Advisory Client of the Firm or who are involved in making such recommendations that are not publicly known.

<sup>2</sup> As defined in the Reynders, McVeigh Compliance Manual, Immediate Family is the immediate family of any Access Person, including parents, mother-in-law, father-in-law, spouse (except for legally separated or divorced spouse), brother, sister, brother-in-law, sister-in-law, son, daughter, son-in-law, daughter-in-law, children who are directly or indirectly dependents, and/or any other individuals living at the person's principal place of residence and is significantly dependent on the person.

- 3) Identifying conflicts of interest; and
- 4) Resolution of actual or potential conflicts.

Specific conflicts of interest addressed in the Code include outside business activities, gifts and entertainment, falsification or alteration of records, political contributions, and payments to government officials or employees.

Reynders, McVeigh will provide a copy of the full text of the Code of Ethics to any client or prospective client upon request, without charge.

Reynders, McVeigh permits employees to invest in the same securities that the Firm recommends to and/or purchases for clients. The Firm takes measures to avoid conflicts of interest between clients and Reynders, McVeigh employees. Such conflicts would be the result of employee trading alongside or ahead of trades that are placed for client accounts. The Code addresses potential conflicts by placing restrictions on employees' personal trading to assure that employees' personal transactions will not interfere with decisions made on behalf of clients. The Code requires pre-clearance of the purchase or sale of any covered security, restricts employee personal trading in close proximity to client trading (exceptions allowed after pre-clearance), and subjects certain employee personal trades to blackout periods to ensure that clients are offered new opportunities first. Employees are also required, under the Code, to notify the Chief Compliance Officer of all accounts beneficially owned by the employee. Employees must report most personal securities transactions and holdings periodically and certify on an annual basis that they have read and understood the Code of Ethics and have disclosed all personal securities transactions required pursuant to the Code of Ethics. The Chief Compliance Officer, or her designee, monitors employee accounts and reports to ensure compliance with the Code and the prevention of conflicts of interest between Reynders, McVeigh and its clients.

The conflicts of interest resulting from the fact that Reynders, McVeigh serves as the investment adviser to the Reynders, McVeigh Core Equity Fund and also recommends that certain of its other clients invest in the Fund, and how Reynders McVeigh addresses these conflicts, are discussed in Item 10 above. Employees are permitted to own shares of the Fund. To mitigate the possibility that employees could trade in Fund shares in a manner that would disadvantage the Fund, other Firm clients, and Fund investors, employees are required to hold positions in the Fund for a minimum of 30 days. Trading in and out of the Fund will be monitored and evaluated to identify attempts to benefit from market timing efforts. Employee trading in the Fund will require pre-clearance. Trades will be denied on days when a shift in the composition of the underlying securities in the Fund is to occur or if there is reason to believe that the employee is trading excessively within the holding period. Employees who are not directly involved in the management of the Fund will not be privy to information regarding when the Fund trades. They will only be notified that their trade has been denied and to try again another day.

The Code of Ethics includes policies regarding political and charitable contributions. Employees are prohibited from making political contributions for the purpose of soliciting business from state or local governments. All political contributions require pre-clearance, and employees attest that they have reported all contributions. Reynders, McVeigh does not currently have any advisory clients that are government entities.

Employees are required to report to Compliance the receipt of, or intent to give, any gift, service, or entertainment in excess of an established de minimis value from or to any person or entity that does business with or on behalf of Reynders, McVeigh, so that Compliance can evaluate the appropriateness of the gift.

## Item 12. BROKERAGE PRACTICES

### **Selection of Broker-Dealers**

Reynders, McVeigh seeks to obtain the best execution on all securities transactions for its clients, subject to any specific instructions that Reynders, McVeigh accepts from clients. The Firm makes a quantitative and qualitative inquiry into broker services and ultimately strives to achieve the best qualitative execution of client transactions for non-client directed trades. Reynders, McVeigh is not obligated to choose the broker offering the lowest available commission rate if Reynders, McVeigh believes that another broker offering a higher commission will deliver best execution. Factors that the Firm may consider when selecting a broker include: experience and skill of the broker's

securities traders; reasonableness of commission rates; size and type of transaction; broker's prior history of successful, prompt and reliable execution of client trades; financial strength, stability and creditworthiness of the broker; the willingness and ability of a broker to manage large or difficult trades for the adviser's clients so as to obtain best executions; ability of a broker to maintain legally appropriate confidentiality of trading activity; and the administrative efficiency of the broker. Reynders, McVeigh appears as an available investment adviser on two investment adviser platforms, each of which is maintained by a discount broker-dealer. These two broker-dealers serve as custodians with respect to a significant portion of the Firm's client assets under management and offer comparatively low (or zero) commission rates on certain types of trades. This combination of pricing and administrative efficiencies results in the Firm's frequent selection of these broker-dealers to execute transactions for client accounts, where consistent with the Firm's duty to seek best execution. Please refer to "Brokerage for Client Referrals" and Item 14 below for additional disclosure regarding the arrangement between Reynders, McVeigh and one of these discount broker-dealers.

### **Soft Dollar Benefits**

Reynders, McVeigh does not engage in soft dollar practices (i.e., does not receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions), nor does the Firm select brokers based upon any broker providing the Firm with services or client referrals. Although Reynders, McVeigh does not engage in soft dollar practices, as a registered investment adviser, the Firm's team periodically receives economic, market and financial data, and research reports on companies, industries, and securities (including proprietary research) from brokers without any charge or requirement to use the broker for executing securities transactions.

### **Brokerage for Client Referrals**

While Reynders, McVeigh does not consider referrals of potential clients as a factor in the selection of brokers, the Firm participates in the Fidelity Wealth Advisor Solutions® Program ("WAS Program"), which creates an incentive for the Firm to recommend the use of Fidelity Brokerage Services ("FBS") and its affiliates to its advisory clients. Please see Item 14 below for additional information regarding the WAS Program and the incentives resulting from the Firm's arrangement with FBS and its affiliates. Despite this incentive, participation in the WAS Program does not limit the Firm's duty to select brokers on the basis of best execution.

### **Directed Brokerage**

Reynders, McVeigh permits clients to direct securities transactions to the brokerage firm of their choosing. When clients instruct the Firm to use particular brokers or dealers, not selected by the Firm, clients should note that such directed brokerage may result in commissions in excess of that which other brokers or dealers may charge. In addition, if clients direct the Firm to use brokers or dealers not selected by the Firm, clients should also recognize that the quality of execution services may be less than optimal.

Any directed brokerage arrangement will result in the inability of the Firm to include trades in block orders if the aggregated transaction is executed through a broker-dealer other than the one that has been selected. In directing the Firm to use specific custodians, clients prevent the Firm from having the authority to negotiate commissions among various custodians, obtain volume discounts, or achieve best execution.

Any prospective clients are hereby advised that lower fees for comparable services may be available from other sources such as the Internet and deep discount brokerage firms. The Firm has no obligation to seek the lowest commission cost or charge the lowest advisory fee.

Although Reynders, McVeigh generally attempts to aggregate orders, as further discussed below, the Firm will not aggregate securities transactions for any client who directs the Firm to use a specific broker with those of other clients (unless the aggregated transaction for other clients happens to be executed through the same broker-dealer that has been selected by the client), nor will the Firm have any responsibility to seek to obtain best execution for such securities transactions. The Firm will place such securities transactions in accordance with its established trade rotation policy, which typically means that trades will be placed only after completing execution of aggregated

orders for other clients that do not limit the use of brokers. Commissions rates, mark-ups/downs and other transaction costs for a client that instructs Reynders, McVeigh to use a specific broker will be those established by the directed broker for such client, which may be higher or lower than those that the Firm is able to obtain.

### **Trade Allocation and Aggregation**

In general, Reynders, McVeigh will attempt to aggregate multiple orders for the purchase or sale of the same security into block transactions, subject to the overall obligation to seek best execution for client accounts. There is no obligation to include any particular client account in a block order, and a trader will only do so if trader believes it is in the client's best interest. In making this determination, the trader may consider a number of factors, including, but not limited to, the client account's investment objectives and policies; investment guidelines; liquidity requirements; legal or regulatory restrictions; tax considerations; and the nature and size of the block order.

When Reynders, McVeigh executes a global purchase or sale for multiple discretionary portfolios, the Firm utilizes a rotational order execution and allocation system based on the custodian. The system is designed with the goal of allocating prices to clients in a manner that is fair and equitable over time and does not systematically disadvantage any client or group of clients.

For non-discretionary accounts where the Firm executes trades upon the client's acceptance of the Firm's recommendation, the Firm applies its best efforts to obtain a client's authority in a timely manner to obtain the best execution.

### **Trade Errors**

A trade error is a mistake in the handling of an order in the process of executing the transaction. Misjudgment in the selection of investments for client portfolios are not considered trade errors. While every effort is made to avoid trade errors, they inevitably occur and are identified and remedied as soon as possible. The client will not bear any cost as the result of a trade error. The circumstances will be reviewed by the Firm's head trader and then the Chief Compliance Officer, and the Firm and/or the broker-dealer involved in the transaction, as applicable, will be responsible for actions and cost associated with its correction.

## **Item 13. REVIEW OF ACCOUNTS**

Portfolios are reviewed at least quarterly. In addition, the Director of Fixed Income supervises fixed-income positions and allocations, on an ongoing basis, for all balanced and fixed-income portfolios. At the beginning of each client relationship, the Firm creates investment parameters with the client that guides the review process.

New accounts may initially be reviewed monthly. Material changes in variables, such as the client's individual circumstances or the markets' economic or political environment, may trigger more frequent reviews. In some cases, the Firm will offer global advice on securities between formal reviews.

The Firm provides clients with written quarterly appraisals that include account holdings, at market and at cost, account performance, with the comparable performance of market indices, and market commentary. Clients may elect to receive these quarterly appraisals electronically. Clients also receive quarterly reports from their custodian detailing their assets and all activity in their account(s).

## **Item 14. CLIENT REFERRALS AND OTHER COMPENSATION**

***Participation in Fidelity Wealth Advisor Solutions®*** Reynders, McVeigh participates in the Fidelity Wealth Advisor Solutions® Program (the "WAS Program"), through which the Firm receives referrals from Fidelity Personal and Workplace Advisors LLC ("FPWA"), a registered investment adviser and Fidelity Investments company. The Firm is not affiliated with FPWA or any Fidelity Investments company. FPWA does not supervise or control the Firm, and FPWA has no responsibility or oversight for the Firm's provision of investment management or other advisory services.

Under the WAS Program, FPWA acts as a solicitor for Reynders, McVeigh, and the Firm pays referral fees to FPWA for each referral received based on the assets under management attributable to each client referred by FPWA or members of each client's household. The WAS Program is designed to help investors find an independent investment adviser, and any referral from FPWA to the Firm does not constitute a recommendation or endorsement by FPWA of particular investment management services or strategies. More specifically, the Firm pays the following amounts to FPWA for referrals: the sum of (i) an annual percentage of 0.10% of any and all assets in client accounts where such assets are identified as "fixed income" assets by FPWA and (ii) an annual percentage of 0.25% of all other assets held in client accounts. In addition, the Firm has agreed to pay FPWA a minimum annual fee amount in connection with its participation in the WAS Program. These referral fees are paid by the Firm and not the client.

To receive referrals from the WAS Program, Reynders, McVeigh must meet certain minimum participation criteria, meaning that there is a minimum number of clients who are required to engage the Firm as an investment adviser through the WAS Program in order for the Firm to continue its participation. The Firm may have initially been selected for participation in the WAS Program as a result of its business relationships with FPWA and its affiliates, including Fidelity Brokerage Services, LLC ("FBS"). As a result of its participation in the WAS Program, the Firm has a conflict of interest with respect to its decision to use certain affiliates of FPWA, including FBS, for execution, custody, and clearing for certain client accounts, and the Firm has an incentive to suggest the use of FBS and its affiliates to its advisory clients, whether or not those clients were referred to the Firm as part of the WAS Program. Under an agreement with FPWA, the Firm has agreed that the Firm will not charge clients more than the standard range of advisory fees disclosed in its Form ADV 2A Brochure to cover solicitation fees paid to FPWA as part of the WAS Program. Pursuant to these arrangements, the Firm has agreed not to solicit clients to transfer their brokerage accounts from affiliates of FPWA or establish brokerage accounts at other custodians for referred clients other than when the Firm's fiduciary duties would so require, and the Firm has agreed to pay FPWA a one-time fee equal to 0.75% of the assets in a client account that is transferred from FPWA's affiliates to another custodian; therefore, the Firm has an incentive to recommend that referred clients and their household members maintain custody of their accounts with affiliates of FPWA. However, participation in the WAS Program does not limit the Firm's duty to select brokers on the basis of best execution.

#### Item 15. CUSTODY

Reynders, McVeigh is deemed to have custody of assets in client accounts from which the Firm is authorized to deduct its management fee. Pursuant to Rule 206(4)-2 (the "Custody Rule"), an independent public accountant conducts a surprise exam annually to verify certain clients' assets over which Reynders, McVeigh is considered to have custody because employees of the Firm act as trustees on a number of trusts that are managed by the Firm.

Clients should receive at least quarterly statements from the broker-dealer, bank, or other qualified custodian that holds and maintains clients' investment assets. The Firm urges clients to carefully review such statements and compare such official custodial records to the account statements that the Firm may provide. Reynders, McVeigh statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. For tax and other purposes, the custodial statement is the official record of a client's account(s) and assets.

#### Item 16. INVESTMENT DISCRETION

Reynders, McVeigh establishes whether or not it has investment discretion over a client's account at the outset of each advisory relationship, by means of an Investment Management Agreement that sets forth whether or not the Firm retains investment discretion and outlines any exceptions to such discretion and any investment restrictions imposed by the client and accepted by the Firm. It is not uncommon for clients to request that the Firm not invest in specific companies or asset classes. Specific client restrictions are maintained in the Firm's trading systems to ensure that clients' portfolios adhere to their stated directives. Separately, the Firm requires a client to execute a separate agreement with Fresh Pond Capital prior to investing in an Impact Investment.

## Item 17. VOTING CLIENT SECURITIES – PROXY VOTING

In line with Reynders, McVeigh's proxy policies and procedures, the Firm seeks authorization to vote proxies on behalf of all clients, to the extent that the client's custodian provides access to proxy voting by advisers. The proxy policies and procedures consistently take ESG considerations into account. The Firm believes that voting and dialogue are vital paths in sharing clients' values with the management of companies in which they invest. Clients may opt-out of this service by providing a written request to the Firm. A client may direct the Firm's vote of that client's shares in a particular solicitation by submitting a timely, written request to the Firm.

Reynders, McVeigh reviews and may revise its proxy policies annually. Generally, however, the policies and procedures are consistent with the Firm's sustainable investment strategy and consider how environmental, social and governance matters are integrated into corporate strategy and the economic viability of capital markets for the long-term.

The Firm recognizes that proxy proposals may present a conflict between the interests of clients and those of the Firm or certain of its affiliates. If a conflict is identified, the Firm's Shareholder Engagement Manager shall notify Reynders, McVeigh management as soon as possible so that a voting decision may be made in a timely manner. If the matter to be voted on is covered by Firm policy, the proxy will be voted in accordance with that policy. If the matter is not specifically addressed by Firm policy, the Shareholder Engagement Manager shall vote in line with the Firm's sustainable investment strategy.

Reynders, McVeigh engages a third-party provider to assist with the administration of proxy voting.

Clients may obtain information about how the Firm voted their securities by contacting Reynders, McVeigh. A written copy of the Firm's proxy policies and procedures is provided to clients upon account opening and is also available upon request.

## Item 18. FINANCIAL INFORMATION

Reynders, McVeigh is required in this item to provide certain financial information or disclosures about the Firm's financial condition. Reynders, McVeigh has no financial commitment that is expected to impair its ability to meet contractual and fiduciary commitments to clients, and the Firm has not been the subject of a bankruptcy proceeding. Furthermore, Reynders, McVeigh does not require prepayment of fees six months or more in advance.