



# Wrap Program

Sponsored by

## Walled Lake Planning & Wealth Management, LLC

January 1, 2020

Office Location:  
560 Green Bay Rd Suite 301  
Winnetka, IL 60093  
(847) 616-2590

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

This wrap fee program brochure provides information about the qualifications and business practices of Walled Lake Planning & Wealth Management, LLC, a registered investment advisor with the Securities and Exchange Commission ("SEC"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. For compliance specific requests, please call our Chief Compliance Officer at (971) 371-3450. The information in this brochure has not been approved or verified by the United States Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at [www.adverserinfo.gov](http://www.adverserinfo.gov). Registration does not imply any level of skill or training.

## **Item 2. Material Changes**

In this Item, Walled Lake Planning & Wealth Management, LLC is required to discuss any material changes that have been made to the brochure since the last annual amendment.

Our Brochure, dated January 1, 2020, provides information about the qualifications and business practices of Walled Lake Planning & Wealth Management, LLC. The business practices of Walled Lake Planning & Wealth Management, LLC are substantially the same as represented in this Firm's previous and current years' annual updated Brochures.

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Walled Lake Planning & Wealth Management, LLC is #299595. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Stacy L. Sizemore, Chief Compliance Officer, at (971) 371-3450 or [stacy@tru-ind.com](mailto:stacy@tru-ind.com).

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## **Item 4. Advisory Business**

Walled Lake Planning and Wealth Management, LLC (“Walled Lake” or “the Firm”) offers discretionary investment management and investment advisory services as well as Financial Planning. Prior to the Firm rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with the Firm setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

The Walled Lake Planning and Wealth Management, LLC. Wrap Program (the “Program”) is an investment advisory program sponsored by Walled Lake. Prior to the Firm rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with the Firm setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Walled Lake has been registered as an investment adviser since 2018 and is owned by Howard Klieger and Noel Cooper.

As of December 31, 2019, the Walled Lake Planning & Wealth Management, LLC manages approximately \$382,569,349 in assets for approximately 1,060 clients on a discretionary basis.

While this brochure generally describes the business of the Firm, 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 any other person who provides investment advice on the Firm’s behalf and is subject to the Firm’s supervision or control.

### **Description of the Program**

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The Program is offered as a wrap fee program, which provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges. A wrap fee program is considered any arrangement under which clients receive investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions for a specified fee or fees not based upon transactions in their accounts. Clients must also open a new securities brokerage account and complete a new account agreement with a broker-dealer that Walled Lake approves under the Program (collectively “Financial Institutions”).

At the onset of the Program, clients complete an investor profile describing their individual investment objectives, liquidity and cash flow needs, time horizon and risk tolerance, as well as any other factors

pertinent to their specific financial situations. After an analysis of the relevant information, Walled Lake assists its clients in developing an appropriate strategy for managing their assets. Clients' investment portfolios are generally managed on a discretionary basis by Walled Lake.

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

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The Firm offers clients a broad range of financial planning and consulting services, which may include any or all of the following functions:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Financial Reporting
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving
- Distribution Planning

While each of these services is available on a stand-alone basis, certain of them may 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, the Firm is not required to verify any information received from the client or from the client's other professionals (e.g. attorneys, accounts, etc.) and is expressly authorized to rely on such information. The Firm may recommend clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or register representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if client engages Firm or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by the Firm under a financial planning or consulting engagement. 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 the Firm's recommendations and/or services.

## **Wealth Management Services**

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Walled Lake provides clients with wealth management services which may include a broad range of comprehensive financial planning and consulting services as well as discretionary and/or non-discretionary management of investment portfolios.

Under an investment management engagement, Walled Lake primarily allocates client assets among various individual equity and debt securities, fixed income, mutual funds, exchange-traded funds (“ETFs”) and 529 plans in accordance with their stated investment objectives.

Where appropriate, Walled Lake may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage the Firm 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. In these situations, Walled Lake 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.

Walled Lake 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. The Firm 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 Walled Lake if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management if the Firm 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.

## **Use of Independent Managers**

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Walled Lake may select certain Independent Managers or Sub-Advisors to actively manage a portion of its clients’ assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager which will include the payment of any solicitor fees by Walled Lake to the Independent Manager for their services. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

The Firm evaluates a variety of information about Independent Managers, which may include 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. The Firm also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

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

### **Fees for Participating in the Program**

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The Program is offered on a fee basis, meaning participants pay a single annualized fee based upon assets under management ("Program Fee").

Walled Lake offers investment management for an annual fee based on the amount of assets under management. This management fee generally varies between 50 and 150 basis points (0.50% - 1.50%), depending on the size and composition of a client's portfolio and the type of services rendered.

The annual fee is prorated and charged monthly, in advance, based upon the market value of the assets being managed by the Firm on the last day of the previous billing period.

If assets are equal to/greater than \$10,000 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.), the Firm may negotiate a fee rate that differs from the range set forth above.

## **Fee Comparison**

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As referenced above, a portion of the fees paid to Walled Lake are used to cover the securities brokerage commissions and transactional costs attributed to the management of its clients' portfolios.

Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions made in clients' accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. Therefore, the Firm has an incentive to place less trades for clients in the Program since the Firm incurs transaction expenses. Fees paid for the Program may also be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

## **Fee Discretion**

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The Firm 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.

## **Insurance Fees**

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We do not receive "trailer" or SEC Rule 12b-1 fees from an investment company that may be recommended to a client. Fees charged by such issuers are detailed in prospectuses or product descriptions and interested investors are always encouraged to read these documents before investing. Our firm and its associates receive none of these described or similar fees or charges.

When a client purchases an insurance policy (i.e., fixed annuity, life insurance policy, disability insurance policy, property/casualty insurance policy, etc.), a commission is normally paid to both an insurance agency and an insurance agent. Anytime a commission is involved a conflict of interest exists. We have intentionally structured our firm to reduce this conflict of interest by not paying any direct commissions to individuals for insurance business recommended and by requiring that any agent agree to and acknowledge they are not allowed to receive commissions from any insurance provider while affiliated with our firm. Instead of paying commissions to an agent, compensation is paid by the insurance company to our affiliated insurance agency. While the agent is not paid a direct commission, our holding company, insurance agency affiliate, as well as our firm personnel benefit from this arrangement since revenue earned from this business activity may be used to offset operating expenses, provide shareholder distributions, etc. Our advisory firm



and its associates take their responsibilities seriously and recommend services we believe appropriate for each client. Please refer to Items 10 and 11 of this firm brochure, in addition to Item 4 of an associate's brochure supplement for details. Our clients always have the right to purchase recommended or similar investments or insurance products through a provider of their choice.

### **Additional Fees and Expenses**

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The fees not included in the advisory fee for our wrap services are charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed at a broker dealer, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions.

### **Direct Fee Debit**

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Clients generally provide the Firm with the authority to directly debit their accounts for payment of the investment advisory 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 the Firm.

### **Account Additions and Withdrawals**

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Clients may make additions to and withdrawals from their account at any time, subject to the Firm's right to terminate an account. Additions may 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 may withdraw account assets on notice to the Firm, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. The Firm 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.

### **Compensation for Recommending the Program**

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Walled Lake has no internal arrangements in place whereby persons recommending the Program are entitled to receive additional compensation as a result of clients' participation. A person recommending the Program will not earn more compensation than he or she would otherwise receive if

a client elected another investment management program.

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

Walled Lake offers services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

### **Minimum Account Value and Fee**

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The Firm does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship.

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

### **Use of Individual Managers**

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As stated above, Walled Lake may select certain Independent Managers to manage a portion of its clients' assets in a separate written agreement with the designated Independent Manager which will include the payment of any solicitor fees by Walled Lake to the Independent Manager for their services. In these situations, Walled Lake 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, Walled Lake generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

### **Individual Tailoring of Advice to Clients**

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We offer individualized investment advice to clients using our services.

### **Ability of Clients to Impose Restrictions**

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We do allow clients to impose reasonable restrictions on investing in certain securities or types of securities.

### **Participation in Wrap Fee Programs**

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Our wrap fee and non-wrap fee accounts are managed on an individual basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap fee accounts in a

different fashion than non wrap-fee accounts.

### **Side-By-Side Management**

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Walled Lake 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).

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

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Walled Lake may utilize several methods of analysis when structuring client portfolios including fundamental analysis and technical analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. Walled Lake may analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Walled Lake will be able to accurately predict such a reoccurrence.

To implement its recommendations, the Firm primarily allocates client assets among various individual equity and debt securities, fixed income, mutual funds and exchange-traded funds ("ETFs") in accordance with their stated investment objectives. On a more limited basis, the Firm may utilize mutual funds or other securities to meet a client's investment needs.

### **Risk of Loss**

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#### **Market Risks**

Investing involves risk, including the potential loss of principal, and all investor should be guided accordingly. The profitability of a significant portion of Walled Lake'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. There can be no assurance that Walled Lake will be able to predict

those price movements accurately or capitalize on any such assumptions.

### **Mutual Funds and Exchange Traded Funds (ETFs)**

An investment in a mutual fund or exchange traded funds (ETFs) 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.

### **Liquidity**

The Firm may recommend investments intended for longer-term investment, such as private real estate opportunities. These types of investments may be less liquid, meaning funds may not be readily available for withdrawal by the client. The risk of illiquidity shall be measured against the potential return of the product and the position size as well as the client's investment specific return and investment objectives to ensure the risk is appropriate.

### **Options**

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (*i.e.*, limit) losses in an attempt to reduce risk or to speculate on the performance of the

underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

### **Use of Margin**

While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally affected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

### **Declination of Proxy Voting Authority**

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It is the Firm's policy not to accept voting authority over any client's proxies.

Account holders may receive voting proxies or other similar solicitations sent directly from the custodian of record or transfer agent. Note that we do not forward duplicate copies of these or any correspondence relating to the voting of securities, class action litigation, or other corporate actions.

Each account holder will maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to such holdings. We will answer limited questions with respect to what a proxy voting request or other corporate matter may be and how to reach the issuer or their legal representative.

Account holders of record maintain responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other legal matters or events pertaining to their holdings. The account holder should consider contacting the issuer or their own legal counsel involving specific questions they may have with respect to a particular proxy solicitation or corporate action.

## **Item 7. Client Information Provided to Portfolio Manager**

We are required to describe the information about you that we communicate to your portfolio manager(s), and how often or under what circumstances we provide updated information. Our firm communicates with your portfolio manager(s) on a regular basis as needed to ensure you're most current investment goals and objectives are understood by your portfolio manager(s). In most cases, we will communicate such information as part of our regular investment management duties. Nevertheless, we will also communicate information to your portfolio manager(s) when you request us to, when market or economic conditions make it prudent to do so, etc.

## **Item 8. Client Contact with Portfolio Manager**

Our clients may directly contact their portfolio manager(s) with questions or concerns or by calling the number on this Brochure for contact information.

## **Item 9. Additional Information**

### **Disciplinary Information**

The Firm 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.

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

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

- **Insurance Agents**

Certain of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that the Firm recommends the purchase of insurance products where its Supervised Persons may be 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.

### **Code of Ethics**

The Firm has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. The Firm's Code of Ethics contains

written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of the Firm's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person will access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact the Firm to request a copy of its Code of Ethics.

## **Account Reviews**

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The Firm monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least an annual basis. Such reviews are conducted by the Firm's Investment Committee and/or investment adviser representatives and are intended to fulfil the Firm's fiduciary obligations to their advisory clients. All advisory clients are encouraged to discuss their needs, goals and objectives with Walled Lake and to keep the Firm informed of any changes thereto. Walled Lake 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 and/or investment objectives.

### **Account Statements and General Reports**

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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 the Firm 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 the Firm or an outside service provider.

### **Client Referrals**

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The Firm may provide compensation to third-party solicitors for client referrals. In the event a client is introduced to the Firm by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from the Firm's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor is required to provide the client with the Firm's written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of the Firm is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

### **Receipt of Economic Benefit and Brokerage Practices**

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Walled Lake generally recommends that clients utilize the custody, brokerage and clearing services of Fidelity Investments ("Fidelity") for investment management accounts. Factors which Walled Lake considers in recommending Fidelity or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service.

Walled Lake may recommend/require that clients establish brokerage accounts with the Fidelity, a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Fidelity is at the discretion of the Advisor's clients,



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. Walled Lake is independently owned and operated and not affiliated with Fidelity. Fidelity provides Walled Lake with access to its institutional trading and custody services, which are typically not available to Fidelity retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to advisors. Fidelity's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

The execution clients receive from Fidelity will comply with the Firm's duty to obtain "best execution." 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.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services which assist Walled Lake in its investment decision-making process. 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 Walled Lake does not have to produce or pay for the products or services.

Walled Lake periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Fidelity also makes available to Walled Lake other products and services that benefit Walled Lake but may not benefit its clients' accounts. . These benefits may include national, regional or Walled Lake specific educational events organized and/or sponsored by Fidelity. Other potential benefits may include occasional business entertainment of personnel of Walled Lake by Fidelity personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Walled Lake in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Walled Lake's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some

substantial number of Walled Lake's accounts, including accounts not maintained at Fidelity. Fidelity also makes available to Walled Lake other services intended to help Walled Lake manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Fidelity may make available, arrange and/or pay vendors for these types of services rendered to Walled Lake by independent third parties. Fidelity may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Walled Lake. While, as a fiduciary, Walled Lake endeavors to act in its clients' best interests, Walled Lake's recommendation/requirement that clients maintain their assets in accounts at Fidelity may be based in part on the benefit to Walled Lake of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Fidelity, which may create a potential conflict of interest.

Walled Lake does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

### **Financial Information**

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Walled Lake is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$500 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.

Recently, the Firm elected to participate in the Paycheck Participation Program ("PPP") offered under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The firm's participation in the program was related to the ongoing economic uncertainty surrounding the COVID-19 pandemic and its potential negative impact on the capital markets. We expect the funds will be used to support the payroll of employees who perform advisory functions as well as those employees who support the firm's advisory services, e.g. employees who assist in opening new accounts, transfers, customer service, operations, and marketing.