

**Item 1 – Cover Page**

**Clear Ridge Wealth Management, LLC**

**259 E. Michigan Avenue, Suite 105**

**Kalamazoo, MI 49007**

**Phone: (269) 381-1700**

**[www.clearridgewm.com](http://www.clearridgewm.com)**

**March 29, 2021**

This Brochure provides information about the qualifications and business practices of Clear Ridge Wealth Management, LLC (“CRWM”). If you have any questions about the contents of this Brochure, please contact us at (269) 381-1700. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

CRWM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about CRWM also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for CRWM is 172689.

## **Item 2 – Material Changes**

This Item of the Brochure discusses only specific material changes that are made to the Brochure since the last annual update and provides clients with a summary of such changes.

Our current Brochure has been updated as follows:

- We have removed Item 19-Requirements for State-Registered Advisers as Clear Ridge Wealth Management, LLC is transitioning to registration with the Securities and Exchange Commission.

We 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 Managing Member & Chief Compliance Officer, Michael Brundage at (269) 381-1700.

(Brochure Date: 03/29/2021)

(Most recent date of Annual Updating Amendment: 02/23/2021)

### Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes .....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	3
Item 6 – Performance-Based Fees and Side-By-Side Management.....	6
Item 7 – Types of Clients .....	6
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	6
Item 9 – Disciplinary Information .....	8
Item 10 – Other Financial Industry Activities and Affiliations.....	9
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	9
Item 12 – Brokerage Practices.....	10
Item 13 – Review of Accounts .....	12
Item 14 – Client Referrals and Other Compensation .....	13
Item 15 – Custody .....	14
Item 16 – Investment Discretion .....	15
Item 17 – Voting Client Securities .....	15
Item 18 – Financial Information.....	16
Brochure Supplements (povided to clients)	

#### **Item 4 – Advisory Business**

CRWM was founded in 2014 and is owned 50% by Michael L. Brundage and 50% by Michelle Eldridge.

As of December 31, 2020, CRWM managed \$106,808,078 on a discretionary basis and \$3,368,037 on a nondiscretionary basis.

#### **Investment Management Services:**

CRWM manages investment portfolios for individuals, qualified retirement plans, trusts, charitable organizations, corporations and small businesses. CRWM will work with a client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement. CRWM uses investment and portfolio allocation software to evaluate alternative portfolio designs. CRWM evaluates the client's existing investments with respect to the client's investment policy statement. CRWM works with new clients to develop a plan to transition from the client's existing portfolio to the portfolio recommended by CRWM. CRWM will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the account as necessary.

CRWM will typically create a portfolio of no-load mutual funds, exchange traded funds and individual securities and may use model portfolios if the models match the client's investment policy. CRWM will allocate the client's assets among various investments, taking into consideration the overall management style selected by the client. CRWM primarily recommends portfolios consisting of passively managed asset class and index mutual funds. CRWM primarily recommends mutual funds offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover. Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

CRWM manages mutual fund and equity portfolios on a discretionary or nondiscretionary basis. Clients may impose reasonable restrictions on CRWM's discretionary authority, including restrictions on the types of securities in which CRWM may invest client's assets and on specific securities, which the client may believe to be appropriate.

CRWM may also recommend fixed income portfolios to investment management clients, which consist of managed accounts of individual bonds. CRWM will request discretionary

authority from investment management clients to manage fixed income portfolios, including the discretion to retain a third-party fixed income manager.

Pursuant to its discretionary authority, CRWM will retain a fixed income securities manager. The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities. The manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The manager will obtain CRWM's consent prior to the sale of any client securities. CRWM will provide to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services.

On an ongoing basis, CRWM will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. CRWM will at least annually review client's investment policy and risk profile and will re-balance clients' accounts as necessary.

In addition to managing the client's investment portfolio, CRWM may provide financial planning services to clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things. CRWM will not charge a separate fee for this service.

In performing its services, CRWM shall not be required to verify any financial information received from the client or from the client's other professionals, and is expressly authorized to rely on the information provided. Moreover, clients are advised that it remains their responsibility to promptly notify CRWM if there is ever any change in their financial situation or investment objectives for the purpose of reviewing/evaluating/revising their previous recommendations and/or services.

CRWM does not participate in wrap fee programs.

### **Financial Planning Services:**

CRWM also provides Financial Planning advice. Clients will typically receive a written financial report, providing the client with a detailed financial report designed to achieve their stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- Personal: Family records, budgeting, personal liability, estate information and financial goals.

- Tax & Cash Flow: Income tax and spending analysis and planning for past, current and future years. CRWM may illustrate the impact of various investments on a client's current income tax and future tax liability.
- Death & Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- Investments: Analysis of investment alternatives and their effect on a client's portfolio.

CRWM gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed and a written report is typically prepared. Should a client choose to implement the recommendations in the plan, CRWM suggest the client work closely with his/her attorney, accountant or insurance agent. Implementation of financial plan recommendations is entirely at the client's discretion.

## **Item 5 – Fees and Compensation**

In certain circumstances, fees and account minimums may be negotiable.

CRWM has contracted with Buckingham Strategic Partners, LLC, for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. CRWM has also contracted with Buckingham Strategic Partners, LLC for sub-advisory services with respect to clients' fixed income accounts. CRWM pays a fee for Buckingham Strategic Partners, LLC services based on management fees paid to CRWM on accounts which use Buckingham Strategic Partners, LLC. The fee paid by CRWM to Buckingham Strategic Partners, LLC consists of a portion of the fee paid by clients to CRWM and varies based on the total client assets participating in Buckingham Strategic Partners, LLC through CRWM. These fees are not separately charged to advisory clients. The fee charged by CRWM to its clients includes all sub-advisory fees charged by Buckingham Strategic Partners, LLC.

The specific manner in which fees are charged by CRWM is established in a client's written agreement with CRWM. CRWM will request authority from Investment Management clients to receive quarterly payments directly from the client's account held by an independent qualified custodian. Clients may provide written limited authorization to CRWM, which may be delegated to Buckingham Strategic Partners, LLC, to withdraw fees from the account.

Investment Management and Employee Benefit Plan clients will be invoiced in advance at the beginning of each calendar quarter based upon the value of the client's account at the end of the previous quarter. New accounts are charged a prorated fee for the remainder of the quarter in which the account is incepted (date of first trade). Market value will be based on independent third-party sources or fair market value in the absence of market value. Client account balances on which CRWM calculates fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements. Clients will receive custodial statements showing the advisory fees debited from their account(s). Certain third-party administrators will calculate and debit CRWM's fee and remit such fee to CRWM.

A client may terminate an agreement without penalty by providing written notice of such cancellation to CRWM within five (5) business days of the date hereof (the "Grace Period"). Thereafter, either party may terminate this Agreement without penalty upon five (5) days-notice in writing to the other party. Termination of this Agreement will not affect (a) the validity of any action previously taken by CRWM under this Agreement; (b) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (c) Client's obligation to pay advisor fees (prorated through the date of termination). On the termination of this Agreement, CRWM will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the Account. Upon termination of an agreement, CRWM will calculate the number of days left in a quarter and provide a refund to the client of those pre-paid, unearned fees from the date of termination. This refund will be provided to the client directly into the clients brokerage account or via check.

The client agreement contains a provision for confidentiality, which reflects that client grants CRWM permission to consult with and to obtain information from client's attorney, accountant or other advisors to the extent necessary. CRWM will hold in strict confidence all information regarding client's financial situation, as required by applicable laws. Client agrees that all information, recommendations and advice provided by CRWM shall be regarded as confidential and shall not be disclosed to any other person or entity.

CRWM's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a

management fee and other fund expenses. All fees paid to CRWM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders.

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

Neither CRWM nor any Supervised Person of CRWM receive any compensation, including any commissions or markups, for the sale of securities or other investment products.

### **Advisory Fees**

#### **Investment Management Services:**

The annual fee for investment management services will be charged as a percentage of assets under management, according to the schedule below:

<b>Assets under management</b>	<b>Annual Fee (%)</b>
On the first \$2,000,000	0.90%
On the next \$3,000,000	0.70%
Above \$5,000,000	0.40%

Certain pre-existing Investment Management Services clients may be on a different fee schedule.

All accounts for members of the client's family (husband, wife and dependent children) or related businesses may be assessed fees based on the total balance of all accounts.

For clients with accounts managed by CRWM, we typically provide financial planning services at no additional charge.

#### **Financial Planning Services:**

CRWM also offers stand-alone Financial planning services for a separate fee. Fees for this service will be charged as follows:

1. On an hourly basis, ranging from \$200 to \$500 per hour depending on the nature and complexity of each client's circumstances. Hourly fees will be billed as earned.
2. As a fixed fee, typically ranging from \$1,500 - \$5,000, depending on the nature and complexity of each client's circumstances and upon mutual agreement with the client.



Clients may implement our financial planning recommendations through other firms. Financial planning services are performed on a non-discretionary basis.

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

CRWM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

## **Item 7 – Types of Clients**

CRWM provides services to individuals, qualified retirement plans, trusts, charitable organizations, corporations and small businesses.

CRWM generally imposes a minimum annual fee of \$10,000 for Investment Management Services. CRWM does not currently have any minimum account size requirements.

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

### *Methods of Analysis and Investment Strategy*

CRWM's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. CRWM's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. CRWM recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds. CRWM selects or recommends to clients' portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, CRWM's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients the investment directly in conservative fixed income securities to represent the fixed income class. CRWM's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that CRWM's strategy seeks to minimize.

In the implementation of investment plans, CRWM therefore primarily uses mutual funds, exchange traded funds (ETFs), and as appropriate, portfolios of conservative fixed income securities.

Clients may hold or retain other types of assets as well, and CRWM may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

CRWM's strategies do not utilize securities that we believe would be classified as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

CRWM receives supporting research from Buckingham Strategic Partners, LLC and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). CRWM utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive asset class investment philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to CRWM.

#### *Analysis of a Client's Financial Situation*

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, CRWM relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, CRWM may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

#### *Risk of Loss*

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

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs, individual stocks and individual bonds), when sold or otherwise

disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by CRWM may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in CRWM's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by CRWM may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of CRWM or the integrity of CRWM's management. CRWM has never been the subject of a criminal or civil action, administrative proceeding, regulatory proceeding or self-regulatory organization proceeding required to be reported under this Item.

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

### **Buckingham Strategic Partners, LLC**

As described above in Item 4, CRWM may exercise discretionary authority provided by a client to select an independent third-party investment manager for the management of portfolios of individual fixed income securities. CRWM selects Buckingham Strategic Partners, LLC for such fixed income management. CRWM also contracts with Buckingham Strategic Partners, LLC for back office services and assistance with portfolio modeling. CRWM has a fiduciary duty to select qualified and appropriate managers in the client's best interest, and believes that Buckingham Strategic Partners, LLC effectively provides both the back-office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of CRWM continuously makes this assessment. While CRWM has a contract with Buckingham Strategic Partners, LLC governing a time period for back office services, CRWM has no such fixed commitment to the selection of Buckingham Strategic Partners, LLC for fixed income management services and may select another investment manager for clients upon reasonable notice to Buckingham Strategic Partners, LLC.

### **Individual Outside Business Activities**

Certain individuals of CRWM also participate in other business activities which have no material relationship to CRWM and its services. Please see the attached Form ADV Part 2B (Brochure Supplement) documents.

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

CRWM has adopted a Code of Ethics expressing the Firm's commitment to ethical conduct. CRWM's Code of Ethics describes the Firm's fiduciary duties and responsibilities to clients and sets forth CRWM's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with CRWM may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of CRWM that no person employed by the Firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, CRWM requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the Firm's Managing Members. CRWM

also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

CRWM's Code of Ethics further includes the Firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. CRWM requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

CRWM will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

It is CRWM's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. CRWM will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

CRWM arranges for the execution of securities transactions with the assistance of Buckingham Strategic Partners, LLC. Through Buckingham Strategic Partners, LLC, CRWM participates in the Fidelity Institutional Wealth Services (FIWS) program offered to independent investment advisors, sponsored by Fidelity Brokerage Services, LLC ("Fidelity"), member FINRA/SIPC, the Schwab Advisor Services (SAS) program offered to independent investment advisors by Charles Schwab & Company, Inc. ("Schwab"), member FINRA/SIPC, and the TD Ameritrade Institutional ("TDA") services program offered to independent investment advisors by TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC. Fidelity, Schwab and TD Ameritrade are unaffiliated SEC-registered broker dealers and FINRA member broker dealers.

The Fidelity, Schwab and TD Ameritrade brokerage programs will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. CRWM regularly reviews these programs to ensure that its recommendations are consistent with its fiduciary duty. These trading platforms are essential to CRWM's service arrangements and capabilities, and CRWM may not accept clients who direct the use of other brokers. As part of these programs, CRWM receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14 of this Brochure).

As CRWM will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid in these situations, clients must direct CRWM as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that CRWM will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisors require clients to direct the use of specific brokers.

Other than sales through Fidelity, Schwab and TD Ameritrade, CRWM will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by CRWM on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

Fidelity, Schwab and TD Ameritrade do not generally charge clients a custody fee and are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the broker or that settle into the clients' accounts at the brokers. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While CRWM will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

CRWM does not have any arrangements to compensate any broker dealer or third party for client referrals.

CRWM does not enter into any soft dollars arrangements.

CRWM does not maintain any client trade error gains. For clients utilizing TDA for brokerage service, TDA maintains a policy that any trade error gains will be donated by TDA to charity. CRWM makes client whole with respect to any trade error losses incurred by client caused by CRWM.

CRWM generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which CRWM arranges transactions. Buckingham Strategic Partners, LLC, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case an CRWM client's orders may be aggregated with an order for another client of Buckingham Strategic Partners, LLC who is not an CRWM client. See Buckingham Strategic Partners, LLC Form ADV Part 2.

### **Financial Planning Services:**

CRWM's financial planning practice, due to the nature of its business and client needs, does not include blocking trades, negotiating commissions with broker dealers or obtaining volume discounts, nor necessarily obtaining the best price. Clients will be required to select their own broker dealers and insurance companies for the implementation of financial planning recommendations. CRWM may recommend any one of several brokers. CRWM clients must independently evaluate these brokers before opening an account. The factors considered by CRWM when making this recommendation are the broker's ability to provide professional services, CRWM's experience with the broker, the broker's reputation, and the broker's financial strength, among other factors. CRWM's financial planning clients may use any broker or dealer of their choice.

### **Item 13 – Review of Accounts**

**Reviews:** Account assets are supervised continuously and periodically reviewed by Michael Brundage and Michelle Eldridge. The periodic review process may contain some of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a. a specific client request;
- b. a change in client goals and objectives;
- c. an imbalance in a portfolio asset allocation; and
- d. market/economic conditions.

Clients are advised that it remains their responsibility to advise CRWM of any changes in their investment objectives and/or financial situation. Clients are encouraged to review their investment objectives and account performance with a representative of CRWM on an annual basis.

For fixed income portfolios, certain account review responsibilities are delegated to a third-party investment manager as described above in Item 1.D.

**Financial Planning Services:**

Financial Planning accounts will be reviewed as contracted for at the inception of the advisory relationship.

**Reports:**

All investment management clients will receive written quarterly performance reports from CRWM that summarize the client's account and asset allocation. Clients will also receive at least quarterly statements from their account custodian, which will outline the client's current positions and current market value.

**Financial Planning Services:**

Financial Planning clients will receive reports as contracted for at the inception of the advisory relationship.

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

**Client Referrals**

CRWM may from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for client referrals. CRWM is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940 and similar state regulations. As such, appropriate disclosure shall be made, all written instruments will be maintained by CRWM and all applicable Federal and/or State laws will be observed. If required, solicitors shall be obligated to obtain any required registrations and/or licensing. The use of solicitors creates a conflict of interest. However, CRWM seeks to minimize this conflict by maintaining the same advisory fee schedule for clients referred to CRWM by a Solicitor.



### Other Compensation

As indicated under the disclosure for Item 12, Fidelity, Schwab and TDA each respectively provide CRWM with access to services which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge.

These services benefit CRWM but may not benefit its clients' accounts. Many of the products and services assist CRWM in managing and administering clients' accounts. These include software and other technology 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 CRWM's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of CRWM's accounts. Fidelity, Schwab and TD Ameritrade also make available to CRWM other services intended to help CRWM manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. CRWM does not, however, enter into any commitments with these brokers or any other broker for transaction levels in exchange for any services or products from the brokers. While as a fiduciary, CRWM endeavors to act in its clients' best interests, CRWM's requirement that clients maintain their assets in accounts at Fidelity, Schwab and TDA may be based in part on the benefit to CRWM of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the broker, which may create a potential conflict of interest.

CRWM also receives software from DFA, which CRWM utilizes in forming asset allocation strategies and producing performance reports. DFA may also provide continuing education for CRWM personnel. These services are designed to assist CRWM plan and design its services for business growth.

### **Item 15 - Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. CRWM urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements

based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### **Item 16 – Investment Discretion**

CRWM requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to retain a third-party money manager for fixed income accounts. Procedurally, a client will engage CRWM through an Investment Advisory Agreement which contains this discretionary authority. In addition, a Client will execute a limited power of attorney to allow CRWM to execute securities transactions. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. Typically, the type of limitation imposed by a client is to restrict or strategically sell a pre-existing holding due to tax implications.

When selecting securities and determining amounts, CRWM observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to CRWM in writing.

#### **Item 17 – Voting Client Securities**

Proxy Disclosures: As a matter of Firm policy and practice, CRWM does not accept the authority to and does not vote proxies on behalf of advisory client. For any pension plan or other employee benefit plan governed by ERISA, the right and responsibility to vote proxies has been expressly reserved to the plan trustees or other plan fiduciary. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. CRWM, however, may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that CRWM will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct CRWM to transmit copies of class action notices to the client or a third party. Upon such direction, CRWM will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about CRWM's financial condition. CRWM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.