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**April 12, 2021**

**PART 2A - APPENDIX 1  
WRAP FEE PROGRAM BROCHURE**

This brochure provides information about the qualifications and business practices of Bone Fide Wealth. If you have any questions about the contents of this brochure, contact us at 212-390-1161. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Bone Fide Wealth is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Our last annual updating amendment occurred on March 19, 2020. Since that date, we made the following changes:

### *March 2021*

- Item 4 was updated to reflect that we entered into a custodial agreement with Charles Schwab & Co., Inc. ("Schwab").
- Item 4 was further revised to describe the BFW Wrap Fee Program, a multi-custodial platform which offers access to a variety of investments. We updated our Third Party Management Services section to add the Managed Account Marketplace ("Marketplace") platform. Through Schwab, this platform offers Bone Fide Wealth access to a variety of money managers with different investment styles and strategies. We also updated the amount of client assets under our asset management services.
- Item 4 was also updated to disclose that Account values in the Commonwealth Financial Practice 360 reporting system will be used for Bone Fide Wealth's quarterly fee calculation for advisory accounts custodied at National Financial Services (NFS).
- Item 6 was revised to include the risks associated with the use of Third Party Money Managers, real estate investment trusts, limited partnerships, derivatives, and private placements.
- Item 9 was updated to disclose that in the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred and that we do not provide advice regarding class action lawsuits.

At any time, you can obtain a copy of our updated brochure and brochure supplement, free of charge, by contacting us at 212-390-1161 and/or [douglas@bonefidewealth.com](mailto:douglas@bonefidewealth.com).

Additional information on Bone Fide Wealth is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The IARD number for Bone Fide Wealth is 301066.

### Item 3 Table of Contents

Item 1 Cover Page	Page 1
Item 2 Summary of Material Changes	Page 2
Item 3 Table of Contents	Page 3
Item 4 Services, Fees, and Compensation	Page 4
Item 5 Account Requirements and Types of Clients	Page 8
Item 6 Portfolio Manager Selection and Evaluation	Page 8
Item 7 Client Information Provided to Portfolio Managers	Page 11
Item 8 Client Contact with Portfolio Managers	Page 11
Item 9 Additional Information	Page 11
Item 10 Requirements for State-Registered Advisers	Page 14

## Item 4 Services, Fees, and Compensation

### Description of Firm

Bone Fide Wealth, LLC d/b/a Bone Fide Wealth is a registered investment adviser based in New York, NY. We are organized as a limited liability company under the laws of the State of New Jersey. We have been providing investment advisory services since June 2019. We are owned by Douglas A. Boneparth.

As used in this brochure, the words "we," "our," and "us" refer to Bone Fide Wealth and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person in this brochure. Our Associated Persons are our firm's officers, employees, and Advisory Representatives, i.e., all individuals providing investment advice on behalf of our firm.

We offer asset management services through a wrap-fee program ("Program") as described in this wrap fee program brochure to prospective and existing clients. We are the sponsor and investment adviser for the Program. A wrap-fee program is a type of investment program that provides clients with asset management and brokerage services for one all-inclusive fee. If you participate in our wrap fee program, you will pay our firm a single fee, which includes money management fees, certain transaction costs, and custodial and administrative costs. You are not charged separate fees for the respective components of the total services. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the Program.

Prior to becoming a client under the Program, you will be required to enter into a separate written agreement with us that sets forth the terms and conditions of the engagement and describes the scope of the services to be provided, and the fees to be paid.

### Client Investment Process

We provide discretionary asset management services in accordance with your individual investment objectives. If you participate in our discretionary asset management services, we require you to grant our firm discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. This authorization includes deciding which securities to buy and sell, when to buy and sell, and in what amounts, in accordance with your investment program, without obtaining your prior consent or approval for each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and/or through trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

Since our investment strategies and advice are based on each Client's specific financial situation, the investment advice we provide to you may be different or conflicting with the advice we give to other clients regarding the same security or investment.

Assets for program accounts are held at Commonwealth Financial Network ("Commonwealth")/National Financial Services ("NFS") or Charles Schwab & Co., Inc. ("Schwab") as custodian. Commonwealth/NFS and Schwab also act as the executing broker/dealer for transactions placed in Program accounts, and provides other administrative services as described throughout this

Brochure. To compare the cost of the wrap fee program with non-wrap fee portfolio management services, you should consider the frequency of trading activity associated with our investment strategies and the brokerage commissions charged by Commonwealth/NFS and/or Schwab and the advisory fees charged by investment advisers.

### **Changes in Your Financial Circumstances**

In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g., attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. Furthermore, unless you indicate to the contrary, we shall assume that there are no restrictions on our services, other than to manage your account in accordance with your designated investment objectives, risk tolerance, and time horizon (collectively, "investment parameters"). It is your responsibility to promptly notify us if there are ever any changes in your financial situation or investment parameters for the purpose of reviewing, evaluating, and/or revising our previous recommendations and services.

### **The Program Fee**

We charge an annual "wrap-fee" for participation in the Program depending upon the market value of your assets under our management. You are not charged separate fees for the different components of the services provided by the Program. Our firm pays all trade expenses of trades placed on your behalf. Our Program fee includes the fee we pay to any portfolio manager (excluding any outside third party money manager) for their management of your account and transaction or execution costs. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion. In special circumstances, and in our sole discretion, we may negotiate a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention, etc.).

Our Fee Schedule is as follows:

<b>Account Size</b>	<b>Maximum Annual Fee</b>
\$0 to \$10,000,000	1.00%*
Over \$10,000,000	negotiable

Your annual fee is based on an aggregate value\* of all managed accounts within your established household for immediate family members (such as spouses, domestic partners, and dependent children), including those managed by Third Party Managers. For these multiple accounts, we can deduct an aggregated advisory fee from one selected account, if you direct us to do so.

We sometimes make exceptions to our general fee schedule under certain circumstances (e.g., responsibilities involved, accounts or groups of accounts which are expected to have significant capital additions in the future, anticipated future earning capacity, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.). In such cases, lower fees or different payment arrangements can be negotiated with each client separately and will be described in the client's advisory agreement.

You may make additions to the account or withdrawals from the account, provided the account continues to meet minimum account size requirements. No fee adjustments will be made during the quarter for additional deposits, partial withdrawals, or for account appreciation or depreciation due to market fluctuation.

Our annual portfolio management fee is billed and payable quarterly in advance based on the account value\*.

\*Account values in the Commonwealth Financial Practice 360 reporting system will be used for Bone Fide Wealth's quarterly fee calculations for advisory accounts custodied at National Financial Services (NFS) or Schwab. Although account holdings and asset valuations should generally match, month-end market values reflected in Commonwealth's Practice 360 reporting system sometimes differ from those provided by NFS or Schwab on their month-end statements. The three most common reasons why these values may differ are (i) differences in the manner in which accrued interest is calculated, (ii) differences in the date upon which "as of" dividends and capital gains are reported, and (iii) differences in whether settlement date valuations or trade date valuations are used. If you have any questions or believe there are material discrepancies between your custodial statement and Commonwealth's Practice 360 reporting system, please contact Bone Fide Wealth at 212-390-1161. The Commonwealth Practice 360 report valuations are available online via your Investor 360 account or you may request a copy from your Bone Fide Wealth Advisory Representative.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro-rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. The fee will be prorated based on the account balance on the date on which your account(s) reaches 90 percent of the anticipated initial value or 30 days after the portfolio management agreement is executed, whichever occurs first. Our advisory fee is negotiable, depending on individual client circumstances.

As a client, you should be aware that the wrap fee charged by our firm may be higher (or lower) than those charged by others in the industry, and that it may be possible to obtain the same or similar services from other firms at lower (or higher) rates. A client may be able to obtain some or all of the types of services available through our firm's wrap fee program on an individual basis through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower or higher than the annual fees shown above.

### **Withdrawal of Assets**

You may withdraw account assets on notice to our firm, and subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and asset withdrawals may impair the achievement of your specific investment objectives.

### **Termination of Advisory Relationship**

You may terminate the wrap fee program agreement upon 30 days' written notice to our firm. You will incur a pro-rata charge for services rendered prior to the termination of the wrap fee program agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Upon termination of accounts, the custodian will deliver securities and funds held in the account per your instructions unless you request that the account be liquidated. After the wrap fee program agreement has been terminated, transactions are processed at the prevailing brokerage rates/fees. You become responsible for monitoring your own assets and our firm has no further obligation to act upon or to provide advice with respect to those assets.

### **Wrap Fee Program Disclosures**

- The benefits under a wrap fee program depend, in part, upon the size of the Account, the management fee charged, and the number of transactions likely to be generated in the Account. For example, a wrap fee program may not be suitable for Accounts with little trading activity. In order to evaluate whether a wrap fee program is suitable for you, you should compare the Program Fee and any other costs of the Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage and other execution costs, and custodial services comparable to those provided under the Program.
- In considering the investment programs described in this brochure, you should be aware that participating in a wrap fee program may cost more or less than the cost of purchasing advisory, brokerage, and custodial services separately from other advisers or broker-dealers.
- Our firm and Advisory Representatives receive compensation as a result of your participation in the Program. This compensation may be more than the amount our firm or the Advisory Representatives would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because our firm and our Advisory Representatives have a financial incentive to recommend the Program.
- Similar advisory services may be available from other registered investment advisers for lower fees.

### **Additional Fees And Expenses**

The Program Fee includes the costs of brokerage commissions for transactions executed through the Qualified Custodian (or a broker-dealer designated by the Qualified Custodian), and charges relating to the settlement, clearance, or custody of securities in the Account. The Program Fee does not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, charges for transactions not executed through the Qualified Custodian, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. The Account will be responsible for these additional fees and expenses.

The wrap program fees that you pay to our firm for asset management services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others.

### **Brokerage Practices**

If you participate in the Program, you will be required to establish an account with Commonwealth, member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and/or Schwab. If you do not direct our firm to execute transactions through Commonwealth/NFS and/or Schwab, we reserve the right to not accept your account. Not all advisers require their clients to direct brokerage. Since you are required to use Commonwealth/NFS and/or Schwab, we may be unable to achieve the most favorable execution

of your transactions. We believe that Commonwealth/NFS and Schwab provide quality execution services based on several factors, including, but not limited to, the ability to provide professional services, reputation, experience and financial stability.

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

We do not have any soft dollar arrangements.

#### **Economic Benefits**

As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm. These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms, and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Mutual Fund Share Classes**

Mutual funds are sold with different share classes, which carry different cost structures. Each available share class is described in the mutual fund's prospectus. When we purchase, or recommend the purchase of, mutual funds for a client, we select the share class that is deemed to be in the client's best interest, taking into consideration cost, tax implications, and other factors. When the fund is available for purchase at net asset value, we will purchase, or recommend the purchase of, the fund at net asset value. We also review the mutual funds held in accounts that come under our management to determine whether a more beneficial share class is available, considering cost, tax implications, and the impact of contingent deferred sales charges.

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

We offer investment advisory services to individuals, high net worth individuals, pension and profit sharing plans (but not the plan participants), charitable organizations and corporations or other businesses not listed above.

In general, we require a minimum of \$25,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management.

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

We are the portfolio manager to the Program.

#### **Performance-Based Fees and Side-by-Side Management**



We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

### **Methods of Analysis, Investment Strategies and Risk of Loss**

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you.

Bone Fide Wealth conducts economic analysis and attempts to analyze and determine economic trends. Additionally, Bone Fide Wealth generally conducts fundamental and technical analysis. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. When using Technical analysis, we review statistics to determine trends in security prices and make our investment decisions based on those trends. Other security analysis methods may include charting, and cyclical analysis.

When using Fundamental Analysis, we generally rely on, among other things, company earnings, balance sheet variables and management quality which are used to predict the future value of an investment. Data we review is generally considered reliable but we cannot guarantee nor have we verified its accuracy. In addition, the data that we review is sometimes subjective in nature and open to interpretation. Even if our data and interpretation of the data is correct, there may be other factors that determine the value of securities other than those considered in Fundamental Analysis.

When using Technical analysis, we review statistics to determine trends in security prices and make our investment decisions based on those trends. This analysis may only be able to predict how an investment will perform short-term. In addition, this analysis does not take into account, the more fundamental properties of what an investment may be worth such as company performance and balance sheet variables which may play a part in determining the value of an investment.

In addition, we refer clients to Third Party investment advisers, also referred to as Sub-Advisers and Third Party Money Managers ("Managers" collectively). Our analysis of Managers involves examining the experience, expertise, investment philosophies, and past performance of the Managers to determine if that Manager has demonstrated an ability to invest over a period of time and in different economic conditions. A risk of investing with a Manager who has been successful in the past is that the success may not be able to be replicated in the future. In addition, as we do not control the underlying investments in a Manager's portfolio, there is a risk that a Manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the Manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

## **Tax Considerations**

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

Moreover, custodians and broker-dealers must report the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

## **Risk of Loss**

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

## **Other Risk Considerations**

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

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

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

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

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

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

We primarily recommend ETFs and mutual funds. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different or conflicting with the advice we give to other clients regarding the same security or investment.

### **Proxy Voting**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies.

## **Item 7 Client Information Provided to Portfolio Managers**

In order to provide the Program services, we will share your private information with your account custodian. We may also provide your private information to mutual fund companies and/or private managers as needed. We will only share the information necessary in order to carry out our obligations to you in servicing your account. We share your personal account data in accordance with our privacy policy as described below.

## **Item 8 Client Contact with Portfolio Managers**

Without restriction, you should contact our firm or your advisory representative directly with any questions regarding your Program account. You should contact your advisory representative with respect to changes in your investment objectives, risk tolerance, or requested restrictions placed on the management of your Program assets.

## **Item 9 Additional Information**

### **Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

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

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker;
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund);
3. other investment adviser or financial planner;
4. futures commission merchant, commodity pool operator, or commodity trading adviser;
5. banking or thrift institution;
6. accountant or accounting firm;
7. lawyer or law firm;
8. insurance company or agency;
9. pension consultant;
10. real estate broker or dealer; and
11. sponsor or syndicator of limited partnerships.

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

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

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

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

### **Review of Accounts**

Douglas A. Boneparth, President, will monitor your accounts on an ongoing basis and will conduct account reviews at least quarterly to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or
- changes in your risk/return objectives.

You will receive trade confirmations and monthly or quarterly statements from your account custodian(s). In addition, you will receive quarterly performance reports reflecting the holdings in your account, the value of the securities, and the performance of the account. You should compare the report with statements received directly from the account custodian. Although account holdings and asset valuations should generally match, for purposes of calculating performance and account valuations on your account, our summary or performance reporting month-end market values sometimes differ from custodial account statement month-end market values. The three most common reasons why these values may differ are differences in the manner in which accrued interest is calculated, the date upon which "as of" dividends and capital gains are reported, and settlement date versus trade date valuations. If there is any discrepancy, the account custodian's report will prevail.

### **Client Referrals (Non-Employees)**

We directly compensate non-employee (outside) consultants, individuals, and/or entities (Solicitors) for client referrals. In order to receive a cash referral fee from our firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Solicitor, you should have received a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client, the Solicitor that referred you to our firm will receive a percentage of the advisory fee you pay our firm for as long as you are a client with our firm, or until such time as our agreement with the Solicitor expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our firm. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our Solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less favorable.

### **Aggregated Trades**

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (the practice of combining multiple orders for shares of the same securities is commonly referred to as "aggregated trading"). Accordingly, you may pay different prices for the same securities transactions than other clients pay. Furthermore, we may not be able to buy and sell the same quantities of securities for you and you may pay higher fees and/or costs than other clients.

### **Trade Errors**

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

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

**Financial Information**

We have not filed a bankruptcy petition at any time in the past ten years.

**Item 10 Requirements for State-Registered Advisers**

We are a federally registered investment adviser; therefore, we are not required to respond to this item.