



## **Part 2A of Form ADV: Firm Brochure**

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This Brochure provides information about the qualifications and business practices of Blossom Wealth Management, LLC (hereinafter "BWM", "Adviser" or the "Firm"). If you have any questions about the contents of this Brochure, please contact us at (925) 833-9999 and/or email [james@blossomwm.com](mailto:james@blossomwm.com). 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.

BWM 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 BWM is also 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. Our firm's CRD number is 150402.

## **Item 2 – Material Changes**

The purpose of this page is to inform you of any material changes to our brochure. If you are receiving this brochure for the first time this section may not be relevant to you.

Blossom Wealth Management, LLC (“BWM”) reviews and updates our brochure at least annually to confirm that it remains current. BWM has not made any material changes since the annual update to our brochure, dated February 22, 2021.

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## Item 4 – Advisory Business

### Description of Advisory Firm

Blossom Wealth Management, LLC (“Blossom,” “BWM,” “Firm,” or “Adviser”) is a privately owned limited liability company registered with the U.S. Securities and Exchange Commission. Blossom’s principal place of business is in San Ramon, California. The firm’s principal shareholders - George A. Salter II, CEO, and James E. Salter, COO, co-founded the firm in 2009.

#### Fiduciary Duty

Registered investment advisers are considered fiduciaries under federal law. Our fiduciary duty carries with it an obligation to act in the best interest of our clients pursuant to a relationship of trust and confidence. It encompasses a *duty of care* and a *duty of loyalty*.

#### *Duty of Care*

The duty of care includes, among other things,

1. the duty to provide advice that is in the best interest of the client;
2. the duty to seek best execution of a client’s transactions where the adviser has the responsibility to select broker-dealers to execute client trades; and
3. the duty to provide advice and monitoring over the course of the relationship.

The duty to provide advice suitable to each client based on a reasonable understanding of the client’s objectives is a critical component of the duty of care. Providing suitable advice includes making a reasonable inquiry into the client’s financial situation, investment experience, and financial goals and then updating this information as necessary throughout the course of the relationship to reflect the client’s changing objectives over time and adjusting the advice we provide to reflect any changed circumstances.

When BWM has the responsibility to select broker-dealers to execute client trades in discretionary accounts, we seek to trade such that the client’s total cost or proceeds in each transaction are the most favorable under the circumstances. In doing so, we consider the full range and quality of a broker’s services and so the determinative factor is not necessarily the lowest possible commission cost but whether the transaction represents the best qualitative execution. Moreover, we periodically and systematically evaluate the execution we receive on behalf of our clients.

Our duty of care includes an obligation to provide advice and monitoring at a frequency that is in the best interest of the client, taking into account the scope of the agreed relationship. This scope is indicated by the duration and nature of the services as outlined in each client’s advisory arrangement and extends to all personalized advice provided to clients.

#### *Duty of Loyalty*

BWM adheres to a duty of loyalty where we seek to serve the best interests of our clients and never subordinate the interests of our clients to our own. Simply put, BWM cannot place its

own interests ahead of the interests of our clients. In observance of this duty, we must make full and fair disclosure to clients of all material facts relating to the advisory relationship. Further, we also seek to eliminate or at least expose through full and fair disclosure all conflicts of interest which might incline BWM, consciously or unconsciously, to render advice that is not disinterested. We believe that in order for disclosure to be full and fair, it should be sufficiently specific so that each client is able to understand the material fact or conflict of interest and make an informed decision whether to provide consent. Consequently, we provide this ADV 2A brochure to all prospective clients at or before entering into a contract so that they can use the information within to decide whether or not to enter into an advisory relationship.

Blossom offers the following advisory services to its clients:

### *Investment Management Services*

Blossom provides discretionary or non-discretionary investment supervisory services. Each portfolio is designed in an effort to meet the client's particular investment goals, objectives, circumstances, and risk tolerance while also providing clients with access to personal advisory services. Because investments involve varying degrees of risk, they will only be implemented or recommended when we deem them to be consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Blossom primarily utilizes Exchange traded funds (ETFs) when making investment selections/recommendations in client accounts. Additionally, Blossom's investment selections/recommendations, depending on the individual investment objectives and needs of the client may include:

- Exchange-listed equity securities
- Mutual fund shares (including Dimensional Fund Advisors)
- Securities traded over-the-counter (unlisted)
- Corporate debt securities (other than commercial paper)
- Money market funds and cash
- Certificates of deposit
- Municipal securities
- United States governmental securities

On rare occasions, we also transact in options contracts in client accounts.

Blossom occasionally offers advice regarding additional types of investments if they are appropriate to address the individual needs, goals, and objectives of the client or in response to client inquiry. Blossom may offer investment advice on any investment held by the client at the start of the advisory relationship. We describe the material investment risks for many of the securities that we select/recommend under the heading ***Specific Security Risks*** in ***Item 8*** below.

We discuss our discretionary authority below under ***Item 16 - Investment Discretion***. For more information about the restrictions clients can put on their accounts, see ***Tailored Services and Client Imposed Restrictions*** in this item below. We describe the fees charged for investment management services below under ***Item 5 - Fees and Compensation***.



## THRIVE

We offer an automated investment program (the “Program”) through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds and mutual funds (“Funds”) and a cash allocation. The client may instruct us to exclude up to three Funds from their portfolio. The client’s portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“CS&Co”). We use the Institutional Intelligent Portfolios® platform (“Platform”), offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of CS&Co., to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, “Schwab”). We, and not Schwab, are the client’s investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis.

We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that can help us determine the client’s investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that, if we use the online questionnaire, we will recommend a portfolio via the System in response to the client’s answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client’s portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

We charge clients a fee for our services as described below under ***Item 5 – Fees and Compensation***. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of the Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, SSB, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client’s brokerage account; (iii) fees received by Schwab from mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client’s brokerage account for services Schwab provides; and (iv) remuneration Schwab receives from the market centers where it routes ETF trade orders for execution.

## Financial Planning and Financial Consulting Services

BWM provides a variety of financial planning services, pursuant to a written agreement, to individuals, families and other clients regarding the management of their financial resources

based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting typically encompasses one or more of the following areas: investment planning, retirement planning, estate planning, charitable giving, education planning, and business planning.

The plan developed for or financial consultation rendered to the client will usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. BWM may also refer clients to an accountant, attorney or other specialist. For planning engagements, Adviser will generally provide a written summary of Client's financial situation, observations, and recommendations. However, on some occasions, plans are delivered verbally. For consulting engagements, Adviser generally does not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Should a client choose to implement the recommendations contained in the plan, Blossom suggests the client work closely with his/her attorney, accountant, insurance agent, mortgage broker, and/or investment advisor. Implementation of financial plan recommendations is entirely at the client's discretion. Clients may choose but are not required to have Blossom assist with financial plan implementation, including investment management services, for which Blossom receives additional compensation, as described below in ***Item 5 – Fees and Compensation***.

#### *Family Office Services*

Blossom approaches investment management with multiple generations in mind. We strive to apply the same concepts as larger family offices to families who can potentially benefit from similar advice but at a smaller scale. Our Family Office Services are based on the scope and complexity of the client's financial picture. Services typically include but are not limited to: investment management, philanthropic management, life management and budgeting, business advisory, liquidity & succession planning, estate planning and wealth transfer, training and education, reporting and record keeping, administrative/back-office services, tax and legal advisory, and risk management and insurance services.

Services provided may be directly executed by Blossom, which creates a conflict where affiliated persons of Blossom recommend themselves for services where they will earn additional compensation (***see Item 10 – Other Financial Industry Activities and Affiliations for additional information***). These services may also be executed by an unaffiliated third party, generally when the service requires special licensing licensed personnel or unique experience (e.g., accounting & legal services). In those circumstances, Blossom will assist in identifying the need for such services and will connect the client with recommended third party services. Blossom will sometimes act as a liaison between the Client and the third party.

## *Types of Family Offices*

We classify family offices into three distinct categories:

- SFO or Single Family Office  
As the name suggests, this is a private company that deals with the management of finances for a single family. The functions of a single family office include managing part or all of the family's investments, trusts, estates and fiduciary. Often, the SFO also offers concierge services to the family.
- MFO or Multi-Family Office  
This is a company that offers investment, trust, estate and fiduciary management services to multiple families. MFOs can be private (i.e., only offering services to a few families and not available to others), but most are commercial and available for many families to hire. The families may or may not be connected, and a successful SFO can potentially transition into a multi-family office over time.
- VFO or Virtual Family Office  
Designed for families seeking the benefits of a family office without setting up a company to facilitate it. A virtual family office allows families to outsource financial services and other functions to professionals. Through the use of external consultants and service providers, a VFO offers families many of the same benefits of a traditional family office.

Fees for BWM's Family Office Services are described below under ***Item 5 – Fees and Compensation***.

### Limitations on Investments

In some circumstances, Blossom's advice may be limited to certain types of securities.

#### *Limitation by Plan Sponsor/Employer*

In the event Blossom is managing assets within a retirement plan such as 401(k), 403(b), or other employer plan, Blossom is limited to those investment providers and investment options chosen by the plan administrator. Similarly, when we provide services to participants in an employer-sponsored plan, the participant may be limited to investing in securities included in the plan's investment options. Therefore, Blossom can only make recommendations to the client from among the available options and will not recommend or invest the client's account in other securities, even if there may be more suitable options elsewhere.

#### *Limitation by Client*

Blossom may also limit advice based on certain client-imposed restrictions. For more information about the restrictions clients can put on their accounts, see ***Tailored Services and Client Imposed Restrictions*** in this Item below.

### Non-Managed Assets

At its discretion, Blossom may offer securities trading and inventory activities for cash and securities in a client's non-managed account, acting as an intermediary between the client and the custodian of the non-managed account. We do not provide investment advice regarding a client's non-managed assets or provide opinions as to the merits of any securities in non-managed accounts. We also do not make any judgments as to the appropriateness of assumed risk or suitability of any non-managed investment given the client's situation. At our discretion, Blossom offers this service in consideration of the client's other accounts that we manage.

### **Tailored Services and Client Imposed Restrictions**

Blossom manages client accounts based on the investment strategy the client chooses, as discussed below under ***Item 8 - Methods of Analysis, Investment Strategies, and Risk of Loss***. Blossom applies the strategy for each client, based on the client's individual circumstances and financial situation. We make investment decisions for clients based on information the client supplies about their financial situation, goals, and risk tolerance. Our recommendations/investment selections may not be suitable if the client does not provide us with accurate and complete information. It is the client's responsibility to keep Blossom informed of any changes to their investment objectives or restrictions.

Clients may also request other restrictions on the account, such as when a client needs to keep a minimum level of cash in the account or does not want Blossom to buy or sell certain specific securities or security types in the account. Blossom reserves the right to not accept and/or terminate management of a client's account if we feel that the client-imposed restrictions would limit or prevent us from meeting or maintaining the client's investment strategy.

### **Wrap Fee Programs**

While we do not sponsor or provide portfolio management services to a wrap fee program, we do offer an automated investment program, as described under the THRIVE service above, through which clients do not pay brokerage commissions or any other fees to CS&Co. as part of the program.

### **Assets Under Management**

As of January 11, 2021, Blossom Wealth Management managed \$182,474,067 in client assets on a discretionary basis, and \$3,720,151 on a non-discretionary basis.

### **Publication of Periodicals**

Blossom utilizes a third-party service provider to issue a monthly newsletter providing general information on various financial topics including, but not limited to, estate and retirement planning, market trends, etc. No specific investment recommendations are provided in this newsletter and the information provided does not purport to meet the objective or needs of any individual. This newsletter is distributed free of charge.

## Research Reports

Blossom Wealth Management provides a research product consisting of portfolio offerings similar to those we manage for our clients. The service includes the following:

- Monthly/quarterly list and weightings of names in the Strategy portfolio;
- Research reports of original stock recommendations are shared upon request of existing portfolio names. Subscribers are notified of new purchase ideas and the company report around the date of addition; and
- Notification by email of portfolio changes on the day of the portfolio changes.

Portfolios are designed to follow a specific strategy among several offered, including multiple individual stock strategies and an ETF based asset allocation model. The service is provided through a subscription-based model and limited to representatives of unaffiliated investment advisers and broker-dealers that would like to bring in an outside research service to help manage their clients' money.

## Item 5 – Fees and Compensation

### Fee Schedule

#### Investment Management & THRIVE Services

Blossom Wealth Management charges an annual fee of up to 1.75%, payable quarterly in advance, for investment management services on actively managed accounts. Some accounts, including employee accounts, are under different fee schedules honoring prior agreements. We also manage some family and related accounts with fees waived or at a reduced charge. Cash balances and balances subject to currently outstanding margin loans are included for fee calculation purposes. For additions or withdrawals to existing accounts, Blossom adjusts the client's next quarterly billing calculations, when the total of all contributions and withdrawals results in a difference of \$10 or more in advisory fees.

Fees are generally negotiable. The Client's fee rate will take into account the aggregate number of portfolios under management with Adviser, including family accounts. Fees are generally automatically deducted from the account in accordance with each client's custodial agreement. Clients will be provided with a quarterly statement from account custodian reflecting deduction of the advisory fee.

#### *THRIVE*

As described in **Item 4 – Advisory Business**, clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co. as part of the THRIVE Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, SSB, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client's brokerage account; (iii) fees received by Schwab from mutual funds in the Schwab Mutual Fund Marketplace® (including

certain Schwab Funds and Laudus Funds) in the client's brokerage account for services Schwab provides; and (iv) remuneration Schwab receives from the market centers where it routes ETF trade orders for execution. Brokerage arrangements are further described below in **Item 12 – Brokerage Practices**.

#### Financial Planning/Financial Consulting

Adviser offers financial planning/consulting services on an hourly basis at a rate of \$250 per hour. BWM waives financial planning fees for clients that have engaged us for portfolio management services with portfolios holding \$1 million or more in assets under our management. An estimate for total hours will be determined at the start of the advisory relationship after considering many factors, such as the level and scope of the services. Adviser also offers financial planning services at a negotiable fixed fee ranging from \$1,000 to \$15,000, the total of which is calculated based on our hourly rate of \$250 per hour and dependent upon the level and scope of these services. The Adviser's fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses associated with the plan's implementations, which shall be incurred by the client.

#### Family Office Services

Adviser offers family office services clients using multiple fee options, as listed below. All rates are negotiable at our discretion based on the scope and complexity of the services provided.

1. Assets Under Management (AUM):

<u>Assets Under Management</u>	<u>Annual Fee*</u>
Up to \$2,000,000	1.00%
Next \$1,000,000	0.90%
Next \$1,000,000	0.80%
Next \$1,000,000	0.70%
\$5,000,000+	0.60%

2. Flat rate percentage fee based on client's net worth and scope & complexity of services provided at a negotiable rate not to exceed 1.0% per annum.
3. Fee based on hourly rate of \$250 per hour

#### **Billing Method**

#### Investment Management Services

Blossom's advisory fees are payable quarterly in advance at the beginning of each calendar quarter. We charge one fourth of the annual fee each quarter based on the market value of the client's portfolio as of the last day of the prior calendar quarter. The formula used for the calculation is as follows:  $(Annual\ Rate) \times (Total\ Assets\ Under\ Management\ at\ Quarter-End) / 4$ .



For new client accounts, the first payment is a pro-rata calculation due upon execution of the advisory agreement and/or when the client places assets in the custodial account(s) we manage for them. The calculation will take into consideration the number of days remaining in the quarter and the initial value of the portfolio. The formula used to calculate the initial advisory fee would be as follows:  $(\text{Result of Quarterly Calculation}) \times (\text{Days Remaining in Quarter}) / (\text{Total Number of Days in Quarter})$ .

#### Financial Planning/Financial Consulting Services

One half of the total estimated hourly/fixed fees are due and payable at the time the client's agreement is executed, the remainder of the fees are due upon presentation of a plan or the rendering of consulting services. Financial plans will be presented to the clients within 6 months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the clients.

#### Family Office Services

Clients may choose to have fees for family office services debited from their custodial accounts or invoiced and payable by check.

AUM fees are billed quarterly in advance based on the above schedule. Fees based on a client's net worth are billed based on client's initial net worth at the start of the relationship and based on each subsequent previous year-end's total net worth going forward. For hourly and annual fee arrangements, a retainer equal to 25% of total quarterly estimated fees is payable at the commencement of the agreement and ongoing fees are payable upon invoice and/or at the conclusion of the contracted services rendered.

#### Set-up fees

Depending on the type of Family Office Services selected by the client, certain setup-related fees will also be charged, when applicable. Such fees can include but are not limited to client onboarding fees charged by third-party servicers that Blossom utilizes and hourly fees charged to help assess the client's needs for outside attorneys, CPAs, and other professionals.

In all cases, any additional fees will be discussed in advance with the client in advance, if applicable.

### **Other Fees and Expenses**

Blossom's fees do not include custodian fees. Clients pay all brokerage commissions, bond broker fees, stock transfer fees, margin charges, foreign exchange and settlement fees, and/or other charges incurred in connection with transactions in accounts, from the assets in the account. These charges are in addition to the fees clients pay to Blossom. See **Item 12 - Brokerage Practices** below for more information.

All fees paid to Adviser for investment advisory services are separate from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. If mutual fund shares are held in a client's account, the client will be subject to deferred sales charges, 12b-1 fees, early redemption fees, and other fund-related expenses, as applicable. Each fund's prospectus fully describes the fees and expenses. All fees paid to Blossom for investment management services are separate and distinct from the fees and expenses

charged by mutual funds. Mutual funds pay advisory fees to their managers, which are indirectly charged to all holders of the mutual fund shares.

A client could invest in a mutual fund directly, without the services of Adviser. In that case, the client would not receive the services provided by Adviser which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to the client's financial condition, goals, and objectives. Accordingly, the clients should review both the fees charged by the funds and the fees charged by Adviser to fully understand the total amount of fees to be paid by the clients and to thereby evaluate the advisory services being provided.

Advisory recommendations are based on the client's financial situation at the time the services are provided and are based on financial information disclosed by the client to Adviser. Clients are advised that certain assumptions are generally made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. As the client's financial situation, goals, objectives, or needs change, the client must notify BWM promptly.

#### Product Sales through Unaffiliated Broker/Dealers

BWM utilizes various firms for the execution of securities transactions and to custody assets. In certain cases, such as 529 Plan accounts, Adviser recommends that clients execute transactions through outside broker/dealers, including KW Securities Corporation, through which affiliated persons of Blossom earn commissions for brokerage product sales. In any event, Client is under no obligation to act upon Adviser's recommendations and if the Client elects to act on any of the recommendations, the Client is under no obligation to affect the transaction through Adviser, KW Securities Corporation, or any other unaffiliated broker-dealer.

### **Other Compensation**

BWM receives payment for the research reports it provides to unaffiliated advisers, as described in **Research Reports** in **Item 4**, above. For a description of the additional compensation earned by BWM's affiliated persons, also see **Agents of Unaffiliated Insurance Agency** and **Registered Representatives of Unaffiliated Broker-Dealer** in **Item 10**, below.

### **Termination**

#### Investment Management Services

Either party may terminate the agreement at any time by providing written notice to the other party. clients will receive pro-rata refunds for unearned advisory fees collected in advance.

#### Financial Planning & Consulting Services

In the event that a client should cancel the financial planning agreement under which any plan is being created, the client shall be billed for actual hours logged on the planning project times the agreed upon hourly rate. Any surplus in the Adviser's possession as the result of



collecting a deposit at the time of signing the financial planning agreement will promptly be returned to the client.

### Family Office Services

Either party may terminate family office services for any reason upon a 30 days' written notice. Any unearned fees collected in advance will be prorated for services rendered and the remaining portion refunded to the client.

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

BWM 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).

## **Item 7 – Types of Clients**

BWM provides portfolio management services to individuals, high net worth individuals, corporations, corporate pension and profit-sharing plans, and charitable institutions.

### THRIVE

#### Eligibility

Clients eligible to enroll in the Program include individuals, IRAs, and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the Program.

#### Account Minimum

Clients invested in Blossom's Investment Management Services portfolios are not subject to minimum account sizes.

The minimum investment required to open or convert an account in the THRIVE Program is \$5,000. The minimum account balance to enroll in the tax-loss harvesting feature is \$50,000.

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

### **Investment Strategies**

BWM uses the following strategies in managing client accounts:

#### Long-term Purchases

We purchase securities with the idea of holding them in the clients account for a year or longer. We sometimes do this because we believe the securities to be currently undervalued. We generally do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we sometimes do not take advantage of short-term gains that could be profitable to a client.

Moreover, if our predictions are incorrect, a security sometimes declines sharply in value before we make the decision to sell.

### Short-term Purchases

In some circumstances, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

### Trading

We sometimes purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

A risk in a short-term purchase is the potential for sudden losses if the anticipated price swing does not materialize. Moreover, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

### Option Writing

In rare circumstances, we use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We sometimes use options to speculate on the possibility of a sharp price swing. We will also use options to “hedge” a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We use “covered calls”, in which we sell an option on a security you own.

In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed upon price. A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss. We use a “spreading strategy”, in which we purchase two or more option contracts (for example, a call option that you buy and a put option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

### Short Sales:

Short Sales are not made but purchases of negative beta mutual funds and Exchange Traded Funds (“ETFs”) are made from time to time. A negative beta means that the stock is inversely correlated with the market. Many precious metals and precious-metal-related stocks are beta-negative as their value tends to increase when the general market is down and vice versa.

BWM generally offers discretionary management services in the form of one of the following strategies:

- ROME
- TAHOE
- THRIVE
- DIVIDEND GROWTH EQUITY PORTFOLIO
- QUALITY GROWTH EQUITY
- REAL
- STABLE INCOME
- CUSTOM

### The ROME Strategy

The Rome strategies generally invest in ETFs holding broadly diversified, global asset classes including stocks, bonds and cash in varying allocations to target a specific risk category: Aggressive, Normal, Moderate or Conservative. Depending on the circumstances, alternative asset mutual funds and/or ETFs with underlying holdings including but not limited to real estate and commodities may also be deployed. The investor has the flexibility to invest in any of the core strategies based on his or her risk profile, and can easily shift to one of the other risk managed strategies if his or her risk preference changes.

### The TAHOE Strategy

The Tahoe portfolios provide total return from growth and income investments with a limited number of funds. The portfolios are comprised of a global equity fund and two fixed income funds managed by Dimensional Fund Advisers. To achieve its objective under normal circumstances, the global equity portion of the portfolio allocates its assets to underlying funds which invest in domestic and international securities. In general, these funds purchase a broad and diverse group of securities of companies with a greater emphasis on small

capitalization and value companies compared to their representation in the universe. The equity and fixed income portion is generally comprised of Dimensional Fund Advisor funds that follow specific strategies in its fixed income portfolios.

### THRIVE

THRIVE is a digital investment platform designed for individuals who are in the early stages of accumulating savings. Developed in partnership with Charles Schwab and overseen by the advisory team at Blossom, THRIVE allows our clients to establish a savings strategy based on their tolerance for risk, and their aspirations for building a higher net worth. BWM's methodology advises clients to invest in well-diversified stock market holdings and helps to implement this methodology by recommending a portfolio of broad market index Exchange Traded Funds comprised of Schwab OneSource Funds. Clients manage their BWM account with THRIVE by setting an allocation between portfolios of Funds available through the program. When clients deposit to or withdraw money from their BWM account, they are requesting that BWM purchase or sell the available Funds, in an amount that corresponds to their Allocation. Similarly, when clients adjust their allocation they are requesting that BWM exchange available Funds for one another.

### Dividend Growth Equity Portfolio

Dividend Growth Equity Portfolio seeks to provide total return from a diversified cluster of growing dividend companies. It is a concentrated portfolio of dividend paying stocks that focuses on companies that have generally grown their dividends over at least 5 years. This is not a high yield strategy, but a strategy that focuses on companies that we deem to be adequate capital allocators. This low-turnover portfolio prefers companies with ten years of consistent dividend growth led by what we perceive to be quality business models, strong financial statements, and historically more conservative growth than stocks in general.

### Quality Growth Equity Strategy

Quality Growth Equity Strategy seeks to provide a total return driven by the appreciation of the companies owned in the strategy. This concentrated, low-turnover, equity strategy will hold growth companies in a diversified portfolio, typically dividend paying, that we believe to be industry leaders potentially showing consistent and sustainable growth. Valuation is important with these younger companies, but a strong business model is the key metric in this investment decision making process.

### The REAL Strategy

Real Strategy is designed to generate competitive real estate income versus both the overall market and privately held real estate using primarily publicly traded Real Estate Investment Trusts (REITs). This concentrated portfolio is well-diversified within the REIT sector and will focus on what we perceive to be high quality assets in the various REIT sectors. It will concentrate on companies within specific REIT sectors that we deem to be growing dividend payers with adequate balance sheets in areas with potentially good opportunities. This is not a high yield-oriented strategy. Real Strategy will use both individual and managed products in seeking to meet the stability and income goal.

### Stable Income Strategy

Stable Income Strategy is designed to generate income competitive with fixed income during this period of low interest rates, but also should be able to generate some portfolio growth over time. The goal is to build a stable portfolio value over time with a similar or higher yield than the Bloomberg Barclays U.S. Aggregate Bond Index. This well-diversified portfolio will focus on what we perceive to be quality assets in several specific categories including: fixed income – short and intermediate maturities, utilities, REITs (Real Estate Investment Trusts), and several companies that generate market similar yields that have also shown consistent dividend growth over time. This is not a high yield-oriented strategy and it will use both individual and managed products to meet the stability and income goal.

### Custom Strategy

Where appropriate, BWM also offers a Custom Portfolio Allocation strategy, which is a comprehensive, customized portfolio strategy tailored specifically for a client's needs across multiple account types and risk categories.

### **Risk Factors**

*Note: All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. These risks include market risk, liquidity risk, concentration risk, interest rate risk, issuer risk, credit risk, currency risk, foreign investment risk, reinvestment risk, inflation risk, horizon risk, longevity risk and general economic risk. Although BWM advises assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the risk of loss.*

### Market Risks

**Competition.** The securities industry and the varied strategies and techniques to be engaged in by the Adviser are extremely competitive and each involves a degree of risk. The Adviser will compete with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staff.

**Market Volatility.** The profitability of the Adviser substantially depends upon it correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. The Adviser cannot guarantee that it will be successful in accurately predicting price and interest rate movements.

**Adviser's Investment Activities.** The Adviser's investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Adviser. Such factors include a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war) that sometimes affects investments in general or specific industries or companies. The securities markets are sometimes volatile, which sometimes adversely affect the ability of the Adviser to realize profits.

**Accuracy of Public Information.** The Adviser selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly

available to the Adviser by the issuers or through sources other than the issuers. Although the Adviser evaluates all such information and data and sometimes seeks independent corroboration when it's considered appropriate and reasonably available, the Adviser is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Investments in Undervalued Securities. The Adviser intends to invest in undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Adviser's investments sometimes does not adequately compensate for the business and financial risks assumed.

### Investment Risks

Portfolios sometimes invest substantially all of their available capital principally in securities, engage in short sales of securities and trades in options (including covered and over-the-counter options) and other derivative instruments, private securities and money market instruments. Markets for such instruments fluctuate and the market value of any particular investment sometimes vary substantially. In addition, such securities may be issued by unseasoned companies and may be highly speculative. The Fund's portfolio may not generate any income or appreciate in value.

Portfolio Turnover. The investment strategy of the Portfolios may require active trading of the portfolio, and as a result, turnover and brokerage commission expenses may significantly exceed those of other investment entities of comparable size.

Small Cap Companies. The Portfolios may invest a portion of its assets in the stocks of companies with small market capitalizations. While BWM believes these investments often provide significant potential for appreciation, those stocks involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be more illiquid than that of larger capitalization stocks.

Lack of Diversification. The Portfolio portfolios may not be widely diversified among sectors, industries, geographic areas or types of securities. Further, the portfolios may not necessarily be diversified among a wide range of issuers. Accordingly, the portfolios may be subject to more rapid change in value than would be the case if the Investment Vehicles were required to maintain a wide diversification among companies or industry groups.

Short-Sales. BWM may sell securities short. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the portfolios. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss; however, Blossom does not engage in such "naked" strategies. There can be no assurance that securities necessary to cover a short position will be available for purchase.



Options and Other Derivative Instruments. BWM may invest, from time to time, in options and other derivative instruments, including, but not limited to, the buying and selling of puts and calls on some of the securities held by BWM. The prices of many derivative instruments, including many options and swaps, are highly volatile. The values of options and swap agreements depend primarily upon the price of the securities, indexes, commodities, currencies or other instruments underlying them. Price movements of options contracts and payments pursuant to swap agreements are also influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Options on highly volatile securities, currencies or other assets may be more expensive than options on other investments.

Hedging Transactions. Investments in financial instruments such as forward contracts, options, commodities and interest rate swaps, caps and floors, other derivatives, and other investment techniques are commonly utilized by investment funds to hedge against fluctuations in the relative values of its portfolio positions as a result of changes in currency exchange rates, interest rates and/or the equity markets or sectors thereof. Any hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions should increase. The Adviser is not obligated to establish hedges for portfolio positions and may not do so.

Leverage. The Portfolio will use leverage by engaging in short sales, entering into swaps and other derivatives contracts and other leveraging strategies. Such leverage increases the risk of loss and volatility. In addition, the use of leverage requires the pledging of assets as collateral. Margin calls or changes in margin requirements can cause the Portfolio to be required to pledge additional collateral or liquidate the Portfolio holdings, which could require the portfolio to close positions at substantial losses that would not otherwise be realized.

Market or Interest Rate Risk. The price of most fixed income securities moves in the opposite direction of the change in interest rates. For example, as interest rates rise, the price of fixed income securities falls. If the Adviser holds a fixed income security to maturity, the change in its price before maturity may have little impact on the Adviser's performance; however, if the Adviser has to sell the fixed income security before the maturity date, an increase in interest rates could result in a loss to the Adviser.

Fixed Income Call Option Risk. Many bonds, including agency, corporate and municipal bonds, and all mortgage-backed securities, contain a provision that allows the issuer to "call" all or part of the issue before the bond's maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are three disadvantages to the call provision. First, the cash flow pattern of a callable bond is not known with certainty. Second, because the issuer will call the bonds when interest rates have dropped, the Adviser is exposed to reinvestment rate risk – the Adviser will have to reinvest the proceeds received when the bond is called at lower interest rates.

Finally, the capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

**Inflation Risk.** Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if the Adviser purchases a 5-year bond in which it can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the cash flow has declined. For all but inflation-linked bonds, adjustable bonds or floating rate bonds, the Adviser is exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security.

**Investments in Non-U.S. Investments.** From time to time, the Adviser may invest and trade a portion of its assets in non-U.S. securities and other assets (through ADRs and otherwise), which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Such risks may include:

- Political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets.
- Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.
- Foreign securities and other assets often trade in currencies other than the U.S. dollar, and the Adviser may directly hold foreign currencies and purchase and sell foreign currencies through forward exchange contracts. Changes in currency exchange rates will affect the Adviser's net asset value, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the U.S. dollar relative to these other currencies may cause the value of the Adviser's investments to decline. Some foreign currencies are particularly volatile. Foreign governments may intervene in the currency markets, causing a decline in value or liquidity of the Adviser's foreign currency holdings. If the Adviser enters into forward foreign currency exchange contracts for hedging purposes, it may lose the benefits of advantageous changes in exchange rates. On the other hand, if the Adviser enters forward contracts for the purpose of increasing return, it may sustain losses.
- Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing and financial reporting standards, and there may be less public information about the operations of issuers in such markets.

**Lack of Liquidity.** The Portfolio may invest in thinly traded and relatively illiquid securities or those securities may not be traded at the time the Portfolio invested or may cease to be traded after the Portfolio invests. The Portfolio also may acquire significant positions in some securities. In such cases, and in the event of extreme market activity, the Portfolio may not be able to liquidate its investments promptly if necessary. In addition, the Portfolio's sales of thinly traded securities could depress the market value of those securities and



thereby reduce the Portfolio's profitability or increase its losses. Such circumstances or events could affect the Portfolio's gain or loss materially and adversely.

**Risk of Default or Bankruptcy of Third Parties.** The Adviser may engage in transactions in securities, commodities, other financial instruments and other assets that involve counterparties. Under certain conditions, the Adviser could suffer losses if a counterparty to a transaction were to default or if the market for certain securities, commodities, other financial instruments and/or other assets were to become illiquid.

### **Regulatory Risks**

**Strategy Restrictions.** Certain institutions may be restricted from directly utilizing investment strategies of the type in which the Adviser may engage. Such institutions, including entities subject to ERISA, should consult their own advisors, counsel and accountants to determine what restrictions may apply and whether an investment in the Adviser is appropriate.

**Trading Limitations.** For all securities, instruments and/or assets listed on an exchange, including options listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Adviser to loss. Also, such a suspension could render it impossible for the Adviser to liquidate positions and thereby expose the Adviser to potential losses.

**Conflicts of Interest:** In the administration of client accounts, portfolios and financial reporting, the Adviser faces inherent conflicts of interest which are described in this brochure. Generally, the Adviser mitigates these conflicts through its Code of Ethics which provides that the client's interest is always held above that of the Firm and its associated persons.

**Supervision of Trading Operations.** The Adviser, with assistance from its brokerage and clearing firms, intends to supervise and monitor trading activity in the portfolio accounts to ensure compliance with firm and client objectives. Despite the Adviser's efforts, however, there is a risk that unauthorized or otherwise inappropriate trading activity may occur in portfolio accounts.

Depending on the nature of the investment management service selected by a client and the securities used to implement the investment strategy, clients will be exposed to risks that are specific to the securities in their particular investment portfolio.

**Reliance on Management and Key Personnel.** Investors have no right or power to take part in the management of BWM. Accordingly, no investor should invest with BWM unless such investor is willing to entrust all aspects of management to BWM. The investment performance of BWMs portfolios depends largely on the skill of key personnel of BWM, including, in particular, its sub advisors. If key personnel were to leave BWM, it might not be able to find equally desirable replacements and the performance of the BWM portfolios could, as a result, be adversely affected.

### **Security Specific Risks**

**Liquidity.** Liquidity is the ability to readily convert an investment into cash. Securities where there is a ready market that is traded through an exchange are generally more liquid. Securities traded over the counter or that do not have a ready market or are thinly traded are less liquid and may face material discounts in price level in a liquidation situation. The Portfolios may invest in thinly traded and relatively illiquid securities or those securities may not be traded at the time the Portfolios invest or may cease to be traded after the Portfolios invest. The Portfolios also may acquire significant positions in some securities. In such cases and in the event of extreme market activity, the Portfolios may not be able to liquidate its investments promptly if necessary. In addition, the Portfolio's sales of thinly traded securities could depress the market value of those securities and thereby reduce the Portfolio's profitability or increase its losses. Such circumstances or events could affect the Portfolio's gain or loss materially and adversely.

**Currency.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

**Lack of Registration.** LP interests have neither been registered under the Securities Act nor under the securities or "blue sky" laws of any state and, therefore, are subject to transfer restrictions.

**Alternative Investments (Limited Partnerships).** Some Blossom clients own individual alternative investment securities purchased under prior investment strategies; however, Blossom no longer invests in such securities on an individual basis. Instead, alternative investments in our current strategies are limited to publicly-traded Exchange Traded Fund (ETF) and open-end mutual fund purchases.

A limited partnership is a financial affiliation that includes at least one general partner and a number of limited partners. The partnership invests in a venture, such as real estate development or oil exploration, for financial gain. The general partner does not usually invest any capital, but has management authority and unlimited liability. That is, the general partner runs the business and, in the event of bankruptcy, is responsible for all debts not paid or discharged. The limited partners have no management authority and confine their participation to their capital investment. That is, limited partners invest a certain amount of money and have nothing else to do with the business. However, their liability is limited to the amount of the investment. In the worst-case scenario for a limited partner, he/she loses what he/she invested. Profits are divided between general and limited partners according to an arrangement formed at the creation of the partnership. Full disclosure is available in the offering documents of the particular limited partnership.

**Withdrawal of Capital.** The ability to withdraw funds from LP interests is usually restricted in accordance with the withdrawal provisions contained in an Offering Memorandum. In addition, substantial withdrawals by investors within a short period of time could require a fund to liquidate securities positions and other investments more rapidly than would otherwise be desirable, possibly reducing the value of the fund's assets and/or disrupting the fund's investment strategy.

## **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 BWM or the integrity of BWM's management. BWM has no information applicable to this item.

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

### **Agents of Unaffiliated Insurance Agency**

As licensed insurance agents, Messrs. George A. Salter II and James E. Salter, in their individual capacities, sometimes recommend to advisory clients a variety of insurance products, including commissionable (variable and non-variable) insurance products for which they receive compensation, in addition to fees received for Investment Management Services. We recognize that this practice presents a conflict of interest and provides these employees incentive to recommend investment products based on compensation received rather than on client need. We address this conflict by retaining and reviewing all orders for such products to verify that there is a suitable benefit for the client through such a transaction. Clients are under no obligation to implement any recommended insurance transactions through any particular insurance company and are not obligated to purchase any insurance products from BWM's associated persons.

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

Certain IARs of the firm are licensed as Registered Representatives to sell securities through KW Securities Corporation, a securities broker-dealer registered with the Securities and Exchange Commission (SEC) and member of the Financial Industry Regulatory Authority (FINRA)/SIPC. In this capacity, and pursuant to client instruction, these individuals transact in various types of securities, including, but not limited to mutual funds, for separate and typical compensation such as 12b-1 fees for investment company products. A potential conflict of interest exists to the extent that certain recommendations result in commissions being paid to the representative by KW Securities Corporation for transactions effected in client accounts. The amount paid is the normal commission paid for services rendered as a Registered Representative. Clients are under no obligation to implement any recommended transactions through any particular broker-dealer and are not obligated to purchase any securities from BWM's associated persons.

## **Item 11 – Code of Ethics**

### **Code of Ethics**

BWM has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at BWM must acknowledge the terms of the Code of Ethics upon hire and each time it is amended thereafter.

The Code of Ethics is designed so that the personal securities transactions, activities and interests of the employees of BWM will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of BWM's clients. In addition, the Code requires pre-clearance of certain transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between BWM and its clients.

BWM's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting James E. Salter at (925) 833-9999 or via email at [james@blossomwm.com](mailto:james@blossomwm.com).

### *Personal Trading Practices*

Adviser and its representatives buy and sell for their personal accounts investment products identical to those recommended to clients. It is the express policy of Adviser that neither Adviser, nor its representatives may purchase or sell any security prior to a transaction being implemented for an advisory account except when entered as part of an aggregated purchase (See ***Aggregation with Client Orders*** below for more information).

This policy is meant to prevent Adviser and/or its representatives from benefiting as a result of transactions placed on behalf of advisory accounts. Adviser has established the following restrictions in order to ensure its fiduciary responsibilities to clients are met:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of the firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. BWM requires prior approval for any IPO or private placement investments by related persons of the firm.
4. BWM maintains a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
5. BWM has established procedures for the maintenance of all required books and records.
6. Clients can decline to implement any advice rendered, except in situations where BWM is granted discretionary authority.

7. All of the principals and employees must act in accordance with all applicable Federal regulations governing registered investment advisory practices.

### Insider Trading

In accordance with Section 204A of the Investment Advisers Act of 1940, Adviser also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Adviser.

### Privacy Statement

BWM is committed to safeguarding the confidential information of its clients and holds all personal information provided to it in the strictest confidence. These records include all personal information that BWM collects from its clients or receives from other firms in connection with any of the financial services they provide. BWM also requires other firms with whom they deal to restrict the use of client's information.

## **Item 12 – Brokerage Practices**

### **The Custodian and Brokers We Use**

#### Investment Management Services

Clients must maintain assets in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated, and unaffiliated with Schwab. Schwab will hold client assets in a brokerage account and buy and sell securities when we instruct them to.

While we recommend that clients use Schwab as custodian/broker, client must decide whether to do so and open accounts with Schwab by entering into account agreements directly with them. We will open accounts with Schwab on the client's behalf and will notify the client in writing of the custodian's name, address, and the title of the account, promptly when the account is opened and following any changes to this information. The accounts will always be held in the name of the client and never in Blossom's name. Even though clients maintain accounts at Schwab, we can still use other brokers to execute trades for client accounts (see ***Client Brokerage and Custody Costs***, below).

#### How We Select Brokers/Custodians

We seek to recommend a custodian/broker who will hold client assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

1. Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
2. Capability to execute, clear, and settle trades (buy and sell securities for client accounts)

3. Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
4. Breadth of available investment products (stocks, bonds, exchange-traded funds [ETFs], etc.)
5. Availability of investment research and tools that assist us in making investment decisions
6. Quality of services
7. Competitiveness of the price of those services (commission rates, other fees, etc.) and willingness to negotiate the prices
8. Reputation, financial strength, and stability
9. Prior service to Blossom and our other clients
10. Availability of other products and services that benefit us, as discussed below (see ***Products and Services Available to Us From Schwab***)

#### *Client Brokerage and Custody Costs*

For our clients' accounts that Schwab maintains, Schwab generally does not charge separately for custody services. However, Schwab receives compensation by charging commissions or other fees on trades that it executes or that settle into clients' Schwab accounts. In addition to commissions, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a client's Schwab account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize trading costs, we have Schwab execute most trades for client accounts. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see ***How We Select Brokers/Custodians***).

#### *Products and Services Available to Us from Schwab*

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like us. They provide Blossom and our clients with access to its institutional brokerage, trading, custody, reporting, and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts; others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we do not have to request them) and at no charge to us.

Following is a more detailed description of Schwab's support services:

#### Services That Benefit Our Clients



Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit our clients and their accounts.

#### Services That May Not Directly Benefit Our Clients

Schwab also makes available to us other products and services that benefit us but may not directly benefit our clients or their accounts. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

1. Provide access to client account data (such as duplicate trade confirmations and account statements)
2. Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
3. Provide pricing and other market data
4. Facilitate payment of our fees from our clients' accounts
5. Assist with back-office functions, recordkeeping, and client reporting

#### Services That Generally Benefit Only Us

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

1. Educational conferences and events
2. Consulting on technology, compliance, legal, and business needs
3. Publications and conferences on practice management and business succession
4. Access to employee benefits providers, human capital consultants, and insurance providers

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab has also discounted or waived its fees for some of these services or pay all or a part of a third party's fees in the past and may do so again in the future. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

### *Our Interest in Schwab's Services*

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions. We believe that our selection of Schwab as custodian and broker is in the best interests of our clients.

### THRIVE

Client accounts enrolled in the Program are maintained at, and receive the brokerage services of, CS&Co., a broker/dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use CS&Co. as custodian/broker to enroll in the Program, the client decides whether to do so and opens its account with CS&Co. by entering into a brokerage account agreement directly with CS&Co. We do not open the account for the client. If the client does not wish to place his or her assets with CS&Co., then we cannot manage the client's account through the Program. CS&Co. may aggregate purchase and sale orders for Funds across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform.

### Transactions Through Unaffiliated Broker/Dealer

As described above in **Item 10 – Other Financial Industry Activities and Affiliations**, certain representatives of BWM are registered with KW Securities Corporation and fully licensed to sell financial products and offer securities for a commission. Sometimes, BWM has the same clients as KW Securities. BWM understands the potential for conflict exists whenever servicing the same client in both a fee-based (investment advisor) and commission based (broker dealer) regulatory environment. BWM has established procedures to help ensure its Investment Adviser Representatives understand their responsibility as a fiduciary when dealing with its clients, while KW Securities has established procedures to help ensure its associated persons understand the suitability requirements as it relates to transaction-based compensation and the importance of clearly communicating this difference to clients who have accounts with both BWM & KW Securities.

### Brokerage for Client Referrals

Blossom does not receive client referrals from any broker-dealer or third party in exchange for using that broker-dealer or third party.

### Directed Brokerage

Blossom will not allow clients to direct us to use a specific broker-dealer to execute transactions. Clients must use the broker-dealers that we recommend. Not all investment advisers require their clients to trade through specific brokerage firms. By requiring clients to use Schwab, Blossom believes we may be able to more effectively manage the client's portfolio, achieve favorable execution of client transactions, and lower the overall costs to the portfolio. Client accounts will always be held in the name of the client and never in Blossom's name. Even though clients maintain accounts at Schwab, we can still use other brokers to execute trades for client accounts.



Since we require most of our clients to maintain their accounts with Schwab, it is also important for clients to consider and compare the significant differences between having assets custodied at another broker-dealer, bank or other custodian prior to opening an account with us. Some of these differences include, but are not limited to; total account costs, trading freedom, transaction fees/commission rates, and security and technology services.

Blossom generally will not recommend a broker-dealer/custodian to individuals in existing employer-sponsored plan accounts.

### **Aggregation with Client Orders**

Blossom generally aggregates transactions in like securities among client accounts as well as with accounts of Blossom and our personnel. Aggregation presents a conflict of interest as we may have an incentive to allocate more favorable executions to our own accounts or the accounts of our personnel. Our policies to address this conflict are as follows:

1. We will disclose our aggregation policies in this brochure;
2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek best execution (which includes the duty to seek best price) for our clients. The trade also needs to be consistent with the terms of our investment advisory agreement with each client that has an account included in the aggregation;
3. We will not favor any account over any other account. This includes accounts of Blossom or any of our personnel. Each account in the aggregated order will participate at the average share price for all of our transactions in a given security on a given business day (per custodian). All accounts will pay their individual transaction costs;
4. Before entering an aggregated order, we will prepare a written statement (the "Allocation Statement") specifying the participating accounts and how we intend to allocate the order among those accounts;
5. If the aggregated order is filled entirely, we will allocate shares among clients according to the Allocation Statement; if the order is partially filled, we will generally allocate it pro-rata according to the Allocation Statement. However, we may allocate the order differently than specified in the Allocation Statement if all client accounts receive fair and equitable treatment. Examples include but are not limited to:
  - a. When only a small percentage of the order is executed, with respect to purchase allocations, allocations may be given to accounts high in cash;
  - b. With respect to sale allocations, allocations may be given to accounts low in cash;
  - c. We may allocate shares to the account with the smallest order, or to the smallest position, or to an account that is out of line with respect to security or sector weightings, relative to other portfolios with similar mandates;

- d. We may allocate to one account when that account has limitations in its investment guidelines prohibiting it from purchasing other securities that we expect to produce similar investment results and that can be purchased by other accounts in the block;
- e. If an account reaches an investment guideline limit and cannot participate in an allocation, we may reallocate shares to other accounts. For example, this may be due to unforeseen changes in an account's assets after an order is placed;

In any case, we will explain the reasons for a different allocation in writing, which the CCO must approve;

- 6. If an aggregated order is partially filled and we allocate it differently than the Allocation Statement specifies, no participating account may purchase or sell the security for a reasonable period following the execution of the block trade. This only applies when the participating account sells or receives more shares than it would have if the aggregated order had been completely filled;
- 7. Our books and records will separately reflect each aggregated order and the securities held by, bought, and sold for each client account;
- 8. Funds and securities of clients participating in an aggregated order will be deposited with one or more qualified custodians. Clients' cash and securities will not be held collectively any longer than is necessary to settle the trade on a delivery versus payment basis. Following settlement, cash or securities held collectively for clients will be delivered out to the qualified custodian as soon as practical;
- 9. We do not receive additional compensation or remuneration of any kind as a result of aggregating orders; and
- 10. We will provide individual investment advice and treatment to each client's account.

## **Item 13 – Review of Accounts**

### **Review of Accounts**

#### *Investment Management Services*

We manage portfolios on a continuous basis and George A. Salter II, CEO and James E. Salter, COO generally review each client's investment account on at least a quarterly basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Meetings with clients to discuss investment accounts will be scheduled on a mutually agreed upon basis. Triggering factors that stimulate the review of a client's account during interim annual periods include, but are not limited to, the client's request for an additional review and/or the additional deposit of funds into the account.

### Rebalancing

BWM offers periodic ‘rebalancing’ of client portfolios so that in the face of fluctuating market prices, each client’s portfolio remains at what we deem to be a reasonable allocation suitable with the client’s stated objective.

### Financial Planning Services

Clients that have contracted with the firm for financial planning services will be provided with a review and update to their plan upon their request at our planning rate of \$250 per hour. BWM waives these fees for clients that have engaged the firm for portfolio management services with portfolios holding \$1 million or more in assets under our management.

## **Reports to Clients**

### Investment Management Services

Clients will receive monthly statements directly from their account custodian(s). Additionally, Blossom provides Investment Management Services clients with a quarterly report that provides rate of return for each investment account and a total portfolio rate of return. These reports are posted to the client web portal provided by Advyzon.

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

### Schwab Support Products and Services

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see **Item 12 – Brokerage Practices**). We do not base particular investment advice, such as buying particular securities for our clients, on the availability of Schwab’s products and services to us.

## **Item 15 – Custody**

Blossom has limited custody of our clients’ funds or securities when the client authorizes us to deduct our management fees directly from the client’s account. As previously disclosed in **Item 5 – Fees and Compensation**, BWM directly debits advisory fees from client accounts. As part of this billing process, the client’s custodian is advised of the amount of the fee to be deducted from that client’s account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact BWM directly if they believe that there may be an error in their statement.

Blossom is also deemed to have custody of clients’ funds or securities when clients have standing authorizations with their custodian to move money from a client’s account to a third-party (“SLOA”) and under that SLOA authorize us to designate the amount or timing of

transfers with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow.

## **Item 16 – Investment Discretion**

### *Discretionary Management*

BWM generally receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought and sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, BWM observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, BWM's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. Investment guidelines and restrictions must be provided to BWM in writing.

### *Non-Discretionary Management*

For non-discretionary accounts honoring prior agreements, BWM makes recommendations to clients on what securities or products to buy or sell, and it is up to the client to approve our recommendations. Once we receive approval from the client to go forward, we will place the trades in the client's account. Non-discretionary trades are typically placed after trades in discretionary accounts due to the time lapse in receiving client approval of non-discretionary investment recommendations. Clients give us trading authority over their accounts when they sign the custodian paperwork.

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

### *Proxy Voting*

As a matter of firm policy and practice, BWM does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

### *ERISA*

For accounts subject to ERISA, an authorized plan fiduciary other than BWM will retain proxy voting authority. Our investment advisory agreement and/or the plan's written documents will evidence and outline this authority.

### *Mutual Funds*

The investment adviser that manages the assets of a registered investment company (i.e., mutual fund) generally votes proxies issued on securities held by the mutual fund.

### *Class Actions*

Blossom does not instruct or give advice to clients on whether or not to participate as a member of class action lawsuits and will not automatically file claims on the client's behalf. However, if a client notifies us that they wish to participate in a class action, we will provide

the client with any transaction information pertaining to the client's account needed for the client to file a proof of claim in a class action.

#### *Tender Offers*

BWM sometimes provides advice to clients regarding tender offers associated with positions held in client accounts. Furthermore, BWM generally communicates the firm's position.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about BWM's financial condition. BWM 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.

Under **no circumstances** do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.



## **Part 2B of Form ADV: Brochure Supplements**

### **Information Pertaining to:**

**George A. Salter II  
James E. Salter  
Craig Braemer**

**Blossom Wealth Management, LLC  
PO Box 125  
Alamo, CA 94507  
Tel: (925) 946-9999  
Fax: (877) 665-8765  
[www.blossomwm.com](http://www.blossomwm.com)**

**February 22, 2021**

This Brochure Supplement provides information about George A. Salter II, James E. Salter, and Craig Braemer that supplements the Blossom Wealth Management brochure. You should have received a copy of that Brochure. Please contact James E. Salter at (925) 833-9999 or via email at [james@blossomwm.com](mailto:james@blossomwm.com) if you did not receive BWM's Brochure or if you have any questions about the contents of this supplement. Additional information about the above named individuals is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Description of Professional Designations Used in this Brochure Supplement\*

### <sup>1</sup>*Accredited Investment Fiduciary*

The Accredited Investment Fiduciary (“AIF®”) designation is issued by the Center for Fiduciary Studies. To earn the designation, each AIF® candidate must complete either a web-based or a capstone program, pass a final certification exam, and complete a minimum of 6 hours of continuing education per year. AIF® designees must also sign and agree to abide by a code of ethics. More information regarding the AIF is available at [http://www.fi360.com/main/designations\\_aif.jsp](http://www.fi360.com/main/designations_aif.jsp).

### <sup>2</sup>*Chartered Financial Analyst*

The Chartered Financial Analyst® (“CFA®”) designation is sponsored by the CFA Institute. To earn a CFA charter, candidates must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. The three proctored course exams correspond to three 250-hour self-study levels. Completing the Program takes most candidates between two and five years. More information regarding the CFA is available at <https://www.cfainstitute.org>.

### <sup>3</sup>*CERTIFIED FINANCIAL PLANNER™*

The CERTIFIED FINANCIAL PLANNER™ and CFP® (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP® Board”). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. The CFP® is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To earn the credential, each CFP® candidate must have a bachelor’s degree (or higher) from an accredited college or university and three years of full-time personal financial planning experience. In addition, candidates must take the CFP® Certification examination and complete a CFP® – board registered program or hold an accepted designation, degree, or license. Every two years, CFP® certificate holders must complete a minimum of 30 hours of continuing education. More information regarding the CFP® is available at <http://www.cfp.net/default.asp>.

# George A. Salter II

## Item 2 - Educational Background and Business Experience

George A. Salter II, Member, CEO – born 1974

### ***Education:***

- University of San Diego, School of Law, San Diego, CA, 2001, Juris Doctor
- Dominican University of California, San Rafael, CA, 1999, Master in Business Administration – Pacific Basin Studies and Sustainable Management
- Dominican University of California, San Rafael, CA, 1997, Bachelor of Arts in Political Science

### ***Securities Examinations and Licenses:***

- FINRA Series 7 – 04/02 (General Securities Representative Examination)
- FINRA Series 66 – 06/02 (Investment Company and Variable Contract Products Representative Examination)
- FINRA Series 79 – 11/12 (Investment Banking Representative)

### ***Licensing:***

- California State Insurance – Variable Contracts, Life, Accident, and Health. California Insurance License Number 0D64714

### ***Professional Designations:***

- <sup>3</sup>CERTIFIED FINANCIAL PLANNER™ CFP®

### ***Business Background:***

- Blossom Wealth Management, LLC, Alamo, CA – 06/09 to Present, CEO & Member
- Blossom Ventures, LLC, Alamo, CA – 01/12 to 12/20, Partner
- Wingman Retirement, LLC, Alamo, CA – 01/15 to 12/15, Founding Member
- Instream Partners, Menlo Park, CA – 10/13 to 10/14, Registered Representative
- Fallbrook Capital Securities Corp., West Hills, CA – 06/11 to 10/13, Registered Representative
- Dominican University of California, San Rafael, CA – 02/09 to 01/12, Adjunct Faculty
- Morgan Stanley Smith Barney, Walnut Creek, CA – 06/09 to 06/09, Registered Representative
- CitiGroup Global Markets, Inc., Walnut Creek, CA – 08/05 to 06/09, Financial Advisor
- Merrill Lynch, Pierce, Fenner & Smith, Inc., Oakland, CA – 09/03 to 08/05, Financial Advisor

### ***Biography***

George's education began when he earned a soccer scholarship to Dominican University of California in San Rafael. First, George pursued his Bachelor of Arts in Political Science. He then stayed at Dominican to study business, graduating with an MBA in International Finance/Sustainable Development. Realizing how often legal issues arise in the business world, George completed his education at the University of San Diego, School of Law. He earned his J.D. in December 2001.



These graduate studies laid the foundation for the global investment program that George runs today. Whether working for a gold mine in Ghana, traveling extensively through Spain and Brazil, or learning about winegrowing in the Rhinegau region of Germany, George was constantly aware of the interconnected global economy. We believe that these experiences, combined with advanced research on behavioral finance during law school, have given George a truly unique perspective on financial planning and wealth migration.

George has been a financial advisor since February 2002. Over the years, he has assisted his clients and his colleagues' clients in creating and implementing complex estate and business succession plans. He is a CERTIFIED FINANCIAL PLANNER™, CFP®.

Today, George helps business owners, corporate executives, and other individuals manage their assets. Consistent with his sustainable background, George is an advisor who incorporates triple bottom line investment principles during portfolio creation. He believes that the companies able to compete in the 21st century will be conscious about how they impact society and the environment in addition to potentially being profitable financially.

Outside the office, George is active with several non-profits and community organizations. George is an adjunct faculty member at Dominican, teaching a personal finance course. He sits on two Business Advisory Boards: the first at his alma mater and the second at Benedictine College in Atchison, Kansas. In his free time, George is a soccer enthusiast, inspired chef, and house project extraordinaire. He and his wife Nicole live in Alamo, CA with their two sons, Heathcliff and Julian.

#### ***Community Commitments:***

- Flight to Freedom Community event director (2012 – Present)
- Advisory Board for School of Business and International Studies at Dominican University of California (2009 – 2015)
- Dominican University of California Business Association (DUCBA) speaker, organizer, and contributor (2009 – 2015)
- Dominican University of California Athletics Booster Club Member (2010 – 2015)
- Mustang Soccer Assistant – Parent Volunteer (2009 – 2015)

### **Item 3 - 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 each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4 - Other Business Activities**

- George A. Salter II is registered with KW Securities Corp. for all investment brokerage related activities, member FINRA – SIPC. 1 hour/mo.
- George A. Salter II is a licensed insurance agent with the State of California. 1 hour/mo.

- George A. Salter II currently serves on the Business Advisory Board for Follr, Inc. 1 hour/mo.

### **Item 5 - Additional Compensation**

In addition to George Salter's compensation from his regular salary and ownership of BWM, he also receives commissions from the sale of brokerage and insurance products, as described above in ***Item 4 – Other Business Activities***.

### **Item 6 - Supervision**

George A. Salter II, CEO and James E. Salter, COO are responsible for all supervision and monitoring of investment advice offered to clients. George can be reached at 925-946-9999 and James can be reached at 925-833-9999.

## **James E. Salter**

### **Item 2- Educational Background and Business Experience**

**James E. Salter**, Member, COO, CCO – born 1978

#### ***Education:***

- Dominican University of California, San Rafael, CA, 2002, Master in Business Administration - Global Strategic Management
- Dominican University of California, San Rafael, CA, 2001, Bachelor of Arts in Business – Concentration in International Business

#### ***Securities Examinations and Licenses:***

- FINRA Series 7 – 12/06 (General Securities Representative Examination)
- FINRA Series 24 – 11/16 (General Securities Principal Examination)
- FINRA Series 66 – 03/07 (Investment Company and Variable Contract Products Representative Examination)
- FINRA Series 79 – 03/12 (Investment Banking Representative)

#### ***Licensing:***

- California State Insurance – Variable Contracts, Life, Accident, and Health. California Insurance License Number 0F75024

#### ***Professional Designations:***

- <sup>1</sup>Accredited Investment Fiduciary® (AIF®)

#### ***Business Background last 5 years:***

- Blossom Wealth Management, LLC, Alamo, CA – 06/09 to Present, Member, Chief Compliance Officer, and Chief Operating Officer
- Blossom Ventures, LLC, Alamo, CA – 01/12 to 12/20, Partner
- KW Securities Corporation, Larkspur, CA – 11/13 to Present, Registered Representative
- Wingman Retirement, LLC, Alamo, CA – 01/15 to 12/15, Founding Member
- Instream Partners, Menlo Park, CA – 10/13 to 10/14, Registered Representative
- Fallbrook Capital Securities Corp., West Hills, CA – 06/11 to 10/13, Registered Representative
- Dominican University of California, San Rafael, CA – 02/09 to 01/12, Adjunct Faculty
- Morgan Stanley Smith Barney, Walnut Creek, CA – 06/09 to 06/09, Registered Representative
- CitiGroup Global Markets, Inc., Walnut Creek, CA – 03/07 to 06/09, Financial Advisor

#### ***Biography:***

James joined the team in 2007 and has been a financial advisor since February 2002. Over the years, he has assisted his clients and his colleagues' clients to create and implement complex estate and business succession plans. As a financial advisor, James is also an Accredited Investment Fiduciary® (AIF®).

Prior to becoming a financial advisor, he spent seven years developing web-based businesses and working as a family wealth manager in Berkeley. He provides investment planning and asset management strategies for institutions, trusts, endowments, corporate executives and high-net-worth families.

James graduated Summa Cum Laude from Dominican University of California with a Bachelor of Arts in Business Administration and a Concentration in International Business. He also earned his MBA in Global Strategic Management with a focus on sustainable development. While attending Dominican, James played on the Men's basketball team in the California Pacific Conference. In 2009, he was asked to return to Dominican as an adjunct instructor in the business department. He currently teaches a course titled, "General Principles in Personal Finance." In addition, James serves on the Alumni Board, where he focuses on career development by arranging internships.

Originally from San Diego, James has lived in the Bay Area since 1997. He enjoys meeting entrepreneurs and clean tech professionals to learn more about their businesses. On the weekend, he can be found playing his guitar, snowboarding, cycling, trail running, scuba diving, golfing, and planning adventure photography. Like his two older brothers, James is an Eagle Scout who astounds his wife; by tirelessly working on projects at their San Ramon home. James and his wife Allison live in San Ramon, CA with their three children Isabella, Evangeline and Sterling.

James is a passionate traveler. He has visited Argentina, Australia, Austria, The Bahamas, Barbados, Bolivia, Brazil, the British Virgin Islands, Canada, Chile, China, Costa Rica, Croatia, Cuba, Curacao, The Czech Republic, Denmark, Dominica, Egypt, Estonia, Fiji, Finland, France, Germany, Greece, Guatemala, Hong Kong, Hungary, India, Italy, Jamaica, Kenya, Liechtenstein, Malaysia, Malta, Mexico, The Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Poland, Portugal, Russia, Singapore, Slovakia, Spain, Sweden, Switzerland, Tanzania, Thailand, Turkey, Uruguay, the United Kingdom, the U.S. Virgin Islands, and Vatican City.

#### ***Community Commitments:***

- Flight to Freedom Community event director (2012 – Present)
- Dominican University of California Business Association (DUCBA) speaker, organizer, and contributor (2009 – 2015)
- Dominican University of California Athletics Booster Club Member (2010 – 2015)

### **Item 3- 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 each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

- James E. Salter is registered with KW Securities Corp. for all investment brokerage related activities, member FINRA – SIPC. 1 hour/mo.

- James E. Salter is a licensed insurance agent with the State of California. 5 hours/mo.
- James E. Salter currently serves on the Business Advisory Board for Foltr, Inc. 1 hour/mo.

### **Item 5- Additional Compensation**

In addition to James Salter's compensation from his regular salary and ownership of BWM, he also receives commissions from the sale of brokerage and insurance products, as described above in **Item 4 – Other Business Activities..**

### **Item 6 - Supervision**

George A. Salter II, CEO and James E. Salter, COO are responsible for all supervision and monitoring of investment advice offered to clients. George can be reached at 925-946-9999 and James can be reached at 925-833-9999.

# Craig Braemer

## Item 2 – Educational Background and Business Experience

**Craig Braemer**, Portfolio Manager – born 1959

### ***Education:***

- Masters in Financial Services from the Golden Gate University, 1990.
- California Polytechnic State University, San Luis Obispo, 1982 Bachelor in Business Administration – Financial Management and Accounting.

### ***Professional Designations:***

- <sup>2</sup>Chartered Financial Analyst®, CFA®, 1989.
- <sup>3</sup>CERTIFIED FINANCIAL PLANNER™ CFP®.

### ***Business Background last 5 years:***

- Blossom Wealth Management, LLC, Alamo, CA - 02/18 to Present, Portfolio Manager
- HighMark Capital Management, Union Bank, San Francisco, Senior Portfolio Manager, Executive Director, 6/94 - 2/18.

### ***Biography:***

Craig's education began at California Polytechnic State University, San Luis Obispo. During his five years of college, he received two degrees, one in Financial Management as a B.S. and the other in Accounting from the Business School. He did this while playing soccer for three years for the School's Division Two soccer team. After graduating, he worked a couple of years in the investment world at Merrill Lynch, but upon leaving Craig decided to improve his educational background further and build a solid financial and investment foundation for his future. While working at Franklin Templeton Investments, RWB Advisory Services and Fisher Investments over the coming 8 years; Craig improved his educational foundation during these eight years by starting and then completing his Masters in Financial Services from Golden Gate University, acquiring the CERTIFIED FINANCIAL PLANNER™ or CFP® designation and completing the Chartered Financial Analyst designation or CFA. During a number of these years he was working on all three programs simultaneously. In addition to the additional education background, these original four firms helped Craig build a significant investment and financial planning base which has been very useful in his career and in working with clients.

All of this work and education drove him to follow his passion further into the stock market and investment analysis and he started working at a small investment management firm, Fisher Investments, as an analyst. After six years, he joined a larger organization, Merus Capital Management, a division of Bank of California to improve his analytical skills and follow more specific industries. This firm, after several name changes, became HighMark Capital Management, owned by Union Bank where he worked for almost 24 years. During this time he was a Research Analyst, Assistant Fund Manager - HighMark Growth Fund, Portfolio Fund Manager - HighMark Growth Fund, Director of Investments, Senior Portfolio Manager and Investment Executive. During part of these 24 years, he also ran an investment

strategy called Relative Dividend Yield for both institutional and high net worth clients of HighMark Capital Management.

During the second half of his time at HighMark Capital Management he participated on the firm's Asset Allocation Committee (AAC) which was the guiding force overseeing the Firm's asset allocation for all of their clients. He was a voting member on this committee throughout his time on the Committee. This combined with his role as Director of Investments led him to present to groups of clients and participate in other group events representing HighMark.

In recent years, Craig focused primarily on managing portfolios and providing financial planning advice directly with clients ranging from retirees, trusts, corporate executives, foundations, pension plans while he worked at HighMark Capital Management. He also continued his research efforts by following two sectors of the S&P 500 Index for HighMark's internal equity research team. These two sectors were Utilities and Real Estate Investment Trusts – REITs. His research would be used in building all client individual stock portfolios in these two sectors by the other 20 portfolio managers. Finally, Craig built one of HighMark's first Socially Responsible Investment portfolios with client's and managed that client's money directly. Outside the office, Craig is very active with one non-profit Group, [BetterInvesting.org](http://BetterInvesting.org), and helps in several other community organizations.

### **Item 3- 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 each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Craig is an active participant, and a Director, in a non-profit education group called Better Investing for the past 24 years. He works at the local level by visiting with local investment clubs and teaching at local educational events. Since 2015, he has been invited to present and participate at the organization's annual Better Investing National Conference (BINC) which is held in different locations around the U.S. This three-day event brings together hundreds of like-minded individuals to learn and discuss investments and stock ideas.

### **Item 5- Additional Compensation**

Craig E. Braemer does not receive any additional compensation from third parties for providing investment advice.

### **Item 6 - Supervision**

George A. Salter II, CEO and James E. Salter, COO are responsible for all supervision and formulation and monitoring of investment advice offered to clients. George can be reached at 925.946.9999 and James can be reached at 925-833-9999.



## FACTS

### WHAT DOES BLOSSOM WEALTH MANAGEMENT LLC (“BLOSSOM”) DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Assets and account balances
- Investment experience and risk tolerance

When you are *no longer* our customer, we continue to share your information as described in this notice.

#### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Blossom chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Blossom share?	Can you limit this sharing?
<b>For our everyday business purposes -</b> as permitted by law	YES	NO
<b>For our marketing purposes -</b> to offer our products and services to you	YES	NO
<b>For joint marketing with other financial companies</b>	NO	We Don't Share
<b>For our affiliates' everyday business purposes -</b> information about your transactions and experiences	NO	We Don't Share
<b>For our affiliates' everyday business purposes -</b> information about your creditworthiness	NO	We Don't Share
<b>For nonaffiliates to market to you</b>	NO	We Don't Share

#### Questions?

Call 925-833-9999 or go to [blossomwm.com](https://blossomwm.com)

## WHO WE ARE

Who is providing this notice?

**Blossom Wealth Management, LLC (“Blossom”)**

## WHAT WE DO

**How does Blossom protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

**How does Blossom collect my personal information?**

We collect your personal information, for example, when you

- seek advice about your investments
- enter into an investment advisory contract
- tell us about your investment or retirement portfolio
- tell us about your investment or retirement earnings
- give us your contact information

We also collect your personal information from other companies.

**Why can't I limit all sharing?**

Federal law gives you the right to limit only:

- sharing for affiliates' everyday business purposes - information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

## DEFINITIONS

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Blossom has no affiliates.*

**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and non-financial companies.

- *Blossom does not share with nonaffiliates so they can market to you.*

**Joint Marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Blossom doesn't jointly market.*