

Item 1. Cover Page

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**FORM ADV PART 2A
BROCHURE**

This Form ADV Part 2A Brochure (the “**Disclosure Brochure**”) provides information about the qualifications and business practices of KLS, A Division of Boston Private (the “**Adviser**”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (212) 355-0346. The information in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

Additional information about the Adviser is also available on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for the Adviser is 172832.

The Adviser is a Registered Investment Adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Item 2. Material Changes

This Brochure, dated July 30, 2021, represents a material update to the Brochure dated March 30, 2021. The following is a summary of the more significant recent updates to KLS's business since the last annual update:

- On July 1, 2021, SVB Financial Group ("SVBFG"), the parent of Silicon Valley Bank, completed the acquisition of Boston Private Financial Holdings, Inc. ("BPFH"), the parent company of Boston Private Bank & Trust Company ("Boston Private Bank"). As a result, BPFH has been merged into SVBFG, with SVBFG the surviving holding company, and Boston Private Bank has been merged with and into Silicon Valley Bank as the surviving banking institution.

Boston Private Wealth LLC, an SEC-registered investment adviser and formerly a wholly-owned subsidiary of Boston Private Bank, is now a wholly-owned, non-bank subsidiary of Silicon Valley Bank. KLS remains a division of Boston Private Wealth.

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Item 4. Advisory Business

Firm Information

The Adviser was originally founded in 1989 as KLS Professional Advisors Group, Inc. a Registered Investment Adviser with the U.S. Securities and Exchange Commission (the “SEC”), which was organized as an S-Corporation under the laws of the State of New York (the “S-Corp”). As of December 31, 2004, the S-Corp’s assets were transferred to a newly formed entity - KLS Professional Advisors Group, LLC, a Registered Investment Adviser with the SEC, which is organized as a limited liability company under the laws of the State of Delaware (the “Adviser”). Immediately thereafter, a controlling interest in the Adviser was purchased by Boston Private Financial Holdings, Inc., Boston, Massachusetts, (“Boston Private”) as a result of a sale of interests in the Adviser by the S-Corp. In January 2010, Boston Private became the sole owner of the Adviser by purchasing the remaining interest in the Adviser. Effective on or about September 1, 2019, KLS merged with and into Boston Private Wealth LLC, another wholly owned subsidiary of Boston Private Financial Holdings, Inc. at that time and also a registered investment advisor. Post-merger KLS has continued to operate under the same fiduciary standard to act in the client's best interest that KLS operated under since its inception.

As of July 1, 2021, Boston Private Wealth LLC's parent company, Boston Private Bank and Trust Company, merged with and into Silicon Valley Bank, a California state-chartered bank (“SVB”) and a member of the Federal Reserve System. SVB is the principal banking subsidiary of SVB Financial Group (“SVBFG”), a publicly-held bank holding company. KLS is a division of Boston Private Wealth LLC, which is now a wholly owned subsidiary of SVB.

Advisory Services

The Adviser provides wealth and investment management services to individuals, high net worth individuals, families, pension and profit-sharing plans, trusts, estates, and small businesses (each referred to as a “Client”). The Adviser generally manages more than one account for which the Client is the beneficial owner, such as the Client’s joint account between spouses or domestic partners and the Client’s IRA account. Unless directed otherwise by the Client, the Adviser will manage the accounts as one combined account without regard to the nominal titling of individual investment positions or asset classes on a continuous basis. The services provided to each Client beyond investment advice are further discussed in Item #10 – Other Financial Industry Activities and Affiliates.

Each Client’s combined portfolio is managed individually. The Client authorizes the Adviser to manage their investment assets on a discretionary basis. Prior to rendering investment advisory services, the Adviser will ascertain, in conjunction with the Client, the Client’s financial situation, risk tolerance, and investment objective[s] in order to create a portfolio allocation. The Adviser will then construct a portfolio, consisting principally of exchange-traded funds (“ETFs”), public mutual funds, bonds, and cash-equivalents. The Adviser may also utilize other security types as necessary to meet the needs of its Clients. The Adviser does not make, buy, or sell decisions on individual stock investments, other than ETFs, or manage individual stocks that are held in a Client’s account. Further, the Adviser does not undertake to manage individual stocks or include such individual stocks in performance reporting and monitoring to the Client.

Generally, Clients do not have the ability to place restrictions on the types of investments to be held in their respective portfolio. The Adviser may periodically rebalance or adjust Client accounts under its management. If the Client experiences any significant changes to its financial or personal circumstances, the Client must notify the Adviser so that the Adviser can consider such information in managing the Client's investments.

The Adviser evaluates and selects securities for inclusion in Client portfolios only after applying its internal due-diligence process and is approved by the Adviser’s Investment Committee. Based on a Client’s personal financial circumstances, consistent with the Investment Committee’s policies and the discretion accorded to Primary Account Manager (Director and/or Associate Director) who is assigned to oversee the Client’s portfolio, the Adviser may determine on occasion to buy or sell securities on behalf of a Client. For menu driven retirement accounts, the Primary Account Manager, has discretion to recommend investments consistent with the approach of the Investment Committee.

The Adviser will provide investment advisory services and portfolio management services and will not provide securities, custodial, or other administrative services. At no time will the Adviser accept or maintain custody of a Client’s funds or securities. All Client assets will be managed within their designated brokerage account(s) or

retirement account(s) in which the Adviser has been designated as Investment Adviser to the account(s), in accordance with the Client's Investment Advisory Agreement (the "**Advisory Agreement**").

The Adviser will typically provide a variety of financial planning services to its full-service Clients, pursuant to the Advisory Agreement. Services are provided in several areas of a Client's financial situation, depending on their goals, objectives and financial situation. The Adviser will conduct one or more meetings with the Client in order to understand the Client's current financial situation, financial goals, and specific issues.

A Financial Management Report ("**FMR**") is prepared for each new full service Client. The FMR will generally include recommendations addressing the following:

- Analysis of the Client's current financial position
- Recommended allocation of the Client's investable funds
- Recommendations regarding cash flow analysis to better meet the Client's major financial objectives
- Recommendations regarding retirement planning
- Recommendations regarding life and disability insurance
- Income tax review, income tax projection and long term income planning strategies
- An economic and tax review of the Client's wills and estate planning documents.

Wrap Fee Programs

Although the Adviser is not a sponsor or a portfolio manager to any Wrap Fee program, we may select Clients to participate in some programs that offer a "wrap fee" option. Clients that participate in a wrap fee program pay a single fee to the program sponsor, which includes management and transaction fees for the Client account. The Adviser receives no compensation from the sponsor of the wrap fee program for recommending a Client to the wrap fee program. Participation in a wrap fee program may cost the Client more or less than purchasing such services separately.

The investment advice provided has not caused and will not cause Adviser or any affiliates or related entities to receive, directly or indirectly, compensation for services that is in excess of reasonable compensation within the meaning of ERISA section 408(b)(2) and Code section 4975(d)(2).

Assets under Management

As of December 31, 2020, the most recent date for which such calculations are provided pursuant to securities regulations, the Adviser managed the following assets:

Assets Under Management	Assets
Discretionary	\$6,516,336,891
Non-Discretionary	\$556,702,231
Total:	\$7,073,039,122

Item 5. Fees and Compensation

Fees for Advisory Services

The Adviser is a Fee-Only Financial Advisory Firm, whose only source of compensation is the fixed annual fee paid by its Clients. It does not receive any performance fees or additional fees/compensation based on the purchase/sale or recommendation of any financial products.

Each Client that engages the services of the Adviser will enter into an Advisory Agreement, which specifies the type of services (such as investment management and supervision, wealth management, estate planning, tax preparation, insurance consulting and other consulting services) provided by the Adviser to the Client over the term of the Advisory Agreement and the fee charged for such services. The Adviser's fixed fee for the services provided is negotiated between the Adviser and Client annually.

The negotiated fee incorporated in the annual Advisory Agreement is paid by the Client as follows: (i) 40% payable by the Client upon the commencement of each yearly engagement, (ii) 30% three months following the commencement of the engagement, and (iii) the balance seven months following the commencement of the engagement.

The Adviser's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses charged by others and which are borne by the Client. Each Client may incur certain charges imposed by custodians, brokers, third party investments, and other third party activities such as fees charged by managers or custodians, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and ETFs also charge internal management fees, which are disclosed in each Fund/ETF's prospectus. Such charges, fees and commissions are exclusive of, and in addition to, the Adviser's fees, and the Adviser shall not receive any portion of these commissions, fees, and costs.

Additional Information

If a Client engages the Adviser to provide additional work beyond the scope of the normal engagement, fees ranging from \$250-\$800 per hour will be charged.

Clients may request that the Adviser manage assets held in custodial or other fiduciary accounts for the benefit of their minor children. In cases where such assets do not exceed \$100,000 in an account, management of the assets will be considered as an additional factor in establishing the Client's overall fee.

The Adviser has certain engagements wherein advice is provided to a relative of a Client. For example, a Client might engage the services of the Adviser to provide investment management services to his or her adult children or parent. In some cases, the adult children or parent would pay a nominal fee or no fee, and all additional charges would be billed to the Client who requested the Adviser to provide advisory services to either the adult children or parent. In all of these cases, the Adviser views its duties and fiduciary responsibility as flowing to the person to whom advice is rendered, such as the adult child or parent. The Adviser does not report back on substantive matters to the individual paying the fees unless the Adviser has the express consent of the recipient of the advice.

Where a Client has made fee payments to the Adviser and either party subsequently determines to terminate the relationship prior to its annual expiration, the Adviser will prorate the annual fee taking into account both length of service and work performed and refund the unearned portion to the Client. Client fees are refundable in total during the period up to five days following the signing of the Advisory Agreement retaining the Adviser to provide services. The Advisory Agreement is terminable at any time by the Client or Adviser.

Item 6. Performance-Based Fees and Side-By-Side Management

The Adviser does not charge performance based fees for its investment advisory services.

Item 7. Types of Clients

The Adviser provides services to several types of Clients:

- Individuals and High Net Worth Individuals
- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Small business entities other than those listed above

The minimum dollar value of a Client's investment assets required to start a relationship with the Adviser is generally \$1,000,000, although the Adviser has discretion to accept client accounts of lesser amounts. The Adviser at its discretion will accept selected accounts of lesser amounts exclusively for investment advisory services. Such

Clients will not be offered the same extensive financial planning services and wealth management services described in Items #4 and #10 herein.

The Adviser's clients include a significant number of attorneys and other professionals. A potential conflict of interest may exist whereby the Adviser may recommend one of its clients who also happen(s) to be an attorney and/or professional to provide legal or other professional services for another client. However, KLS will not receive any remuneration or other benefit from the referred attorney and/or professional.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Method of Analysis

The Adviser's methods of analysis are fundamental. The Adviser's main sources of information include: financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, and filings with the SEC.

Investment Strategies

Investment strategies employed for each Client focus on the rationalization of risk and reward among classes of investment assets in relation to a Client's personal financial circumstances.

Types of Investments

The Adviser does not generally invest in commodity transactions or future contracts on behalf of Clients. On occasion, where appropriate to address a Client's needs or where directed by a Client to do so, the Adviser will facilitate such an investment.

The Adviser will offer advice on all types of partnership investments when requested to do so by Clients, including real estate, private equity hedge funds, oil and gas, cable television, movies, leasing, operating business and other partnerships.

As part of its investment management services and supervision, the Adviser primarily allocates Client investment assets among various ETFs, public mutual funds, bonds, and cash equivalent securities.

To a lesser extent, the Adviser may recommend the allocation of Client investment assets to a third-party advisor who sponsors financial products such as wrap fee programs. As stated in Items #4 and #5 above, the Adviser receives no compensation of any kind for recommending a Client to allocate a portion of its investment assets to these financial products and does not sponsor any such programs.

The Adviser maintains a disciplined research and due diligence process to identify Separate Account Managers offering proprietary investment strategies that we believe provide opportunities not available through, or more appropriate than, investment vehicles such as ETFs or mutual funds. Factors which our Investment Team considers in recommending Separate Account Managers include the client's designated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research.

The Separate Account Manager shall have day-to-day responsibility for the active discretionary management of the allocated assets. KLS shall continue to render Investment Advisory services to the client through the ongoing monitoring and review of account performance, asset allocation and client investment objectives. KLS maintains ongoing annual due diligence and review over the recommended firms. Before a client establishes an account with a Separate Account Manager, the client shall also receive the Separate Account Manager's written disclosure statement specifying its fees and services.

KLS enters into sub-advisory arrangements with the Separate Account Managers it recommends for client portfolios. This means that KLS Advisors has discretionary authority to hire and/or fire the Separate Account Manager on behalf of Client and also results in some operational efficiencies regarding the opening and closing of accounts as well as communicating transaction details. The Separate Account Manager charges its own advisory fee which is deducted from Client's account at the customary billing intervals. KLS does not receive any compensation from any Separate Account Manager. The amounts placed with the Separate Account Manager are grouped together with the client's portfolio assets managed by KLS and are billed in accordance with the client's annual fee.

Material Risks

All investments in securities include a risk of loss of principal (invested amount) and of any profits remaining in the account. Stock and bond markets fluctuate substantially over time and certain investments may have illiquidity risks. Performance of any investment is not guaranteed. There is a risk of loss inherent in all investments. The Adviser cannot guarantee performance or that a loss will not be experienced. Investing in securities involves a risk of loss that each Client must be prepared to bear.

Rebalancing of Portfolio

The Adviser may periodically rebalance Client portfolios. Rebalancing involves trading securities - buying some and selling others. In rebalancing a Client's portfolio, the Client may experience some additional transaction costs and tax implications due to this rebalancing. The Client may suffer lower returns if the assets sold have higher returns in the future than those being purchased.

Balancing the Interests of Multiple Client Accounts

The Adviser may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to Client's investments and the performance resulting from such decisions may differ from Client to Client.

Allocating Investment Opportunities

Because each Client portfolio is individually managed, the Adviser will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible Clients, particularly if different Clients have materially different amounts of capital under management by the Adviser, different objectives, or different amounts of investable cash available. Therefore, not all Clients will necessarily participate in the same investment opportunities or participate on the same basis.

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all legal or disciplinary events that are material to a client's evaluation of the firm or the integrity of its management. BPW has not been the subject of any disciplinary action.

Item 10. Other Financial Industry Activities and Affiliations

In addition to providing the investment advisory services described in Items #4 and #8 above, the Adviser also provides non-investment advisory services commonly referred to as wealth management services. These services may include financial and estate planning advice, income tax planning and return preparation services, financial consulting services, cash flow management, retirement planning, educational funding advice, insurance planning, and expense management advice.

The Adviser estimates that 50% of its time is attributable to providing investment advisory and supervisory services. The remainder of the Adviser's time relates to other wealth management activities.

Neither the Adviser, nor any of its employees or principals are registered as a broker dealer, have any pending registration applications or have any plans to register. Additionally, none of these parties are registered, have any pending or plans to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Due to the merger with SVB, and as a wholly owned part of Boston Private Wealth ("BPW") as described in Item #4 above, the Adviser has affiliated entities ("Related Persons") including the ones named below. The Adviser may recommend certain products or services of Related Persons if it is in the best interest of the Client. As stated in

Items #4 and #5 above, neither the Adviser nor its supervised persons will receive any commissions or additional income related to the sale of any such products or services.

BPW is affiliated with SVB Wealth Advisory, Inc., a dually registered investment adviser and FINRA-registered broker dealer. As the integration processes continues by and between SVB Wealth Advisory and Boston Private Wealth, certain BPW personnel may become dually registered as investment advisor representatives of BPW and SVB Wealth Advisory.

BPW is affiliated with SVB Asset Management (“SAM”), an investment adviser registered with the SEC. The types of advisory services and the client mandates that KLS provides and offers are not expected to conflict or overlap materially with SAM’s services and mandates. Nevertheless, certain inherent conflicts of interest may arise from BPW’s affiliation with SAM, including conflicting investment strategies. This affiliation is not anticipated to have any effect on KLS clients.

BPW is affiliated with SVB Leerink LLC, an institutional broker-dealer and a member of FINRA, through a common corporate parent in SVB Financial Group. The types of advisory services and the client mandates that KLS provides and offers are not expected to conflict or overlap materially with the investment program of SVB Leerink LLC. KLS could introduce clients to SVB Leerink LLC, although any introductions would not be a part of its discretionary investment advisory services to a client. KLS and its advisory personnel would not be compensated for any such introduction, and any client that ultimately decides to invest with SVB Leerink LLC, would do so at their own discretion. Due to SVB Leerink’s affiliation with SVB Financial Group, the firm may have an indirect interest in making client referrals to SVB Leerink LLC.

BPW is affiliated with certain other entities that may serve as general partners and/or investment advisers of investment funds (“SVB General Partners”). The types of advisory services and the client mandates that BPW provides and offers are not expected to conflict or overlap materially with the investment programs of the SVB General Partners. KLS could introduce clients to a SVB General Partner, although any introductions would not be a part of its discretionary investment advisory services to a client, KLS and its advisory personnel would not be compensated for any such introduction, and any client that ultimately decided to invest with an SVB General Partner would do so at their own discretion. Due to SVB General Partners’ affiliation with SVB Financial Group, the firm may have an indirect interest in making client referrals to SVB General Partners.

KLS advisory personnel may also introduce prospective clients to bank products of Silicon Valley Bank, an affiliate of BPW, or other products/services of SVBFG, the parent of BPW. Such recommendations or introductions are not part of any discretionary investment advisory service to a client of BPW. KLS advisory personnel and their management personnel may receive a subjective annual bonus at the discretion of their supervisors but not directly related to the sales of specific products/services. Due to BPW’s relationship with SVB, the firm may have an indirect financial interest in making such introductions.

In addition, SVB provides a variety of support services to BPW, including human resources, information technology, facilities, finance, legal and administrative support. BPW does not believe such support services create a material conflict of interest with clients. BPW may refer clients to SVB for banking products such as personal or business loans, cash sweep accounts and other products, and SVB may also invest in or otherwise have an ownership interest in certain BPW clients. Clients who use SVB or affiliated products or services will be subject to the fees associated with such service charged by SVB or its affiliates. BPW, as a wholly owned subsidiary of SVB, may have an indirect interest to refer clients to SVB’s banking products and other affiliated business groups. In addition, and during the integration execution phase, SVB may refer clients to BPW for investment advisory services.

THIRD PARTIES

Affiliates of BPW have a financial interest in Founders Circle Capital (“FCC”), an SEC-registered investment advisor. The types of advisory services and the client mandates that KLS provides and offers, respectively, are not expected to conflict or overlap materially with services of FCC. KLS may introduce clients to FCC, although any such introduction would not be a part of KLS’s discretionary investment advisory services to a client, KLS and its advisory personnel would not be compensated for any such introduction, and any client that ultimately decided to invest with FCC would do so at his or her own discretion. Due to BPW’s indirect financial interest in FCC, we may have an indirect incentive in making client referrals to FCC.

Various supervised personnel, as defined under the Advisers Act, of the Adviser are licensed insurance agents in New York and other states. In providing advisory services, these supervised personnel may recommend the purchase of insurance products. As stated in Items #4 and #5 above, neither the Adviser nor its supervised persons will receive any commissions or additional income related to the sale of any such products.

As described in Items #4 and #8 above, the Adviser may recommend third-party advisors who sponsor financial products in which the Adviser's Clients allocate a portion of their investment assets. The Adviser does not receive any compensation or other services apart from the fixed annual fee it receives from its Clients. Consequently there is no conflict of interest in recommending these investment advisors to the Adviser's Clients.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

The Adviser has adopted a Code of Ethics (the "Code"). The Code provides that each employee should place the interests of the Adviser's Clients ahead of their own. Each employee is required to conduct all personal securities transactions in a manner that is consistent with the Code and to avoid any actual or potential conflict of interest. No employee may misuse information about Client accounts, abuse his or her position of trust and responsibility or take inappropriate advantage of his or her position. The Adviser has a policy concerning trading by personnel of the Adviser and its employees which the Adviser believes is reasonably designed to minimize potential conflicts of interest between the Adviser and its Clients. In furtherance of minimizing such potential conflicts of interest, the Adviser prohibits its access persons from trading, either personally or on behalf of others, in securities while in possession of material non-public information regarding such securities or communicating material non-public information to others.

A copy of the Adviser's Code is available to any existing or prospective Clients upon request. Requests should be addressed to Robert Ross, Chief Compliance Officer, KLS, A Division of Boston Private, 1325 Avenue of the Americas, 14th floor, New York, New York 10019.

Initial and/or Limited or Private Offerings

The Adviser does not invest in individual company shares for its Clients unless directed to do so. The Adviser does not participate in initial, limited or private offerings. Personnel of the Adviser may not, directly or indirectly, purchase any publicly traded security without obtaining prior written approval in accordance with the Code.

Acceptance of Gifts

The Adviser prohibits the receipt by employees of gifts of any material value from any person that does business with or on behalf of the Adviser.

Transaction Reporting

To comply with the rules of the SEC all access persons of the Adviser are required to maintain their own accounts or any accounts in which they have a direct or indirect beneficial interest at designated custodians. Compliance personnel review all transactions in such accounts. Monthly transaction reports capture all transactions, including "covered securities." Covered securities include all securities except direct obligations of the United States government, a series thereof, a government sponsored entity, municipal bonds, money market funds, and share of open-end investment companies registered under the Investment Company Act of 1940 (other than investment companies for which the Adviser acts as a sub-advisor or advisor). Positions and transactions are downloaded by the designated custodian to the Adviser daily. Finally, the Adviser requires access persons to certify annually that they have complied with the Adviser's Code.

Pre-Clearance Procedures

To minimize potential conflicts of interest, the Adviser has established pre-clearance procedures to identify any restriction or limits applicable to a proposed personal investment by its advisory personnel. All officers, directors and employees of KLS shall obtain clearance from the CCO prior to effecting any securities transaction, including investing in an initial public offering (IPO), private placement, limited offering or outside business activity (other

than municipal and government securities transactions, exchange traded funds and mutual funds) in which they, their families (including the spouse, minor children and adults living in the same household as the officer, director or employee), or trusts of which they are trustees or in which they have a beneficial interest. The individual designated to pre-clear equity securities transactions must have his or her transactions pre-cleared by another person designated pursuant to the Code. If the transaction is approved, personnel of the Adviser may proceed with the approved trades within three days of the date clearance is given. Any trading required to be pre-cleared that has not gone through the approval process is a violation of the Adviser's policies and procedures, and may be subject to corrective action.

Personal Securities Trading

The advisory personnel of the Adviser may acquire for their own accounts certain securities that the Adviser also recommends to its Clients. Such purchases generally include securities that are publicly traded and widely distributed such as Treasury securities, municipal and corporate bonds, mutual fund shares, ETFs and Certificates of Deposit. The Adviser does not believe a material conflict of interest exists in such situations.

Insider Trading Policy

It is further noted that the Adviser has policies and procedures in place that are reasonably designed to ensure compliance with the Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, the Adviser has adopted a firm-wide policy statement that outlines insider trading compliance by the Adviser and its associated persons or other employees. This statement has been distributed to all associated persons and other employees of the Adviser and has been signed by each such person. A copy of such firm-wide policy is left with such person and the original is maintained in a master file. Further, the Adviser has adopted a written supervisory procedures statement highlighting the steps that shall be taken to implement the firm-wide policy. These materials are also distributed to all associated persons and other employees of the Adviser, are signed, and filed with the insider trading compliance materials. There are provisions adopted for (1) restricting access to files, (2) restricting and/or monitoring trading on those securities of which the Adviser's employees may have non-public information, (3) requiring all of the Adviser's employees to conduct their trading through a specified broker or reporting all transactions promptly to the Adviser, and (4) monitoring the securities trading of the Adviser and its employees and associated persons.

Item 12. Brokerage Practices

The Custodians and Broker-Dealers the Adviser Recommends

The Adviser generally recommends that its Clients use one or more of the following two custodian/broker-dealers as the qualified custodian to hold their investment assets: Fidelity Investments and Morgan Stanley Wealth Management to provide those same services (the "recommended custodians").

Factors considered by the Adviser in making a recommendation of a brokerage firm include the size and reputation of the firm, its capital position, its commission rates in comparison to other firms, and its reporting procedures on Client accounts. The Adviser will not accept custody of any Client funds or securities.

In addition, a Client is required to enter into a Prime Brokerage Services Agreement with their custodian. That agreement permits the Adviser to trade away from the custodian in certain circumstances. If the Adviser trades away from the Client's custodian, the custodian generally imposes a fee for each transaction that is executed on a trade away basis.

Some Clients are unable to select a recommended custodian because (i) the account is a "defined contribution plan," in which the administrator and/or trustee of the account has sole discretion on the selection of the custodian/broker for custodial and execution services or (ii) the Client is affiliated with a securities firm (for example, investment bankers), and required by their employer to maintain their investment account at the employer. For these type of situations, the Adviser will be limited to trading a Client's account through the Client's designated broker. As such, limitations will exist with respect to competitive pricing of investments and execution costs.

Best Execution

The methods by which the Adviser fulfills its Best Execution obligations in connection with securities transactions for its Clients are as follows:

- With regard to mutual funds, mutual fund investments are purchased and sold at net asset value. All investors receive the same purchase/sale price for fund units that are transacted on the same day. The Adviser attempts to identify funds that do not charge commissions and loads to its Clients, although competitive transaction fees may be charged.
- With regard to “wrap fee programs” that are managed on behalf of Clients by third party advisors, the manager who is selecting the individual securities is responsible for monitoring Best Execution procedures. The Adviser, on a periodic basis, reviews performance dispersion among accounts that third party advisors manage.
- With regard to fixed income securities, the Adviser competitively receives bids and offers with more than one broker. Bond pricing is also compared to publicly available data from newspapers and pricing services. This Best Execution review is an integral part of the process the Adviser uses to purchase and sell fixed income securities on behalf of Clients.
- The Adviser reviews its securities trading procedures regularly and compares pricing on transactions with available pricing and financial databases.
- With regard to purchase and sale of specific stocks, the Adviser will compare pricing reflected in databases and published materials. These trades are relatively infrequent due to the nature of the services the Adviser provides to its Clients.
- Commission rates for trades are negotiated with custodians.

The Adviser will consider the following factors, among others, when placing a trade for a Client with a particular broker-dealer

- Quality of overall execution services provided by the broker-dealer
- Promptness of execution
- Creditworthiness and business reputation of the broker-dealer
- Promptness and accuracy of oral, hard copy or electronic reports of execution
- Ability and willingness to correct trade errors
- Promptness and accuracy of confirmation statements
- Ability to access various market centers
- The market where the security trades
- Any expertise the broker-dealer may have in executing trades for the particular type of security
- Commission charged by the broker-dealer
- Historical commission rates of the broker-dealer
- Reliability of the broker-dealer
- Ability of the broker-dealer to use ECN’s to gain liquidity, price improvement, lower commission rates and anonymity
- Reputation of the broker-dealer
- Execution and operational capabilities of the broker-dealer and its clearing firm
- Financial condition of the broker-dealer.

Your Brokerage and Custody Costs

For Client accounts maintained by a recommended custodian, the custodian generally does not charge the Client separately for custody services but charges the Client commissions or other fees on trades that it executes or that settle into the Client's account. For some accounts, such as wrap fee programs, the Custodian charges a Client a percentage of the dollar amount of assets in the account in lieu of commissions. Commission rates and asset-based fees applicable to Client accounts at recommended custodians were negotiated on behalf of the Adviser's Clients collectively, and are reviewed no less than annually as part of the Adviser's review of custodians and broker dealer services ("**best execution review**"). In addition to commissions and asset-based fees, recommended custodians generally charge Clients a flat dollar amount as a "prime broker" or "trade away" fee for each trade that the Adviser has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the Client's account at their custodian. These fees are in addition to the commissions or other compensation a Client pays to the executing broker-dealer.

By selecting a recommended custodian the Client shall be aware that, because of the arrangement between the Adviser and recommended custodians, there is the potential that the Client could pay higher net execution costs than it would have paid if the Client selected another broker to provide custody and execution services for the Client's account(s) managed by the Adviser. The Adviser shall, however, review from time to time the arrangements with the recommended custodians against other possible arrangements in the marketplace to ensure that the Adviser is achieving best execution.

Benefits from the Recommended Custodians

The Adviser receives from the recommended custodians such products and services that help the Adviser to better manage and administer each Client's accounts. These services and/or benefits are received at no additional cost to the Client or Adviser. Such services are computer software and related systems support that allow the Adviser to better monitor Client accounts maintained with recommended custodians. The recommended custodians also provide the Adviser and its Clients with access to institutional brokerage-trading, custody, reporting, and related services, which are not typically available to retail customers. They also make available various support services to the Adviser, which help manage or administer Client accounts.

In addition, the Adviser may receive the following benefits: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively serves institutional brokerage group participants; access to block trading services that provide the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts, and/or access to an electronic communication network for Client order entry and account information, facilitate payment of the Adviser fees from Client's accounts, and assist with back-office functions, recordkeeping and Client reporting.

The availability of these services benefits the Adviser because it does not have to produce or purchase such services. The services are not contingent upon the Adviser committing any specific amount of business to the recommended custodian. The benefits the Adviser receives, that its Clients may also benefit from, may give the Adviser an incentive to recommend Clients to maintain their accounts with a recommended custodian. Based on the Adviser's interest in receiving services that benefit the Adviser's business rather than based solely on the Client's interest, the Adviser's Clients may not receive the best value in custody service and the most favourable execution of the Client's transactions. In the opinion of the Adviser, this does not disadvantage Adviser's Clients, because (i) the Adviser's selection is primarily based on the scope, quality, and price of the recommended custodian's services (see The Custodians and Broker-Dealers the Adviser Recommends above) and (ii) these services are those that are generally provided (without cost) to investment advisors by other custodians.

Use of Soft Dollars

The Adviser does not participate in any soft dollar arrangements in which it receives credits from broker-dealers that may be used to offset the cost of research provided by such broker-dealer.

Valuation

The Adviser will rely on the custodians and/or independent third party pricing services to value securities in each Client's accounts that are listed on a national securities exchange or on NASDAQ at the last quoted sales price on the principal market where the securities are traded.

Trade Errors

From time-to-time, the Adviser may make an error in submitting or processing a trade order. When this occurs, the Adviser will correct the trade, depending on the facts and circumstances associated with the error itself and at the time the error was discovered. The Adviser attempts to minimize the impact of trade errors by promptly performing daily reconciliation procedures with order tickets and intended orders. Trading errors will be corrected at no cost to Client. Broker-dealers are not permitted to assume responsibility for trade error losses caused by the Adviser. Nor may there be any reciprocal arrangements with respect to the trade in question or any subsequent trade to encourage the broker to assume responsibility for such losses.

In most cases, the Adviser will correct trade errors via the executing broker-dealer's trade error desk. This process effectively cancels the original trade and replaces it with the correct trade by moving the original trade into the Adviser's Trade Error Account ("**Error Account**") and putting the correct trade into the Client's account. In other words, the original trade (the trade made in error) is removed from the Client's account and has no impact on the Client. If there is a cost associated with this correction, such cost is borne by the Adviser. Occasionally, this method of correcting an error results in a gain. Because this gain actually occurs in the Adviser's Error Account, the Adviser does not credit such gains to the Client's account. Gains and losses posted to the Error Account are netted quarterly and any net gains are transferred to a Charitable Gift Trust controlled by the Adviser.

Cross Trades

The Adviser does not engage in cross trades between Client accounts.

Balancing the Interests of Multiple Client Accounts

The Adviser may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to a Client's investments and the performance resulting from such decisions may differ from Client to Client.

Allocating Investment Opportunities

The Adviser will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible Clients, particularly if different Clients have materially different amounts of capital under management by the Adviser or different amounts of investable cash available. Therefore, not all Clients will necessarily participate in the same investment opportunities or participate on the same basis.

The Adviser may allocate investment and trading opportunities among various Clients in a manner believed by the Adviser to be fair and equitable to each Client over time. The Adviser may place a "**Block Trade**" to purchase or sell the same security for multiple accounts if the Adviser believes it will result in a more consistent execution among Clients. The Adviser will not include a Client in a Block Trade unless the transaction is consistent with the Client's investment objectives and/or restrictions. In determining to include or exclude a Client's account in a Block Trade, the Adviser will take into account the following factors:

- The Client's investment objectives and strategies
- The composition, size and characteristics of an account
- The cash flows and amount of investment funds available to each Client
- The amount already committed by each Client to a specific investment
- Each Client's risk tolerance and the relative risk of the investment
- The marketability of the security being considered
- Whether the Adviser has trading discretion over the account.

Item 13. Review of Accounts

Client accounts are reviewed to confirm that portfolio construction is consistent with the Adviser's Investment Committee's policies and the Client's personal financial position and goals. Accounts are reviewed by the Primary Account Manager who is assigned to manage the Client's portfolio. Primary Account Managers are responsible for day-to-day client and portfolio management consistent with the policies of the Adviser and the Investment

Committee. Designated Senior Managing Directors, serve as members of the Adviser's Investment Committee and set investment policy for the Adviser. Designated Senior Managing Directors and all Managing Directors serve as a resource for the Primary Account Managers on technical and investment matters.

Accounts are regularly reviewed with regard to asset allocation and cash position by Associates, Client Managers, Primary Account Managers, and periodically reviewed by Senior Managing Directors and the Compliance Department to ensure the Client's combined portfolio is consistent with the Adviser's Investment Committee's investment policy.

A consolidated statement of supervised assets is delivered to Clients at least quarterly. The preparation of the quarterly statements includes a review by a Managing Director and the Primary Account Manager. Consolidated statements are also available to Clients online daily.

Item 14. Client Referrals and Other Compensation

As described in Items #5 & #8 above, the Adviser is a Fee-Only Financial Advisory Firm, which charges a fixed annual fee. It does not receive any performance fees or additional fees/compensation based on the purchase/sale or recommendation of any financial products.

The Adviser occasionally receives referrals from existing Clients. While this might provide an incentive for the Adviser to discount fees for Clients, it is the Advisers policy not to do so.

The Adviser employs marketing personnel who are compensated for soliciting Clients. Any such arrangements will be in compliance with Rule 206(4)-3 under the Advisers Act.

Item 15. Custody

The Adviser does not maintain custody of Client funds. The investment assets of each Client is titled to the Client and held by qualified custodians, such as one of the recommended custodians. Custodians send monthly or at least quarterly statements directly to each Client's address on record. The Adviser urges its Clients to carefully review such statements and compare such official custodial records to the account statements that the Adviser may provide to each Client periodically. The statements produced by the Adviser may vary from the custodial statements due to accounting methods, reporting dates, pricing sources, exchange rate differences or valuation methodologies of certain securities.

Item 16. Investment Discretion

Prior to providing any investment advisory services on a discretionary basis, the Client must execute an Advisory Agreement which specifically provides the Adviser with investment discretion over the accounts of the Client for which the Adviser provides investment advisory services. Therefore, in the absence of specific instructions to the contrary, the Adviser has complete trading discretion with respect to Client accounts without any limitations on its authority. This discretion includes the authority, without prior notice to the Client, to buy and sell securities (other than specific stock issues) for Client accounts under management of the Adviser and establish and effect securities transactions through accounts with broker-dealers selected by the Adviser. In certain cases, Clients may direct the Adviser to use one or more particular broker-dealers in managing their accounts. Adviser does not have discretion to withdraw funds or fees from Client accounts. All accounts are maintained with an independent qualified custodian.

It is the Client's responsibility to promptly notify the Adviser if there is ever any change in its financial circumstances or investment objectives for the purpose of reviewing, evaluating, and/or revising the Client's portfolio.

Item 17. Voting Client Securities

The Adviser does not vote proxies on behalf of its Clients or prepare class action suit filings for or on behalf of its Clients.

Item 18. Financial Information

The Adviser does not have any adverse financial situations that would reasonably impair the ability of the Adviser to meet all obligations to its Clients. Neither the Adviser, nor any of its advisory persons, have been subject to a bankruptcy or financial compromise. The Adviser is not required to deliver a balance sheet along with this Disclosure Brochure, as the Adviser does not have custody of Clients assets and does not collect advisory fees for services to be performed six months or more in advance.

Item 19. Requirements for State-Registered Advisers

N/A

Item 20. Additional Information

None.