

**Item 1: Cover Page**  
**Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure**  
**July 1, 2021**

**Enso Wealth Management, LLC Wrap Program**

**Sponsored by:**

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This brochure provides information about the qualifications and business practices of Enso Wealth Management, LLC. If clients have any questions about the contents of this brochure, please contact us at 707-981-7584. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

## Item 2: Material Changes

Enso Wealth Management, LLC is required to make clients aware of information that has changed since the last annual update to the Wrap Brochure (“Wrap Brochure”) and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

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## Item 4: Services, Fees & Compensation

Our firm manages assets for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary it is our duty to always act in the client's best interest. This is accomplished in part by knowing the client. Our firm has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

Our firm sponsors and offers a wrap fee program. Our wrap fee program allows clients to pay a single fee for investment advisory services and associated custodial transaction costs. Because our firm absorbs client transaction fees, an incentive exists to limit trading activities in client accounts. Custodial transaction costs, however, are not included in the advisory fee charged by our firm for non-wrap services, and are to be paid by the client to their chosen custodian. Depending on the client's account or portfolio trading activity, clients may pay more for using our wrap fee services than they would for using our non-wrap services.

**Please note that we do not offer this wrap fee program to new or existing clients. This wrap fee program is limited to certain clients that were part of a recent acquisition.**

Our recommended custodian, Charles Schwab & Co., Inc. ("Schwab"), does not charge transaction fees for U.S. listed equities and exchange traded funds. Since we pay the transaction fees charged by the custodian to clients participating in our wrap fee program, this presents a conflict of interest because we are incentivized to recommend equities and exchange traded funds over other types of securities in order to reduce our costs.

### **Our Wrap Advisory Services**

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#### **Wrap Comprehensive Portfolio Management:**

Our Wrap Comprehensive Portfolio Management service encompasses asset management as well as providing financial planning/financial consulting to clients. It is designed to assist clients in meeting their financial goals using financial investments. We conduct at least one, but sometimes more than one meeting (in person, if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds ("ETFs"), mutual funds, individual stocks or bonds, or other investments, including unregistered securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

#### **Use of Sub-Advisors**

Our firm may delegate certain administrative and/or investment oversight duties to a "Sub-Advisor", pursuant to a sub-advisory agreement entered on behalf our firm. As investment Advisor to the client's account, our firm is responsible for recommending, selecting and monitoring a portfolio using a

combination of internal, and third-party managed strategies. The strategies are implemented in the client's custodial account using stocks, bonds, mutual funds ("Funds"), exchange-traded funds ("ETFs"), and other securities. Each client's individual investment strategy is tailored to their specific needs and may include some or all the previously mentioned securities. Without limiting the generality of the foregoing, Sub-Advisor will oversee and coordinate with Our firm, as necessary, to take all necessary action to buy, sell or otherwise trade any securities and other assets in a client's account in a manner that is consistent with the investment guidelines as established by client. Although Our firm has delegated responsibility for day-to-day portfolio management (including authority over security-level decisions) to the Sub-Advisor, our firm will monitor the Sub-Advisor's performance with respect to their management of client assets and retains the authority to engage or terminate the Sub-Advisor. Any decision to engage or terminate the Sub-Advisor will be based upon continued suitability and performance of the Sub-Advisor in relation to its management of client assets.

A more detailed description of the specific services available from the Sub-Advisor can be found in the Sub-Advisor's current Form ADV Part 2A and/or Form ADV Part 2A – Appendix 1. Clients are encouraged to carefully review the Sub-Advisor's Form ADV Part 2A and/or Form ADV Part 2A – Appendix 1 disclosure brochure for service level, fee, conflict and professional background information applicable to the Sub-Advisor.

It should be noted that differences exist in both the product solutions available and the fees and expenses charged to the client dependent on the pricing schedule and custodian selected by the investment adviser representative ("IAR").

### **Fee Schedule**

The maximum annual fee charged for this service will not exceed 1.40%. Fees to be assessed will be outlined in the advisory agreement to be signed by the client. Annualized fees are billed on a pro-rata basis quarterly in advance based on the value of the account(s) on the time-weighted daily average of the previous quarter. Fees are negotiable and will be deducted from client account(s). Adjustments will be made for deposits and withdrawals during the quarter. In rare cases, our firm will agree to directly invoice.

The maximum annual fee charged to clients utilizing Sub-Advisers will not exceed the maximum fee published above for this service. Our firm will debit fees for this service as disclosed in the executed advisory agreement between the client and our firm. Sub-Advisers establish and maintain their own separate billing processes over which we have no control. They will directly bill you and describe how this works in their separate written disclosure documents. The Sub-Advisers we recommend will not directly charge you a higher fee than they would have charged without us introducing you to them.

As part of this process, Clients understand the following:

- a) Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- b) Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy; and;
- c) The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

**Other Types of Fees & Expenses:**

In addition to our advisory fees above, Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses). Our firm does not receive a portion of these fees.

**Wrap Fee Program Recommendations:**

Our firm does not recommend or offer the wrap program services of other providers.

**Item 5: Account Requirements & Types of Clients**

Our firm does not impose requirements for opening and maintaining accounts or otherwise engaging us.

Our firm has the following types of clients: Individuals and High Net Worth Individuals; Pension and Profit-Sharing Plans.

**Item 6: Portfolio Manager Selection & Evaluation****Selection of Portfolio Managers**

Our firm's IARs act as portfolio manager(s) for this wrap fee program. A conflict arises in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our IARs are subject to individual licensing requirements as imposed by state securities boards. Our firm is required to confirm or update each IAR's Form U4 on an annual basis. IAR supervision is conducted by our Chief Compliance Officer or management personnel.

**Advisory Business:**

Information about our wrap fee services can be found in Item 4 of this brochure. Our firm offers individualized investment advice to our Wrap Comprehensive Portfolio Management clients. Each Wrap Comprehensive Portfolio Management client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

**Participation in Wrap Fee Programs:**

Our firm does not manage wrap fee accounts in a different fashion than non-wrap fee accounts. All accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

**Performance-Based Fees & Side-By-Side Management:**

Our firm does not charge performance-based fees.

However, an entity affiliated with our firm through the ownership of one of its IARs offers and sells a private fund that does include performance fees that clients of the Firm will pay. The Carried Interest to be received by the General Partner, also a partner of our firm, is based on net cash flow and the net profits, if any, resulting from the Partnership's Portfolio Investments. The Carried Interest, therefore, may create a conflict of interest in that there is an incentive to direct clients to invest into the private fund.

### **Methods of Analysis, Investment Strategies & Risk of Loss:**

The following methods of analysis and investment strategies may be utilized in formulating our investment advice and/or managing client assets, provided that such methods and/or strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

#### **Methods of Analysis**

Securities analysis methods rely on the assumption that the companies whose securities are purchased and/or sold, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While our firm is alert to indications that data may be incorrect, there is always a risk that our firm's analysis may be compromised by inaccurate or misleading information.

**Charting:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis:** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

#### **Investment Strategies**

**Long-Term Purchases:** When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically, we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.

**Short-Term Purchases:** When utilizing this strategy, we may also 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.

**Trading:** We 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.

**Short Sales:** We borrow shares of a stock for a client's portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

**Margin Transactions:** We will purchase stocks for a client's portfolio with money borrowed from the client's brokerage account. This allows a client to purchase more stock than he or she would be able to with their available cash and allows us to purchase stock without selling other holdings.

### **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in investments, and ask any questions.

**Returns on Cash Balances:** We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Asset Management and Comprehensive Portfolio Management, as applicable.

**Market Risk:** securities traded on securities exchanges are subject to demand and supply conditions. Investors could receive less than the original investment amount when they sell a security if the demand for that security has fallen. Prices generally reflect investors' confidence in the economy, interest rates, and many other factors. Investors must be able to tolerate such price movements.

**Income Risk:** Dividends may not be paid if a securities issuer reports an operating loss.

**Short-term Purchases:** We may determine to buy or sell securities in a client's account and hold them for less than a year. Some of the risks associated with short-term trading that could affect investment performance are increased commissions and transaction costs to the account and increased tax obligations on the gains in a security's value.

**Bond Pricing:** The price of bonds depends in part on the current rate of interest. Rising interest rates decrease the current price of bonds because current purchasers require a competitive yield. As such, decreasing interest rates increase the current value of bonds with associated decrease in bond yield. We may decide to exchange to a lower or higher duration bond or to another asset class due to interest rate risk that could affect investment performance.



**Inflation:** Inflation is the loss of purchasing power through a general rise in prices. If an investment portfolio is designed for current income with a real rate of return of 4% and inflation were to rise to 5% or higher, the account would result in a loss of purchasing power and create a negative real rate of return.

**Price Fluctuation:** Security prices do fluctuate (except for cash or cash equivalents) and clients must accept that risk associated with the fluctuations or change to a more appropriate investment portfolio in alignment with their risk tolerance.

**Interest-Rate Fluctuation:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

**Currency Fluctuation:** 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.

**Reinvestment of Dividends:** We will reinvest interest, dividends and capital gains as appropriate to accumulate wealth based on factors such as ongoing cash needs and tax loss harvesting opportunities. This is an appropriate strategy for a portfolio designed for capital growth. However, the reinvested earnings could result in a lower or a higher rate of return than was initially projected.

**Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

**Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, treasury bills are highly liquid, while real estate properties are not.

**Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value for the securities issued by such companies.

**Mutual Funds with Foreign Asset Holdings:** Any investments in mutual funds that make foreign investments and are not hedged back to the U.S. Dollar are subject to the uncertainty with changes in the foreign currency value. The client may bear more risk and may earn a substantially higher return or a substantially lower return than projected.

**Short Sale Trading:** Short selling carries high risk. The payoff ratio is high in that the maximum gain, which would occur if the shorted stock went to zero, is limited, but the maximum loss is infinite since stocks can always rise in price. In that in addition to trading commissions, other costs include the costs of borrowing the security to short it and the interest payable on the margin account that holds the shorted security. A short seller is responsible for making dividend payments on the shorted stock to the entity from whom the stock was borrowed. Stocks with very high short interest may occasionally surge in price - usually when there is a positive development in the stock - which forces short sellers to buy the shares back to close their short positions. Heavily shorted stocks are susceptible to "buy-ins," which occur when a broker closes out short positions in a difficult-to borrow stock whose lenders are demanding it back. Regulators may impose bans on short sales in a specific sector or even in the broad market to avoid panic and unwarranted selling pressure. Such actions can cause a spike in stock prices, forcing the short seller to cover short

positions at huge losses. Very good market timing is required - unlike the “buy- and-hold” investor who can afford to wait for an investment to work out, the short seller does not have the luxury of time because of the many costs and risks associated with short selling. Timing is everything when it comes to shorting.

### **Voting Client Securities:**

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

## **Item 7: Client Information Provided to Portfolio Manager(s)**

All accounts are managed by our in-house licensed IARs. The IAR selected to manage the client’s account(s) or portfolio(s) will be privy to the client’s investment goals and objectives, risk tolerance, restrictions placed on the management of the account(s) or portfolio(s) and relevant client notes taken by our firm. Please see our firm’s Privacy Policy for more information on how our firm utilizes client information.

## **Item 8: Client Contact with Portfolio Manager(s)**

Clients are always free to directly contact their portfolio manager(s) with any questions or concerns about their portfolios or other matters.

## **Item 9: Additional Information**

### **Disciplinary Information**

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

### **Financial Industry Activities & Affiliations**

In the course of providing its investment management and financial planning services, Enso Wealth also may recommend insurance products and investments. Certain Enso Wealth representatives are appointed sales agents for Highland Capital Brokerage, Inc. When an Enso Wealth representative recommends an insurance product to a client, the applicable insurance issuer may pay a sales load or commission to them, personally. A conflict of interest may arise as these insurance sales may create an incentive to recommend products based on the compensation they may earn.

Highland Capital Brokerage, Inc. is a wholly independent of and otherwise unaffiliated with Enso Wealth. It does not supervise its financial planning or investment management services or and has no responsibility for the services to its clients.

William DeMar is a 50% owner of TRABD, LLC, which is a general partnership entity that manages a private placement real estate fund TRAMF, LP. Mr. DeMar is involved in the marketing, management, and operations of the private fund. Mr. DeMar and other Advisors of the Firm may offer shares of this fund to their advisory clients. This arrangement presents a conflict of interest because Advisors may have an incentive to recommend shares of the fund to clients based on the compensation received rather than solely based on the client's needs. We are making full disclosure to our advisory clients of DeMar's affiliation with the fund, and Mr. DeMar may receive a performance fee based on the performance of the fund.

Any client that purchases shares of a private fund under the advisory agreement will pay an asset management fee calculated on the principal amount of shares purchased, not based on the current market value at the time of billing. Mr. DeMar could receive remuneration as an equity holder and incremental investments increase the value of TRAMF21, LP.

### **Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

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We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize any conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Related persons may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. If a security is bought or sold for clients and for Firm access persons on the same day, the access person's trades must either be: 1. aggregated with the client transactions, in which case all participants in the transaction participate on an average price basis; or 2. executed at the end of the trade day after all client trades in the subject security for that day are completed. If the access person's purchase of the security is not aggregated with client trades, the price received by the access person cannot be more favorable than the price received for the same security for client accounts that day.

Related persons may buy or sell different investments, based on personal investment considerations, which the Firm may not deem appropriate to buy or sell for clients. It is also possible that employees may take investment positions for their own accounts that are contrary to those taken on behalf of clients. Employees may also buy or sell a specific security for their personal account based on personal investment considerations aside from company or industry fundamentals, which are not deemed appropriate to buy or sell for clients. If these securities subsequently appreciate, these personal transactions could be viewed as creating a conflict of interest.

Conversely, related persons may liquidate a security position that is held both for their own account and for the accounts of Firm clients, sometimes in advance of clients. This occurs when personal considerations (i.e., liquidity needs, tax-planning, industry/sector weightings) deem a sale necessary for individual financial planning reasons. If the security subsequently falls in price, these personal transactions could be viewed as a conflict of interest.

For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children, or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest.

### **Review of Accounts**

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Our management personnel or financial advisors review accounts on at least a quarterly basis for our Wrap Comprehensive Portfolio Management clients. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Our firm may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc. Our firm does not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when our Wrap Comprehensive Portfolio Management clients are contacted.

We review our Sub-Advisers on at least an annual basis to determine if they are effectively managed our client's accounts.

### **Other Compensation**

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We receive an economic benefit from client custodians in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain 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). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

While we recommend that clients use Schwab as custodian/brokers, each client decides whether to do so and opens their account with Schwab by entering into an account agreement directly with them. We do not open the account for clients.

### **Client Referrals**

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Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with relevant state statutes and rules.

### **Financial Information**

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Our firm does not require or solicit prepayment of more than \$1,200 of its investment management fees from clients six or more months in advance. There are no adverse conditions related to our firm's finances that are likely to impair its ability to meet its contractual commitments to its clients. Our firm has not been the subject of a bankruptcy filing in the last ten years.