

# RegentAtlantic

Investment Adviser Brochure (Form ADV: Part 2A)

SEC File Number 801-17301

March 31, 2021

This brochure provides information about the qualifications and business practices of RegentAtlantic. If you have any questions about the contents of this brochure, please contact us at 973-425-8420. 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 RegentAtlantic also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## Item 2 - Material Changes

RegentAtlantic will update this brochure: 1) annually, 2) promptly when certain information becomes materially inaccurate, and 3) when RegentAtlantic deems it appropriate.

This is only a discussion of the material changes since RegentAtlantic's last annual brochure. The date of the filing of our last annual brochure was March 19, 2020.

RegentAtlantic will provide its clients with a summary of any material changes, if any, to this and subsequent brochures by April 30th of each year. You can request our brochure at any time by contacting Jennifer E. Papadopolu, Chief Compliance Officer, at 973-425-8420 (ext. 206) or [jpapadopolu@regentatlantic.com](mailto:jpapadopolu@regentatlantic.com).

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#### Item 4 - Advisory Business

EB Advisory Corp (founded 1982) and Individual Asset Planning (founded 1983) joined in 1997 to form Bugen Stuart Korn & Cordaro. The firm changed its name to RegentAtlantic Capital, LLC (“RegentAtlantic”) in 2001. On August 31, 2019, Hillview Capital Advisors, LLC joined RegentAtlantic and with clients’ consent, assets managed by Hillview Capital Advisors, LLC were assigned to RegentAtlantic.

RegentAtlantic provides clients with a broad range of wealth management services, including financial planning and ongoing investment management. Financial planning includes advice on goal setting, determining risk tolerance, retirement planning, IRA/qualified plan distributions, college funding, business planning, estate and tax planning, insurance analysis, stock options, and charitable giving. Investment management includes: 1) asset allocation, 2) investment vehicle selection, 3) management of a portfolio of individual equity securities, 4) management of private funds and 5) tax management. On occasion, RegentAtlantic also provides advice on non-investment related matters.

RegentAtlantic invests client assets primarily in individual fixed income securities (bonds), equity securities (stocks), exchange-traded funds, no-load and load-waived mutual funds and private funds. RegentAtlantic also recommends that certain clients allocate a portion of their assets to independent managers. RegentAtlantic does not limit its investment advice to these types of investments. RegentAtlantic may also invest client assets in structured notes and certificates of deposit (CDs). If a client has an existing variable annuity contract that was recommended by another advisor, RegentAtlantic will review the contract and if appropriate, may recommend that the client exchange it. With respect to variable annuity products, RegentAtlantic recommends variable annuities offered by unaffiliated third parties.

Further, RegentAtlantic serves as investment manager to private funds operating as funds-of-funds (see The Funds section below). RegentAtlantic recommends that certain clients allocate a portion of their assets to these private funds subject to the client’s overall investment objectives. Pooling client assets in these private funds enables RegentAtlantic to make investments with independent managers and in private funds in which individual clients may not otherwise be able to access due to high minimum investments requirements.

## The Funds

RegentAtlantic is the sub-advisor to the HCA WindAcre Access Fund, LP (“WindAcre Access”). WindAcre Access is a Delaware limited partnership that currently relies on an exemption from registration under the Company Act of 1940 that is available to investment partnerships whose partnership interests are owned exclusively by “qualified purchasers” (as defined in the Company Act). WindAcre Access seeks to generate attractive returns and to outperform the market by investing substantially all its assets in The WindAcre Domestic Partnership LP. The WindAcre Domestic Partnership LP seeks to identify and purchase a long-only portfolio of securities and then sell them as they approach or exceed fair value. Clients that invest in WindAcre Access will bear the expenses of the Fund. The general partner of WindAcre Access is an affiliate of PPB Capital Partners, LLC (collectively, PPB). PPB is paid a fee by WindAcre Access for serving as its general partner.

RegentAtlantic is also the investment manager of the HCA Special Opportunities Fund, LP (“Special Opportunities”), the HCA Global Alpha Fund, LP (“Alpha”), the HCA Global Alpha Fund Offshore, Ltd. (“Alpha Offshore”). These funds have been shut down and are in the process of liquidating. In addition, RegentAtlantic is not receiving its management fee directly from the funds.

RegentAtlantic tailors its wealth management services to a client’s individual financial objectives, time horizon, and risk tolerance. RegentAtlantic relies on the information provided by the client or the client’s other professionals and does not verify this information. Clients should notify RegentAtlantic if there is ever a change in their financial situation or investment objectives or if they wish to impose restrictions on investing in certain securities or types of securities.

RegentAtlantic also provides investment advice on a consulting basis. RegentAtlantic is not responsible for the management or ongoing review of the client’s assets following the delivery of this analysis and advice. A client who receives consulting services can accept or reject RegentAtlantic’s advice and can engage the services of RegentAtlantic or any other professionals to implement the recommendations.

Further, RegentAtlantic provides asset allocation advice and model portfolios on a non-discretionary basis subject to negotiated fees with investment advisors or financial intermediaries. Recommendations made on a non-discretionary basis may be the same or similar to the advice provided to RegentAtlantic’s clients on a discretionary basis. It is at the investment advisors’ or financial intermediaries’ sole discretion as to whether or not and to what extent they will implement the model portfolios or each recommendation made by RegentAtlantic for their respective clients. RegentAtlantic does not enter into a direct relationship with clients of those investment advisors or financial intermediaries.

Therefore, RegentAtlantic does not provide administrative, trading, portfolio accounting or account-specific performance reporting services to the clients of those investment advisors and financial intermediaries. Other services include pension consulting services and education seminars and workshops.

RegentAtlantic's principal owners are Christopher J. Cordaro and Jennifer E. Papadopolu. As of December 31, 2020, Chris owns approximately 24% of RegentAtlantic and Jennifer owns approximately 18%. As of December 31, 2020, RegentAtlantic managed approximately \$5,103,443,533 in assets on a discretionary basis and \$292,541,782<sup>1</sup> in assets on a non-discretionary basis.<sup>2</sup>

#### Item 5 - Fees and Compensation

RegentAtlantic provides wealth management services (WMS), including ongoing financial planning and ongoing investment management, to the majority of its individual clients. Certain clients, such as foundations and retirement plans, do not require financial planning.

The annual wealth management fee schedule for clients with accounts managed by RegentAtlantic invested in individual fixed income securities (bonds), equity securities (stocks), exchange-traded funds, no-load and load-waived mutual funds is as follows:

- ♦ 1.00% on the first \$5 million, plus
- ♦ .50% on the next \$5 million, plus
- ♦ .25% on all assets above \$10 million.

For Clients with assets under \$1,000,000 the annual fee will be equal to the minimum fee of \$10,000. Certain clients may qualify for a phased in minimum fee starting at \$2,500 increasing to \$10,000 over time. These accounts are subject to a one-time set-up fee billed with the initial invoice. The maximum set-up fee charged is \$2,500.

The annual wealth management fee schedule for clients with accounts managed by RegentAtlantic invested in private funds or with assets allocated to Independent Managers is as follows:

- ♦ .75% on the first \$10 million, plus

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<sup>1</sup> This number includes the assets that are managed by others using our nondiscretionary model portfolios. RegentAtlantic does not include assets managed by other persons based on non-discretionary model portfolios provided by RegentAtlantic in the calculation of our regulatory assets under management in Part 1A, Item 5.F of the Form ADV.

<sup>2</sup> RegentAtlantic calculated assets under management using the most recent available market value. \$5,363,658,653 in assets under management are valued as of December 31, 2020. \$32,326,662 in assets under management did not have a December 31, 2020 market value available as of the date of this filing and therefore RegentAtlantic used the most recent available market value for those assets.

- ♦ .65% on the next \$10 million, plus
- ♦ .50% on all assets above \$20 million

For Clients with assets under \$10,000,000, the minimum fee is equal to 1% of market value of the assets under management

Clients with accounts that were in place before the current fee schedule above are charged fees in accordance with the fee schedule in place at the time they became a client as disclosed in their wealth management agreement. This includes fee schedules for clients whose contracts were assigned to RegentAtlantic from Hillview Capital Advisors, LLC. Some of the fee schedules are higher and some of the fee schedules are lower than the current fee schedules above.

Assets under management includes the value of cash and of any assets held in money market funds. All fees are negotiable.

At its discretion, RegentAtlantic may elect to reduce or waive the annual minimum fee based on the circumstances surrounding the client relationship (e.g. a client's status as an existing financial planning client or employee, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets managed, related accounts, type of services required, account composition, and individual negotiations). Fees are pro-rated and paid either quarterly, in advance, or monthly, in arrears, based upon the market value of the assets on the last business day of the previous quarter. RegentAtlantic uses its portfolio management system or the electronic data feed from the client's custodian to determine the value for WMS fees. The value used for determining WMS fees may differ from the value shown on the client's custodial statement due to various account activity, such as unsettled trades and accrued dividends, which may not be reflected in the client's custodial statement as of the valuation date. Margin balances and pending subscriptions may be added back as well. For investments in private funds which are held outside of TD Ameritrade ("TD Ameritrade"), Charles Schwab & Co., Inc. ("Schwab"), Fidelity Investments ("Fidelity") and/or Pershing, LLC ("Pershing"), WMS fees are calculated using the most recent valuation provided by the fund administrator or a more current estimate based on information provided by the investment manager. There are certain legacy clients and retirement plan accounts that are billed in arrears based on the market value of the assets on the last business day of the quarter. RegentAtlantic debits the WMS fee directly from a client's account. Upon request, RegentAtlantic will send an invoice to the client rather than directly debit the client's quarterly fee. The specific timing and methodology used to calculate the WMS fee with regard to each client is detailed in the client's wealth management agreement.

For consulting services, RegentAtlantic charges a fixed and/or hourly fee. Fees depend on the level and scope of the services provided and the experience and expertise of the

RegentAtlantic employee rendering the services. Fixed fees range from \$5,000 to \$25,000 and hourly fees range from \$150 to \$500 per hour. Fees are negotiable and are subject to a \$5,000 minimum. Clients pay 50% of the consulting fee at the start of the engagement and 50% within 30 days after the project is completed. If an individual becomes a wealth management client within 12 months after the end of the consulting engagement, RegentAtlantic applies 50% of the consulting fee towards the client's first year's wealth management fee.

For non-discretionary investment advice in the form of model portfolios to investment advisors or financial intermediaries, fees charged by RegentAtlantic will vary depending upon the level of service agreed to under the terms of advisory services agreements.

Clients can terminate the agreement for wealth management or consulting services by providing written notice to RegentAtlantic. If a client terminates the wealth management agreement, RegentAtlantic pro-rates the fee through the termination date and refunds or charges any balance. If a client terminates the investment consulting agreement, RegentAtlantic is compensated for the portion of the engagement completed and refunds any balance. If a client terminates any of RegentAtlantic's services within five business days of entering in the agreement, RegentAtlantic refunds any fee paid.

In the past, RegentAtlantic offered as a courtesy a discounted fee to professionals, such as attorneys and accountants. This practice was discontinued in 2013.

In addition to RegentAtlantic's fee, clients pay brokerage and other transaction costs (as described in Item 12 below). Clients also pay charges to financial institutions and other third parties such as custodial fees, charges imposed directly by mutual funds (including money market funds) and exchange traded funds, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, fees charged by custodian banks that sponsor ADRs, foreign tax withholding, reorganization fees, redemption penalties of mutual funds, margin expenses, alternative investment fees, and other fees and taxes on brokerage accounts and securities transactions. A company sponsoring a variable annuity contract in which we invest some of our clients' assets from time to time also assesses various account fees. RegentAtlantic does not receive any portion of these other fees.

Furthermore, client assets that are either invested in private funds or allocated to Independent Managers will be subject to management fees, performance fees and other expenses charged by such funds and investment managers. Such charges, fees and commissions are exclusive of, and in addition to, RegentAtlantic's fees.

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

RegentAtlantic does not receive performance-based fees.



## Item 7 - Types of Clients

RegentAtlantic's clients are comprised of individuals, including high net worth individuals, charitable organizations such as foundations and endowments, private funds, pension and profit-sharing plans, trusts, estates, corporations, and business entities.

As described in Item 5 above, RegentAtlantic imposes an annual minimum fee for its services. RegentAtlantic reduces or waives this minimum based on certain criteria, such as a client's status as an existing financial planning client or employee, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets managed, related accounts, types of services required, account composition, and individual negotiations.

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

### Asset Allocation

RegentAtlantic's Investment Committee is composed of members of RegentAtlantic's investment team. This committee recommends investment weightings for the firm's model portfolios. The Investment Committee manages the stock portions of a portfolio to a benchmark that is a blend of 75% in the S&P 500 index and 25% in the MSCI All Country World Ex USA index. The Investment Committee manages bond portfolios to the Barclays Aggregate Bond Index as a benchmark. Based on current market conditions, current valuations, and research, the Investment Committee recommends investments to construct a portfolio that tracks these benchmarks and deviates from them to capture opportunities as identified by the Investment Committee. Investment Vehicles in RegentAtlantic's portfolios may include individual stocks, individual bonds, mutual funds, exchange traded fund, independent managers and private funds.

With respect to investments in private funds and assets allocated to Independent Managers, the process begins with the evaluation of near, mid and long-term investment goals. Allocations are then made to asset classes and managers based on their ability to meet these needs. The current model may be adjusted from time to time due to market conditions, new opportunities or other variables. These allocations are dynamic and flexible, capable of adjusting over time in response to changing risks, return expectations, and opportunities. They are periodically modified to take advantage of new opportunities that arise or to take into account the emergence of niche manager skills. Taxes, liquidity and expenses are taken into consideration at each stage of the process and before making each investment decision, which can have a material impact on the overall returns.

RegentAtlantic develops a target allocation for most clients that is based on the RegentAtlantic's model portfolios and on the client's individual objectives, risk tolerance

and other restrictions. The investment team compares the actual asset allocations of client portfolios to their target allocations. If there is a large difference between the actual and target allocations, the investment team makes purchase and/or sale recommendations to rebalance the portfolio. These recommendations are reviewed, approved or modified by the Wealth Advisor assigned to the client. A difference that exceeds 20% of an asset class target portfolio weight typically warrants a recommendation to rebalance. This may vary based on transaction costs, tax implications, and market conditions. High net worth clients solely invested in private funds are typically not managed and rebalanced to model allocation. For these clients, RegentAtlantic will discuss the appropriate allocation with the client.

### Investment Selection

The Investment Committee determines which investment vehicles RegentAtlantic will use with respect to a particular asset class. RegentAtlantic's selection process for investment vehicles is described below. RegentAtlantic implements investment recommendations using the following strategies: 1) long term purchases (securities held at least a year), 2) short-term purchases (securities sold within a year), 3) margin transactions, 4) options trading, 5) short sales 6) private funds and 7) independent managers. In order to conduct asset class and investment vehicle research, the firm subscribes to a number of financial data and analytical services, including: Bloomberg, FactSet, Axioma, BCA Research, Ned Davis Research and Morningstar.

### *Mutual Funds and Exchange-Traded Funds*

A member of RegentAtlantic's Investment Committee screens the available universe of investment vehicles in a given asset class and may use Morningstar's database of funds to identify the preferred investment vehicles. The member prepares a written recommendation to the Investment Committee in an annual review and other periodic reviews that may arise. The Investment Committee may accept the recommendation, reject the recommendation, or request further analysis. The Investment Committee considers a range of selection criteria in determining the approved investment vehicles, including: historical performance; historical risk; sector and country exposure; expense ratios; management style; and other factors.

### *US Large Cap Stocks*

When appropriate for a client, RegentAtlantic invests in individual equity securities for the US large cap asset class. RegentAtlantic constructs a portfolio of individual stocks that it believes will track the S&P 500 index and places trades over time to better replicate the index, to manage the tax impact, or to rebalance.

### *Fixed Income Securities*

RegentAtlantic may invest in fixed income securities to provide liquidity and to attempt to reduce volatility in client assets. When investing in fixed income securities, RegentAtlantic looks to invest primarily in high credit quality, short duration bonds. RegentAtlantic's Risk Management Committee maintains and updates the firm's bond purchasing criteria. This committee determines: 1) the acceptable duration, 2) the acceptable credit rating, and 3) an approved list of corporate bond issuers for bonds.

### *Municipal Bonds*

RegentAtlantic may include an investment in individual municipal bonds in its managed portfolios. Not all client portfolios will include these investments. In determining which client portfolios will purchase individual municipal bonds, RegentAtlantic will consider: 1) the client's marginal tax rate, including federal income tax bracket, state income tax bracket, and the Medicare surtax on net investment income, 2) the suitability of tax-exempt municipal bonds for the client, 3) the client's liquidity constraints, and 4) the size of the client's portfolio.

### *Treasury Securities*

RegentAtlantic may invest in fixed income securities issued by the United States Treasury. These investments may include, but may not be limited to, Treasury Bills with maturities up to 1 year from the present date and Treasury Inflation Protected Bonds (TIPs). TIPs are bonds issued by the United States Treasury which pay a fixed coupon and whose par values may fluctuate with changes in the consumer price index. RegentAtlantic's Investment Committee may include allocations to Treasury Securities on the basis of valuations and market conditions.

### *Independent Managers*

RegentAtlantic may allocate assets among independent managers. Analyses on prospective and existing independent managers include but are not limited to trailing period returns, trailing period standard deviations, historical performance as well as drawdown, correlation and statistical analyses. All relevant benchmarks / indices and similar strategies are included in these analytics for comparative purposes. RegentAtlantic also employs a robust due diligence program to evaluate prospective and existing independent managers which includes but is not limited to on-site visits and quarterly and annual information requests including operational and compliance related information and documentation. Based upon this initial and ongoing investment research, "bottom up" views on asset classes and strategies formulated from meetings with current and prospective managers are combined with "top down" views on macro factors to develop asset allocation views. Factors that RegentAtlantic shall

consider in recommending independent manager(s) include the client's stated investment objective(s), the investment manager's management style, performance, reputation, financial strength, reporting and pricing policies.

### Private Funds

RegentAtlantic may allocate assets among private funds, including those managed by RegentAtlantic. All relevant information, terms and conditions relative to private funds, including the investment objectives and strategies, minimum investments, liquidity terms, qualification requirements, suitability, fund expenses, risk factors, and potential conflicts of interest, are set forth in the offering documents (which typically include a confidential private offering memorandum, Limited Partnership Agreement, and Subscription Agreement), which each investor is required to receive and/or execute prior to being accepted as an investor in a fund.

### *Other*

A variable annuity offers a range of investment options including mutual funds that invest in stocks, bonds and/or money market instruments. When a client owns a variable annuity, RegentAtlantic is limited to the sub-account options offered by the variable annuity provider when making investment decisions for clients.

RegentAtlantic also invest clients if appropriate in Real Estate Investment Trusts ("REITs") and Business Development Companies ("BDCs"). A REIT is an investment company that owns real estate assets such as commercial buildings, or real estate securities such as Residential Mortgage Backed Securities. REITs earn their income from rents on the properties they own, or from net interest income from their portfolio of real estate securities. BDC is a company formed to help grow and lend to small and middle market businesses. BDCs investments may include loans and equity stakes in individual businesses.

### Risks

Each type of security has its own unique set of risks that are not always easily identifiable. These risks affect the performance and the volatility of any investment. For example, investments are affected by general economic and market conditions such as interest rates, availability of credit, inflation rates, economic uncertainty, and changes in laws and national and international political circumstances. Investments are also subject to currency, political and business risks. All investments are subject to market risk. The price of an investment may fall in response to specific news about that investment, general market conditions, the state of economy, and other possible events. Risks of loss may come both from new information and adverse developments directly related to the

investment, or from more general causes such as declines in the broad market for investments, declines in economic outlook, political risks, other potential risks.

Most mutual funds and exchange traded funds fall into one of three main categories – money market funds, bond funds, and stock funds. Each type has different features and different risks and rewards. Generally, the higher the potential return, the higher the risk of loss. Clients should read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks prior to investing.

Trading on margin, short selling, and option trading are not part of RegentAtlantic's standard model or current allocation model. However, RegentAtlantic may recommend one or more of these strategies depending on a client's individual circumstances. The specific risks of margin transactions, option transactions, and short sales are described below.

Buying securities on margin increases risk, and may result in larger losses and certain specific risks, including those listed below:

- When buying securities on margin, it is possible to lose more money than what was originally in the investor's account.
- The margin loan must be repaid regardless of the performance of the securities bought.
- Interest charged on the margin loan may reduce the investor's returns.
- When buying securities on margin, the lending broker-dealer may issue a margin call as a result of changing market conditions and/or securities prices. An investor receiving a margin call may have to deposit additional cash or securities in his/her account. If the investor does not do so, it is possible that the broker will sell some of the securities at a loss without the investor's approval.

Selling securities short carries a number of specific risks, including those listed below:

- It is possible that the value of the security rises, causing losses for the short seller.
- It is possible to have losses that exceed the value of deposits to an investor's account.
- There is no limit to the potential losses on a short sale, since there is no cap on how high the value of the security may rise.
- A short seller is responsible for paying any dividends/interest paid by the security that was sold short. This may reduce returns.

- When selling securities short, the lending broker-dealer may issue a margin call as a result of changing market conditions and/or securities prices. An investor receiving a margin call may have to deposit additional cash or securities in his/her account. If the investor does not do so, it is possible that the broker will buy back some of the securities that were shorted at a loss without the investor's approval.

Options trading carries a number of specific risks, including those listed below:

- When buying an option, the investor pays a premium. It is possible for the option to expire worthless and that investor will recover none of the original premium paid.
- When selling an option, the investor receives a premium. It is possible for the option to expire at a value significantly higher than the original premium received, resulting in significant losses for the investor.
- When selling a call option, the investor faces unlimited potential losses. There is no limit to the potential losses on a call option sold by an investor, since there is no cap on how high the value of the security may rise.
- It is possible to sell options in a margin account. When selling options, the lending broker-dealer may issue a margin call as a result of changing market conditions and/or securities prices. An investor receiving a margin call may have to deposit additional cash or securities in his/her account. If the investor does not do so, it is possible that the broker will buy back some of the options at a loss without the investor's approval.

Investing in private funds carry a number of specific risks, including those listed below:

- Certain private funds may be unable to raise funds to meet its stated liquidity terms, or may be unable to sell investments quickly or at a fair value.
- The success of private funds may depend upon the availability of the underlying funds or entities to develop and implement investment strategies that achieve the fund's investment objective. Decisions made by these underlying funds or entities may cause the limited partnership to incur losses, which in turn may cause the fund to limit an investors ability to withdraw funds.
- For further information involving the risks associate with private funds is found in the offering memorandum of the fund.

Investing in REITs carry a number of specific risks, including those listed below:

- The value of a REIT is affected by changes in the value of its underlying holdings, which may be driven by trends in rent growth, changes in interest rates, the desirability of the properties, and general market conditions.

- The performance of any one REIT may depend on the underlying properties or loans and the success of the REIT's manager/sponsor in building a portfolio.
- REITs are subject to heavy cash flow dependency, default by borrowers, self-liquidation, and the qualification of the REITs under applicable regulatory requirements for favorable income tax treatment.
- REITs face several risks, including: the possible declines in value in its real estate investments, conditions in the broad economy and in the regions where its properties are located, changes in rent growth, changes in interest rates, increased competition, property taxes, increased capital and operating expenses, and other economic, political, or regulatory occurrences affecting the real estate industry.
- To the extent that assets underlying a REIT are concentrated geographically, by property type, or in certain other respects, these risks may be heightened.
- REITs can be publicly traded or non-traded. Publicly traded REITs face the risk that their stock price can decline below the underlying net asset value of its investments. Non-traded REITs do not trade on an exchange. Non-traded REITs face the risk that investors may not be able to redeem/sell their shares.

Investing in BDCs carry a number of specific risks, including those listed below:

- A BDC may borrow funds to potentially enhance its returns. Borrowed funds may also increase its risk.
- BDCs are subject to many risks, including fluctuations in interest rates, business conditions, conditions in the credit markets, changes in the asset values of its investments, the risk that borrower's default, the risk an equity stake in a business declines in value.
- BDCs can be publicly traded or non-traded. Publicly traded BDCs may be bought and sold on the public stock exchanges. Publicly traded BDCs face the risk that their stock price can decline below the underlying net asset value of its investments. Non-traded BDCs do not trade on an exchange. Non-traded BDCs face the risk that investors may not be able to redeem/sell their shares.

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

#### Item 9 - Disciplinary Information

RegentAtlantic and its employees do not have legal or disciplinary events to disclose.

#### Item 10 - Other Financial Industry Activities and Affiliations

RegentAtlantic and its employees do not engage in financial industry activities or have affiliations that are material to the advisory business.

Where appropriate, RegentAtlantic recommends that a separate firm, WWR Brokerage, LLC, review the insurance policies of a client or prospective client. Wayne Rosenberg is the owner of this firm and is the stepfather of Brian Kazanchy, a wealth advisor and partner at RegentAtlantic. Neither RegentAtlantic nor Mr. Kazanchy is compensated from WWR Brokerage, LLC or any other source for this referral. The client or prospect is not obligated to purchase any products or services from WWR Brokerage, LLC.

David Spungen has made an investment to Corlex Capital, LLC. The owners are Jason Bedasse and Jeff Kolton. RegentAtlantic has entered into a solicitation agreement with both individuals. Any solicitation payments are made to Bedasse and Kolton and not to Corlex Capital, LLC.

RegentAtlantic has many professionals, such as accountants and attorneys, as clients. When appropriate, the services of these professionals may be recommended to other RegentAtlantic clients. These professionals may also recommend the services of RegentAtlantic to their clients. The recommendations are not dependent on the professional's status as a RegentAtlantic client or the professional referring clients to RegentAtlantic.

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

RegentAtlantic has a written code of ethics (the "code") that is based on fundamental principles of openness, integrity, honesty and trust. The code includes policies to prevent RegentAtlantic and its employees from misusing material non-public information (i.e., insider trading). The code also prohibits employees from engaging in personal securities transactions that: 1) place, or appear to place, the employee's interests above those of clients, 2) create an actual or potential conflict of interest, or 3) abuse the employee's position of trust and responsibility. All employees must conduct themselves in accordance with this code.

RegentAtlantic's employees may invest in the same securities (or related securities, e.g., warrants, options, or futures) for their own accounts that RegentAtlantic recommends and invests in for clients. Further, employees can transact in a security for their own accounts at or about the same time that RegentAtlantic recommends or invests in that same security for clients. A conflict of interest exists in such cases because employees could trade ahead of clients and potentially receive more favorable prices. To monitor this conflict, RegentAtlantic requires that employees obtain approval from RegentAtlantic before transacting in certain securities such as IPOs and limited offerings. Employees



must also report their personal investment holdings and securities transactions to RegentAtlantic. RegentAtlantic reviews this information to ensure that employees are acting in accordance with the code. It should be noted that employee transactions may be combined with client orders. In such instances, employee transactions will receive the same average price and commission as client transactions.

Contact Jennifer E. Papadopolu at 973-425-8420 (ext. 206) or [jpapadopolu@regentatlantic.com](mailto:jpapadopolu@regentatlantic.com) to request a copy of the code of ethics.

## Item 12 - Brokerage Practices

RegentAtlantic recommends the brokerage and custodial services of TD Ameritrade (“TD Ameritrade”), Charles Schwab & Co., Inc. (“Schwab”), Fidelity Investments (“Fidelity”) and/or Pershing LLC (“Pershing”) (collectively, the “Custodians”). RegentAtlantic also utilizes the custodial and trust administration services of National Advisors Trust Company for some trust accounts. Transactions for trusts accounts held at National Advisors Trust Company are executed through the Custodians. The Custodians charge brokerage commissions and/or transaction fees for effecting securities transactions. The different custodians have different commission schedules and charge differently for mutual funds transaction and margin loans.

RegentAtlantic seeks to obtain the “best execution” for client securities transactions. In seeking best execution, the determinative factor is not necessarily the lowest possible cost, but whether the transaction represents the best qualitative execution. RegentAtlantic recommends the services of the Custodians based on a number of factors including financial strength, reputation, execution, pricing, responsiveness, fees, research, and service.

If a client is unable to transfer his or her account to one of the Custodians, RegentAtlantic may accommodate this account with the aggregation service, ByAllAccounts, Yodlee or a direct feed from the custodian/broker. These services provides RegentAtlantic with transaction, pricing and position information on a view-only basis. RegentAtlantic will not seek better prices or execution services from the broker-dealers holding these clients' accounts and clients are responsible for placing the transactions recommended by RegentAtlantic through such broker-dealers.

The private funds' assets are held in custody at First Republic Bank and the private funds also use the brokerage services of Fidelity for trading services, account reconciliation and prime brokerage reporting services.

Currently, RegentAtlantic has two trust accounts at Northern Trust and two trust accounts at the Bank of New York. Certain client accounts hold variable annuities and private funds, which are held with the issuer.

RegentAtlantic does not have any plans to increase the number of accounts at these custodians.

### Independent Managers

Typically, the independent manager(s) are responsible for ensuring that clients get “best execution” because the independent manager(s) are responsible for the day-to-day investment decisions in client accounts.

### Soft Dollar Benefits

RegentAtlantic does not currently receive soft dollar benefits from any custodian.

### Other Benefits

If RegentAtlantic maintains a threshold dollar amount of client assets at the Custodians, it receives other benefits from them without cost or at a discount. These benefits are typically only available to institutional investors or would require a significantly higher minimum initial investment. These benefits do not depend on the amount of brokerage transactions RegentAtlantic directs to the Custodians. RegentAtlantic may receive some or all of the other benefits listed below.

- receipt of duplicate client statements and confirmations
- research related products and tools
- consulting services
- access to a trading desk serving institutional advisers
- the ability to aggregate securities transactions for execution and then allocate the shares to client accounts
- the ability to have advisory fees deducted directly from client accounts
- access to an electronic communications network for client order entry and account information
- access to mutual funds with no transaction fees
- access to certain institutional mutual fund managers
- software and other technology that provide access to client account data (such as trade confirmations and account statements)
- research, pricing information and other market data

- assistance with back-office functions, recordkeeping and client reporting
- consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing
- payment for business consulting, professional services and seminars that RegentAtlantic's related persons attend or receive
- discounts on compliance, marketing, research, technology, and practice management products or services provided to RegentAtlantic by third-party vendors

These products and services assist RegentAtlantic in managing and administering client accounts. For example, the Custodians provide services to help RegentAtlantic manage and further develop its business enterprise. These products and services benefit RegentAtlantic and do not benefit clients' accounts. RegentAtlantic's receipt of these economic benefits creates a potential conflict of interest. RegentAtlantic manages this potential conflict by periodically comparing the fees charged and services offered by the Custodians with those offered by other custodians.

In addition, the Custodians have supported and may in the future support the Wall Street Women Forum, an annual seminar held by RegentAtlantic, for clients and potential clients. This sponsorship benefits RegentAtlantic and does not directly benefit client accounts. RegentAtlantic's receipt of these economic benefits creates a potential conflict of interest. Additionally, the Custodians from time to time may provide support for other types of events for clients and potential clients. The support may include providing a location for the event, a speaker or paying for the event. RegentAtlantic manages this potential conflict by periodically comparing the fees charged and services offered by the Custodians with those offered by other custodians.

Fidelity occasionally refers prospective clients to RegentAtlantic. This creates an incentive for RegentAtlantic to recommend the custodial services of Fidelity. RegentAtlantic manages this conflict of interest by periodically reviewing the services of Fidelity in the same manner it does other custodians.

RegentAtlantic participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade, member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. RegentAtlantic receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, RegentAtlantic participates in TD Ameritrade's institutional advisor program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between RegentAtlantic's participation in the program and the investment advice it gives to its clients, although RegentAtlantic receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

### Block Trading

In general, RegentAtlantic effects client transactions independently (that is without regard to transactions in other client accounts). Where appropriate, RegentAtlantic may combine client transactions if it decides to purchase or sell the same securities for several clients at approximately the same time (the practice is commonly referred to as "block trading"). RegentAtlantic combines such orders to: 1) obtain "best execution", 2) negotiate more favorable commission rates, or 3) allocate differences in prices and commissions or other transaction costs equitably across client accounts. Employee transactions may be combined with client orders. If RegentAtlantic does not combine transactions when it has the opportunity to do so, clients could pay higher brokerage costs.

The decision on whether to combine client transactions is made at the discretion of the investment team, who judge whether block trading is appropriate in any given instance on the basis of: 1) the average daily trading volume of the securities traded 2) the number of trades and the total share quantity to be traded 3) overall liquidity conditions for the securities. The investment team strives to combine all client transactions if it is appropriate. Due to the timing of recommendations, it is possible that RegentAtlantic may combine transactions for some client's accounts and then execute individual transactions for other client accounts in the same security on or around the same day. In those instances where the investment team does not combine client transactions, it is possible that transactions in the same security on the same day could take place at different prices and the overall prices at which securities transactions could be less favorable to clients of RegentAtlantic.

For municipal bonds, when RegentAtlantic determines that portfolios should include investments to individual municipal bonds, RegentAtlantic will fill orders for municipal bonds on a first-in, first-out rotational basis. For example, if two clients need to buy \$200,000 of bonds each, are both residents of the same state, Client 1 entered an order first, Client 2 entered an order second, and the appropriate purchase quantity for them is \$100,000 per issuer we will:

- Purchase up to \$100,000 of a bond for Client 1 first
- Then, purchase up to \$100,000 of a bond for Client 2

- Then, purchase a 2<sup>nd</sup> bond for Client 1, completing that order
- And finally, purchase a 2<sup>nd</sup> bond for Client 2.

From time to time RegentAtlantic may make changes to its recommended asset allocation in bonds and those changes may require that many clients have similar orders at the same time. Due to liquidity constraints in the market for municipal bonds it is not always possible to fill a large number of orders in a single day. In those instances, we will determine which client portfolios require a municipal bond trade. Once this determination has been made, each client portfolio for which a bond order is appropriate will be assigned a random number, and orders will be handled in ascending order on a rotational basis. For example, if two clients need to buy \$200,000 of bonds each, are both residents of the same state, Client 1 is assigned #1 by lottery, Client 2 is assigned #2 by lottery, and the appropriate purchase quantity for them is \$100,000 per issuer we will:

- Purchase up to \$100,000 of a bond for Client 1 first
- Then, purchase up \$100,000 of a bond for Client 2
- Then, purchase a 2<sup>nd</sup> bond for Client 1, completing that order
- And finally, purchase a 2<sup>nd</sup> bond for Client 2.

### Directed Brokerage

Clients determine the broker-dealer and custodian to be used; however, for custodian and/or brokerage services, the options are typically limited to the Custodians. Not all investment advisers require their clients to use the brokerage and clearing services of a limited number of firms. The commissions and transaction fees charged by the Custodians may be higher (or lower) than what other broker-dealers charge and this practice could cost clients more money. Further, in using only the Custodians, RegentAtlantic could be unable to achieve the most favorable execution of client transactions.

Clients may direct RegentAtlantic to use a specific broker for their account. If a client does not use one of the Custodians, RegentAtlantic will not seek better prices or execution services from the broker-dealers holding these clients' accounts. In addition, RegentAtlantic will not be able to aggregate these clients' transactions with the transactions of RegentAtlantic's other clients. As a result, these clients could pay higher commissions or other transaction costs and receive less favorable net prices on transactions.

## Fixed Income Trading

RegentAtlantic uses broker-dealers other than the Custodians to execute fixed income transactions. RegentAtlantic negotiates with many large fixed income broker-dealers to secure the best pricing in the fixed income market. Broker-dealers typically include a mark-up/down in the price of the securities purchased or sold. In addition to this mark-up/down, TD Ameritrade charges \$25.00, Schwab charges \$15.00, Fidelity charges \$20.00 and Pershing charges \$10 to wire the funds to purchase the bond to the executing broker and then to settle the bond in the client's account.

## Initial Public Offerings ("IPOs")

RegentAtlantic does not recommend or purchase IPOs for its individual client accounts. If a client requests that RegentAtlantic purchase a specific IPO and the IPO is available to RegentAtlantic, RegentAtlantic purchases the IPO on a pro-rata basis with any other unsolicited requests from clients.

## **Item 13 - Review of Accounts**

Each Wealth Advisor is generally assigned no more than two hundred client relationships. Wealth Advisors establish an asset allocation policy for each client. This policy is determined after obtaining a clear understanding of a client's goals, objectives, risk tolerance and investment time horizon. The Wealth Advisor reviews the asset allocation periodically with the client to ensure that it is still appropriate and to make changes if needed. In general, the investment team reviews client portfolios at least once per week. The frequency of reviews varies depending on market conditions and pending asset allocation changes.

The Investment Committee continually monitors the performance of all recommended investments. The Investment Committee conducts a formal review of the investments in each asset class at scheduled times throughout the year. Each asset class is assigned to a member of the Investment Committee who is responsible for conducting the annual review of investment vehicles in the asset class as well as conducting reviews and making investment recommendations as needed.

RegentAtlantic furnishes written reports to clients at the inception of the relationship and at the time of major reviews. RegentAtlantic also issues interim reports based on the client's individual needs. RegentAtlantic sends wealth management clients a written update of their account on a quarterly basis. RegentAtlantic offers to meet with wealth management clients at the client's request in order to review the investment performance of the account and to monitor progress towards achieving his or her goals.

Wealth Advisors perform consulting services on an as needed basis at the client's request. At a minimum, a project engagement usually includes a financial independence report, together with an analysis of the client's existing investment portfolio and RegentAtlantic's recommendations for potentially improving the portfolio's expected risk-return characteristics.

#### Item 14 - Client Referrals and Other Compensation

As described in Item 12 above, RegentAtlantic receives other benefits from the Custodians. RegentAtlantic does not receive any other economic benefit from a non-client for providing investment advisory services.

RegentAtlantic also may pay certain of its employees a referral fee of 25% of any wealth management fee it collects with respect to clients referred to it by the employees for the first and following three quarters after collecting such a fee. In addition, RegentAtlantic may pay certain of its employees a percentage of new client revenues and certain revenue generated deposits from existing clients. The percentage is based upon the level of new client revenue generated by that employee. RegentAtlantic pays these referral fees out of its investment management fee; the referral fee payments do not result in any additional charge to the client.

RegentAtlantic receives client referrals from Schwab through RegentAtlantic's participation in Schwab Advisor Network®. The service is designed to help investors find an independent investment adviser. Schwab is a broker-dealer independent of and unaffiliated with RegentAtlantic. Schwab does not supervise and has no responsibility for RegentAtlantic's management of clients' portfolios or its other advice or services. RegentAtlantic pays Schwab fees to receive client referrals through the service. RegentAtlantic's participation in the service may raise potential conflicts of interest described below.

RegentAtlantic pays Schwab a participation fee on all referred clients' accounts that are maintained in custody at Schwab and a non-Schwab custody fee on all accounts that are maintained at or transferred to another custodian. The participation fee paid by RegentAtlantic is a percentage of the fees a client owes to RegentAtlantic or a percentage of the value of the assets in the client's account, subject to a minimum participation fee. RegentAtlantic pays Schwab the participation fee for so long as the referred client's account remains in custody at Schwab. The participation fee is billed to RegentAtlantic quarterly and may be increased, decreased or waived by Schwab from time to time. The participation fee is paid by RegentAtlantic and not by the client. RegentAtlantic has agreed not to charge clients referred through the service fees or costs greater than the fees or costs RegentAtlantic charges clients with similar portfolios who were not referred through the service.

RegentAtlantic generally pays Schwab a non-Schwab custody fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from, Schwab. The fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The non-Schwab custody fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab custody fee is higher than the participation fees RegentAtlantic generally would pay in a single year. Thus, RegentAtlantic will have an incentive to recommend that client accounts be held in custody at Schwab.

The participation and non-Schwab custody fees will be based on the assets in accounts of RegentAtlantic's clients who were referred by Schwab and those referred clients' families living in the same household. Thus, RegentAtlantic will have incentives to encourage household members of clients referred through the service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit RegentAtlantic's fees directly from the accounts.

For accounts of RegentAtlantic's clients maintained in custody at Schwab, Schwab will not charge the client separately for custody, but will receive compensation from RegentAtlantic's clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab will also receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker dealer's fees. Thus, RegentAtlantic may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. RegentAtlantic nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than for RegentAtlantic's other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than for other accounts that are executed at other broker-dealers.

In addition, RegentAtlantic has agreements with unaffiliated solicitors to whom it pays referral fees in accordance with the requirements of Rule 206(4)-3 under the Investment Advisers Act. Any such referral fee shall be paid to the solicitor based on a percentage of the investment management fee paid to RegentAtlantic by the solicited client and shall not result in any additional charge to the client.



#### Item 15 - Custody

All client assets are held at qualified custodians with the majority held at the Custodians. In the case of variable annuity contracts, the investments are held at the insurance company that issued the variable annuity contract. The qualified custodians send monthly or quarterly account statements directly to clients. Statements for assets held away from the Custodians are not typically sent directly to clients but RegentAtlantic can arrange for such delivery. RegentAtlantic urges clients to carefully review these statements and to compare the account statements they receive from the qualified custodian with those they receive from RegentAtlantic.

Additionally, RegentAtlantic's role as advisor and sub advisor to private funds of funds enables it to invest the fund's assets and RegentAtlantic's has developed procedures that ensure the safeguarding and protection of the assets. Such procedures include among other things, maintaining the funds' assets with an independent custodian, the separation of functions, and signatory approvals for certain types of distributions.

Private funds are subject to an annual audit completed by an independent public accounting firm that is registered with and subject to regular inspection by the Public Company Accounting Oversight Board and the audited financial statements are distributed to each Investor. The audited financial statements are prepared in accordance with generally accepted accounting principles, issued with an unqualified opinion, and distributed within 180 days of the fund's respective fiscal year.

#### Item 16 - Investment Discretion

It is RegentAtlantic's practice to enter into a written agreement with each client. This agreement describes the terms and conditions of the engagement, the scope of the services to be provided, discretionary authority, compensation, various representations and warranties and other terms of the relationship. Clients also sign a custodial/clearing agreement with the Custodians or another custodian. RegentAtlantic is not a party to these agreements. If RegentAtlantic's written agreement with the client does not grant discretionary authority, the agreement with the custodian typically provides RegentAtlantic, among other things, with the authority to place trades in a client's account.

RegentAtlantic may enter into advisory services agreements with investment advisory firms or other financial intermediaries to provide non-discretionary investment advice in the form of model portfolios.

If RegentAtlantic recommends that clients authorize the active discretionary management of a portion of their assets by and/or among certain independent managers, the terms and conditions under which the client shall engage the independent manager(s) shall be set forth in the written agreements between (1) the client and RegentAtlantic or (2) either

RegentAtlantic or client and the designated independent manager(s). Clients will be provided with the specific fees such manager will charge for their services. RegentAtlantic shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance, for which RegentAtlantic shall receive an annual advisory fee (as described in Item 5) which is based upon a percentage of the market value of the assets being managed by the designated independent manager(s).

Clients may limit RegentAtlantic's authority, such as by directing RegentAtlantic not to invest in securities of particular issuers.

#### Item 17 - Voting Client Securities

RegentAtlantic has policies and procedures to ensure that client securities are voted in the best interest of the client and to address conflicts of interest. If RegentAtlantic has proxy voting authority with respect to an account, it votes on matters including corporate governance, adoption or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. RegentAtlantic also votes on proxies related to mergers, acquisitions, tender offers, bankruptcy proceedings or other types of events. With respect to mutual funds, RegentAtlantic votes on matters such as the approval of advisory contracts, distribution plans, and mergers. Clients can direct RegentAtlantic to vote on a particular issue by contacting us in writing prior to the vote's submission date.

RegentAtlantic engages an independent third-party shareholder service firm to provide research on corporate governance issues and corporate actions, make proxy voting recommendations and handle the administrative functions associated with the voting of proxies. RegentAtlantic votes in accordance with the recommendations of this firm. If RegentAtlantic has a reason to disagree with the recommendations provided, it instructs the third-party service firm to cast the vote as RegentAtlantic directs.

RegentAtlantic seeks to ensure that its proxy voting decisions are in the best interest of its clients and are not the product of a conflict of interest. A conflict could occur due to business or personal relationships that RegentAtlantic maintains with persons having an interest in the outcome of the votes. RegentAtlantic's Chief Compliance Officer maintains a written record of how it addresses any such conflicts of interest.

Independent Managers generally have the authority to vote proxies solicited by and with respect to issuers of securities held in allocated accounts managed by such Independent Managers.

If a client does not authorize RegentAtlantic to vote proxies, clients receive their proxies or other solicitations directly from the custodian or, in the case of mutual fund shares, the

fund's transfer agent. Clients may contact RegentAtlantic directly with any questions about a particular solicitation.

To obtain information regarding RegentAtlantic's proxy voting policies and procedures and how RegentAtlantic voted a proxy, contact Jennifer E. Papadopolu at 973-425-8420 (ext. 206) or [jpapadopolu@regentatlantic.com](mailto:jpapadopolu@regentatlantic.com).

#### Item 18 - Financial Information

RegentAtlantic has a significant, material financing arrangement with Fiduciary Network (FN) to provide financing for term shareholder loans and interest-only company loans used for the repurchase of retiring and terminated shareholder equity as well as certain mergers and acquisitions activities. This financing arrangement has allowed us to stay independent and to significantly expand the firm's employee ownership. FN owns non-voting shares representing approximately 0.02% of RegentAtlantic's total outstanding equity ownership. FN's company loans have a non-voting equity conversion option that will become effective on the earlier of an event of default under the credit agreement or June 30, 2029. We explicitly believe this financing arrangement has allowed and will continue to allow RegentAtlantic to provide our clients independent wealth management.

RegentAtlantic is financially capable of meeting all contractual commitments to clients.