



7525 SE 24<sup>th</sup> Street, Suite 670  
Mercer Island, WA 98040  
206-275-2277  
March 8, 2021  
[www.kaufmankampe.com](http://www.kaufmankampe.com)

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## Soft Form ADV Part 2 A

### "Disclosure Brochure"

#### Item 1 – Cover Page

Form ADV, Part 2; our "Disclosure Brochure" or "Brochure" as required by the Investment Advisers Act of 1940, is a very important document between Clients ("you", "your") and Kaufman Kampe Advisors LLC ("Kaufman Kampe", "us", "we", "our"). This Brochure provides information about our qualifications and business practices.

If you have any questions about the contents of this Brochure, please contact us at 206-275-2277 or via email at [info@kaufmankampe.com](mailto:info@kaufmankampe.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Regulatory Authority.

We are a registered investment adviser with the Securities and Exchange Commission. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, are information you use to evaluate us (and other advisers) which are factors in your decision to hire us.

Our Central Registration Depository (CRD) number is **144504**; this number identifies Kaufman Kampe in the Investment Adviser Registration Depository (IARD) system.

Additional information about our firm (and our employees) is available to you for free, by using a Securities and Exchange Commission "public disclosure" website. This site is called "Investment Adviser Public Disclosure" and is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



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## **Item 2 – Material Changes**

Kaufman Kampe updates its ADV Part 2A annually, or more frequently in the event of certain material changes. This section outlines and summarizes the specific changes made to this Brochure since our last annual update on March 06, 2020.

Material Changes:

We have not made any material changes to this Brochure.



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### Item 3 - Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Material Changes .....	2
Item 3 - Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	6
Item 6 – Performance-Based Fees and Side-By-Side Management.....	9
Item 7 – Types of Clients .....	9
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	9
Item 9 – Disciplinary Information .....	11
Item 10 – Other Financial Industry Activities and Affiliations.....	11
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .	11
Item 12 – Brokerage Practices .....	12
Item 13 – Review of Accounts.....	15
Item 14 – Client Referrals and Other Compensation.....	16
Item 15 – Custody.....	16
Item 16 – Investment Discretion .....	16
Item 17 – Voting Client Securities (i.e., Proxy Voting).....	17
Item 18 – Financial Information .....	17
Privacy Policy .....	18



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## **Item 4 – Advisory Business**

### **Overview of our Firm:**

Kaufman Kampe Advisors LLC ("Kaufman Kampe") is an SEC-registered investment firm founded in August 2007. Kaufman Kampe is owned by Lori Kaufman and Valerie Kampe, details of which can be found on our Form ADV Part 1A.

We are a fee only, comprehensive financial planning and investment advisory firm. We provide personalized confidential financial planning and investment management to individuals, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with you and may include: determination of financial objectives, cash flow management, tax planning, investment management, education funding, retirement planning and estate planning. This may include referrals to professionals related to estate planning, tax preparation, and insurance solutions. Kaufman Kampe does not offer or make specific recommendations related to insurance products.

### **Services Offered / Provided**

#### **Discretionary Portfolio Management Services (and Personal Financial Planning)**

We believe you are best served when we provide complementary services to you. As a result, when you engage (hire) us to manage your accounts (or portfolios), we offer to you our financial planning services as part of the overall service (see Personal Financial Planning Services, described below). Note, however, institutional Clients will not receive a written financial plan. This allows us to provide you with a fully customized portfolio solution through the planning process which validates your current information. With this current information we define:

- Your investment objectives
- Current financial picture, and
- Your investment goals, objectives and risk tolerances

The result is your Investment Policy Statement (IPS). Within the IPS we define your strategic asset allocation. Upon your review of the IPS and strategic asset allocation, we use our discretionary investment authority to construct and implement a portfolio intended to meet your needs and objectives.

Of course, during this process, you may indicate any personal preferences you may have related to your investments, by instructing us to refrain from investing portfolio assets in companies or industries that are inconsistent with your personal beliefs (these are called investment restrictions, and they affect our discretionary authority). If we deem your restrictions to be too restrictive (for example, the restrictions prohibit us from appropriately diversifying your assets) we reserve the right to negotiate your restrictions, or not to accept your account (or terminate the account in the case of existing Clients who impose restrictions we deem (in our sole opinion) as being too restrictive or too difficult to monitor or implement).

Restrictions will be identified in your IPS. You may modify these restrictions at any time; any such modifications are noted but are not implemented until approved by us.

Periodically, and as necessary, we may re-balance your portfolio so that it remains consistent with your stated goals and objectives.



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Our discretionary authority is documented in the written IAA we have with you. This agreement also provides us with specific authorizations, including our ability to directly debit our advisory fees from your brokerage / custodial accounts (as described below, under Item 5).

### **Rollovers from Retirement Plans; Fiduciary Status for Retirement Investors**

In recommending that any client roll over retirement plan assets to our management, we have a conflict of interest. Before making any such recommendation we discuss with you the likely cost differences, review your existing investment options, and your overall investment objectives. We only make the recommendation once we've determined that doing so is in your best interest.

As an investment advisor we are a fiduciary to all of our clients. We also explicitly acknowledge that we are a "fiduciary" under ERISA or the Internal Revenue Code, or both, with respect to our investment advisory recommendations and discretionary asset management provided to Retirement Investors under this Agreement.

### **Personal Financial Planning**

**A solid financial plan**—we can't overstate its importance. A written and comprehensive plan outlines your objectives, clarifies your goals, sets your priorities, and serves as the compass that guides every financial decision you make.

We walk you through a financial planning process based on the "big picture" and all its many pieces. Using discovery conversations, we discuss your thoughts, needs, and concerns surrounding:

- Retirement
- Investing
- Education
- Taxes
- Insurance
- Estate, and
- Giving

With a thorough understanding of your objectives, we are able to formulate a plan that includes an integrated set of strategies based on established planning and investment techniques.

Once your initial plan is developed, we work with you to systematically implement your strategies. Then we periodically review and measure your progress to remain aligned with your plan. This process keeps our understanding of your situation fresh and allows us to update your plan as needed.

Planning and plan implementation are much more than just an investment portfolio; a comprehensive plan (and then on-going topical issues or projects) may include (and is not limited to) the following:

- Analysis of your net worth
- Cash flow projections
- Retirement planning
- Educational savings
- Estate planning needs
- Risk management (insurance and appropriate levels of coverage for your family)
- Tax management and planning

Kaufman Kampe does not provide tax advice or estate planning; as a result, we encourage you to consult your accountant and attorney for specific implementation on such matters.



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You will receive a written plan that includes certain projections based on output from our planning software and/or other available resources. All reports, financial statement projections, and other data are intended for your use in assessing and implementing your financial plan. As a result, the statements or other materials should not be considered complete financial statements. As you know, the more accurate the data provided to us (directly by you or by your other professional advisors (attorney, accountant)) the better the output in your written plan. Of course, we do not have responsibility to verify the data you (or your other professionals) provide as information necessary to complete your plan. We are, by our written planning agreement we have with you, authorized to rely on this data and information.

We strongly urge our planning clients to contact us promptly if there are changes to your financial situation or life situation (marriage, divorce, inheritance, pregnancy, etc.) that can impact your goals, objectives or personal situation. These events may cause us to review, evaluate and/or revise your financial plan. The result can be changes in previous recommendations or advice.

Financial plan recommendations often differ between projected and actual results, as events or circumstances are not predictable, do not occur as expected, or occur with different results than expected. Our analyses are highly dependent upon certain economic assumptions that you make about the future. We advise our clients as to the consistency (over time) of your personal assumptions (in the context of historical data); however, we do not express assurances on the accuracy or reasonableness of your personal assumptions. You are ultimately responsible for the accuracy of the information and personal data provided to us to generate your financial plan.

**Assets Under Management (as of 01/31/2021):**

Type	AUM in US Dollars
Discretionary	\$154,577,200
Non-Discretionary	\$0.00
Total AUM	\$154,577,200

**Item 5 – Fees and Compensation**

Fees we charge for our services are described below (in the same sequence as the services are described and listed above).

**Portfolio Management (and Personal Financial Planning)**

Our portfolio management services are provided according to the asset-based fee schedule below. We recommend a minimum account size of \$500,000 for these services.

Our recommended minimum account size is not a “required minimum”, however. We will, on a case-by-case basis, when requested, accept relationships smaller than \$500,000; however, to do so, we impose a minimum annual fee of \$5,000 per year or \$1,250 per quarter. This means the annualized asset-based fee may exceed our standard fee schedule (as indicated below) of 1.0%. In addition, the effective minimum annual fee may exceed 2% of the assets under management if the account is smaller than \$250,000. This minimum annual fee on accounts under \$500,000 and specifically under \$250,000 is an asset-based fee that may exceed the asset-based percentage fee charged by other investment advisers who offer the same or similar services.

We may also waive the minimum annual fee, at our sole determination.



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Assets Under Management		Annual Rate
First	\$1,000,000	1.00%*
Additional assets from	\$1,000,001 to \$5,000,000	0.75%
Additional assets from	\$5,000,001 to \$10,000,000	0.55%
Additional assets from	\$10,000,001 and up	0.25%
*subject to a minimum account size of \$500,000. Smaller accounts are subject to a minimum fee of \$1,250 per quarter, which will result in an annual fee above 1.00%.		
One financial plan during each 12-month period is included in our fee. Additional financial plans are subject to Project-Based or Hourly fees as described below, and as agreed upon by Client and Kaufman Kampe.		

Fees are payable quarterly in advance on the first day of the calendar quarter based upon the market value of your account(s) at the end of the previous quarter as provided by your third party, qualified custodian (see Item 12 below). For accounts opened during a calendar quarter, the initial quarterly fee is based on the balance of assets in the account on the 15<sup>th</sup> business day following the initial asset deposit. We call this date the Billing Inception Date. Fees are charged based on the Billing Inception date to the end of the quarter (for the number of days our services were provided). The initial quarterly fee for accounts opened during a calendar quarter is typically deducted from your account within the first 30 business days following the initial asset deposit.

For accounts closed during a calendar quarter, we will refund any pre-paid but unearned advisory fees promptly (typically within 30 days of the date of termination).

#### Fee Payment – Directly Debited

Fees are typically directly debited from your designated custodial account at your qualified custodian, subject, of course, to your written authorization that you provide in the written agreement we have with you.

Your custodian will send you a statement (typically monthly, but at least quarterly), showing all transactions in your account (including all debits and credits, and including the advisory fees paid to us).

It is your responsibility to verify the accuracy of our fee calculation. Your custodian does not perform this task.

#### **Personal Financial Planning**

Personal Financial Planning fees are typically fixed at \$10,000. However, this fee is waived for clients who also use us for Portfolio Management Services (see fees, above).

Unusually complex client situations may be charged a higher fee, however, there are no ranges of these fees (they will exceed \$10,000).

Initial Deposit: We require a prepayment of \$5,000 (with the executed planning agreement) to start the service.



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The balance of the fee is due and payable upon our completion of the plan (and its presentation to you), or five months after the initial invoice, whichever comes first. We typically provide written plans as soon as we receive all the required information; and generally within 5 months of the execution of the agreement and payment of the retainer.

### **General Information on Advisory Services and Fees**

- Our services are available to family members and friends of our employees at no fee or at fee rates that are lower than those reflected above. Our family / friend fee schedules are not available to our non-family / friend clients.
- Negotiation of Fees: Our advisory fee schedules are subject to negotiation on a client-by-client basis. Typical reasons to negotiate the fee schedule, include but are not limited to:
  - Other accounts or AUM we manage
  - Potential for increased AUM over time
  - Type of Client
- Official record of your Account(s): for performance and cost basis information (including capital gains or loss information), the “official” record-keeper of your account data and information is your third party, qualified custodian (bank, broker, trust company, insurance company, mutual fund complex, etc.). As a result, although we try to manage tax lots (in taxable portfolios) for long term gains or losses, the official record-keeper is your custodian. If you have questions on our tax lot management and how that compares with your custodian, please contact us to discuss tax lot management, as applicable.
- Additional fees or expenses you will pay (these fees and expenses are not included in the Advisory Fees (described above)) that you pay to us; we do not participate directly or indirectly in any of these fees that you pay to others):
  - Brokerage commissions;
  - Transaction fees;
  - Other related costs and expenses; and,
  - Charges imposed by custodians, brokers, third party investment and other third parties, including but not limited to:
    - Advisory fees and administrative fees charged by Mutual Funds (MFs), Exchange Traded Funds (ETFs);
    - Custodial Fees;
    - Deferred sales charges (on MFs or annuities);
    - Odd-Lot differentials;
    - Transfer taxes;
    - Wire transfer and electronic fund processing fees;
    - Commissions or mark-ups / mark-downs on security transactions.;

Other Items in this Brochure provide additional information and disclosure related to “other costs” you may incur. Please see Item 12.





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

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our advisory fees are charged only as indicated above (Item 5).

### **Item 7 – Types of Clients**

The services described under Item 4, above are provided to Individuals, Trusts, Estates, and Organizations.

Please see Item 4 for our recommended minimum account size and minimum quarterly fee (both of which are negotiable or may be waived).

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

#### **Method of Analysis:**

Our investment philosophy is premised on the belief that asset allocation – the proportion of stocks to bonds, for example – is the most important decision. We identify a target asset allocation for each client using a customized Risk Questionnaire; long-term financial planning projections; short- and long-term cash flow estimates; and our own understanding of your time horizon, needs, and risk tolerance.

To evaluate investments for each segment of a given asset allocation strategy, we use externally-supplied metrics and qualitative information. We examine each investment to assess qualitative and quantitative factors relating to its suitability for client portfolios. Key criteria include benchmark-specification, benchmark-relative performance prospects, diversification, liquidity, and cost.

#### **Types of Securities:**

We buy the following types of Investments (or securities) for our clients:

- Exchange-traded funds (ETFs)
- Mutual funds
- Certificates of deposits (CDs)

We may selectively retain or buy other types of securities if you direct us to do so.

#### **Sources of Information:**

We use a number of sources in obtaining information on which we base our asset allocation and security selection decisions. These include the following:

- Financial periodicals
- Research materials prepared by fund managers and third parties
- Annual reports, prospectus' and filings with the Securities and Exchange Commission



### **Investment Strategies:**

Our strategies include a range of asset allocation mixes that blend the following broad asset classes:

- Cash
- Bonds
- Stocks, both U.S. and Non-U.S.
- Blended or non-traditional assets

A conservative asset allocation, for example, may be heavily weighted toward bonds; whereas an aggressive allocation may be heavily weighted toward stocks.

We monitor portfolios daily. If your portfolio's actual asset allocation changes, either because of market moves, or because of money flowing in/out of it; we may "rebalance" to return the asset allocation to its target. This means we may buy and/or sell securities. We would not change your target asset allocation without prior discussion; and we do not "market time".

We rarely recommend the use of margin but will facilitate it if requested by a specific client. Margin creates additional expense for the account (and costs you more money). Your broker / custodian will "loan" you cash (using your account holdings as collateral). You are charged interest on the loan amount, and if the markets fall, you may need to pay in additional capital (or securities), called a "margin call". See the Options and Margin paperwork and disclosures from your broker / custodian for additional detail.

### **Risk of Loss:**

Investing in securities carries with it the potential for the loss of some (or all) of your invested assets. Kaufman Kampe does not guarantee or imply any level of success in the portfolio management or Personal Financial Planning services that we provide to you. As a result, you should be prepared (as recent events have indicated) for significant losses in your accounts or assets, including unrealized capital gains or appreciation (securities that were not sold to lock in profits). In addition, you will also be subject to the following investment risks:

- **Interest-rate Risk:** 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.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** 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 Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **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.

### **Item 9 – Disciplinary Information**

As of the date of this Brochure, we do not have any items to disclose to you for Kaufman Kampe or either of our Managing Members.

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

Kaufman Kampe is an independent investment advisory firm and only provides investment advisory services. The firm is not engaged in any other business activities and offers no other services than those described in this Disclosure Brochure. Neither Kaufman Kampe nor its Managing Members has any registrations or other material relationships with a broker-dealer or other registered entity.

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

Kaufman Kampe has adopted a Code of Ethics ("the Code"), which sets forth the high ethical standards of business conduct that we expect of our employees, including compliance with state and federal securities laws. The Code provides guidance and specific standards of conduct for situations where violations, inadvertent or otherwise, could occur in the conduct of business. Employees must avoid situations where their personal interest conflicts with the interest of the company and our clients. The Code describes appropriate conduct surrounding gifts, outside employment, fiduciary appointments, political activities, personal investments and trading activities. In addition, the Code prohibits dishonest and fraudulent acts and reaffirms our commitment to client confidentiality. Every employee is required to annually sign a statement acknowledging that he or she agrees to follow the standards set forth in the Code.

**Material, non-public information.** Kaufman Kampe has also established a policy relating to material, non-public information. This policy stipulates that no person of Kaufman Kampe may take any action for themselves, the firm, any personal securities account, any Client account (portfolio management or consulting), or communicate to any person information that is known to Kaufman Kampe (or our employees) unless that information is available to the investing public.

Personal Securities Trading:



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Kaufman Kampe and our principals “follow our own advice”. As a result, we may buy or sell (at the same or different times) the same securities that are recommended to our Clients. Securities, including mutual funds may be bought, held or sold by employees.

Kaufman Kampe has no obligation to recommend for purchase or sale a security that Kaufman Kampe or our employees may purchase, sell, or hold. When a decision is made to liquidate a security from all applicable accounts, priority is always given to the client’s order before those of a related or associated person of Kaufman Kampe.

Kaufman Kampe has procedures dealing with insider trading, employee-related accounts, “front running” and other issues that may present a potential conflict when such purchase, sales or recommendations are made. In general, these policies and procedures are intended to manage (and mitigate) the potential conflicts of interest.

A copy of our Code of Ethics is available to our clients and prospective clients. You may request a copy by contacting us at the telephone number or email on the cover page of this Brochure.

## **Item 12 – Brokerage Practices**

Kaufman Kampe does not maintain custody of your assets that we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 – Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian or we may agree to manage an account maintained with a Directed Custodian. In either case, your assets will be maintained with the qualified custodian

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them.

Conflicts of interest associated with this arrangement are described below as well as in Item 14 – Client Referrals and Other Compensation. You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your account as described below (see “Your Brokerage and Custody Costs”).

### **How We Select Brokers/Custodians**

We do not have any formal soft dollar agreements, However, when considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)

- Capability to facilitate transfers and payment to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (See "Products and Services Available to us From Schwab")
- Other operational and fiduciary considerations

### **Your Brokerage and Custody Costs**

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody service but is compensated by charging you commissions or other fees on some trades that settle into your Schwab accounts. Certain trades (for example, some mutual funds and ETFs) may incur Schwab commissions or transaction fees. Schwab is primarily compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program.

In addition to commissions and/or asset-based fees, Schwab charges you a flat dollar amount as a 'prime broker' or 'trade away' fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How We Select Brokers/Custodians"). By using another broker or dealer you may pay lower transaction costs

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

Schwab Advisor Services<sup>TM</sup> is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage series (trading, custody, reporting, and related series), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services:

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

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

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

**Services that generally benefit only us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and related compliance needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or part of a third party's fees. Schwab also provides us with other benefits, such as occasional business entertainment of our personnel. If you did not maintain your account with Schwab, we would be required to pay for these services from our own resources.

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

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The fact that we receive these benefits from Schwab is an incentive for us to recommend the use of Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate, our recommendation of Schwab as custodian and broker is in the best interests of our clients. Our





selection is primarily supported by the scope, quality, and price of Schwab's services (see "How We Select a Broker-Dealer/Custodian to Recommend") and not Schwab's services that benefit only us.

#### Aggregated Orders

When we decide to purchase or sell a specific security for multiple clients at the same time, we will consider aggregating, or combining the orders. This procedure will result in a single average price for all client transactions in the aggregated order. The account custodian charges for each transaction as if it were placed individually.

### **Item 13 – Review of Accounts**

#### **Reviews and Reviewers:**

Portfolio Management Accounts are reviewed by either of our Managing Members. Accounts are reviewed no less than quarterly; accounts may be reviewed more frequently depending upon:

- A change in your financial or personal situation
- Changes in capital markets
- Global or world economic events
- Changes in our investment strategies
- Among others

We request a meeting (via telephone or in person) to review your objectives and account performance (at least annually).

Financial Plans: Plans may be reviewed but are not required to be reviewed annually. We do recommend an annual review of the plan.

All clients are requested to notify us promptly if there are changes in your personal financial situation.

#### **Reports:**

We provide each portfolio management client a written report (delivered via hard or electronic copy) on a quarterly basis. These reports are in addition to the monthly reports you receive from your qualified custodian. Content includes:

- Summary of assets in the account
- Cost basis (acquisition cost, if available)
- Current market value (as of the report date as provided by your custodian), and
- Asset allocation

A summary of investment performance is also provided at least once per year.

Note that the reports we provide you may differ in total portfolio value when compared to your custodial reports. This is due to our reports being delivered quarterly (and custodial reports being delivered monthly directly to you). In addition, there may be variations of prices, incorrect prices as delivered by your custodian on a report date (and corrected by Kaufman Kampe), accrued interest due or payable, or dividends that were not yet credited, among other valid reasons.

If you have any questions on our reports or the reports provided by your custodian, please contact us. If you do not receive your report directly from your custodian, please contact your custodian or us; your receipt of custodial statements directly from your custodian is very important.



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

Client referrals: Kaufman Kampe does not compensate any entity or individual for client referrals nor are we compensated for referring clients to other professionals.

Other compensation: We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these products and services. However, we benefit because the costs of these products and services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

## **Item 15 – Custody**

All client funds and securities are maintained with a qualified custodian (Charles Schwab); we don't take physical possession of client assets. Our clients will receive account statements and transaction confirmation notices directly from the custodian at least quarterly, which they should carefully review. We urge clients to carefully compare the custodian's account statements with the periodic statements and reports they receive from us and to notify us promptly of any discrepancies.

Kaufman Kampe has the ability to deduct our advisory fees directly from client accounts based on the client's written authorization to do so, and this ability is technically considered "custody" but doesn't require separate reporting or surprise audits. In addition, in some cases Kaufman Kampe obtains standing letters of authorization ("SLOAs") from clients. These are written directives from the client authorizing us to initiate payments from their custodial accounts to specified third parties. This authority is considered "custody" under SEC guidance and requires us to report that we have custody over these account assets on our ADV 1A. To the extent the SLOAs comply with certain conditions, however, including that clients have the right to terminate the SLOA, and that the qualified custodian will confirm the status of the SLOA annually directly with the client, we are not subject to a surprise custody audit.

## **Item 16 – Investment Discretion**

As stated under Item 5, above, we have the discretionary investment authority, for portfolio management clients to select the securities, the amount of securities and timing of security purchase or sale decisions for your portfolios (accounts).

We will only do so when the transaction is suitable for your investment needs and goals (as documented in the IPS we have with you). We are also guided by your specific investment restrictions, if any.





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### **Item 17 – Voting Client Securities (i.e., Proxy Voting)**

Kaufman Kampe does not have the authority (stipulated in our investment advisory agreement we have with you) to vote proxies (or corporate actions) for the securities held in your portfolios.

As a result, you will instruct your custodian to deliver proxy related materials to you directly. Should we receive your proxy materials, we will forward them to you immediately (within 24 hours).

Accounts subject to ERISA (Employee Retirement Security Act of 1974, as amended): Kaufman Kampe is precluded from taking any action or rendering advice on the voting of proxies solicited by or with respect to issuers of securities held in an ERISA Client's account.

Exception: If an ERISA client has notified Kaufman Kampe in writing that we have the responsibility and authority to vote proxies (as indicated in the plan or trust documents; i.e., the named fiduciary (investment adviser)) we will do so.

However, ERISA clients who delegate such responsibility are obligated to provide Kaufman Kampe a copy of their specific proxy voting policies and procedures to ensure that we vote proxies at your specific instructions.

We will provide you any reports (on shares, ballots or votes) as you require.

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

As a registered investment adviser, we are obligated to disclose to you certain financial information or disclosure regarding our financial condition. Kaufman Kampe does not have a financial commitment (or situation) that impairs our ability to meet contractual or fiduciary obligations to our clients.

We have not been the subject of a bankruptcy proceeding.



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## Privacy Policy

FACTS	WHAT DOES KAUFMAN KAMPE ADVISORS LLC (“KAUFMAN KAMPE”) DO WITH YOUR PERSONAL INFORMATION?		
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"><li>■ Social Security number and other personal information</li><li>■ income level and net worth</li><li>■ investment history and investment goals</li></ul> When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.		
How?	All financial companies need to share customers’ personal information to run their everyday businesses. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons Kaufman Kampe chooses to share; and whether you can limit this sharing.		
Reasons we can share your personal information		Does Kaufman Kampe share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes	No
For our marketing purposes — to offer our products and services to you		Yes	No
For joint marketing with other financial companies		No	We don’t share
For our affiliates’ everyday business purposes — information about your creditworthiness		No	We don’t share
For our affiliates to market to you		No	We don’t share
For non-affiliates to market to you		No	We don’t share



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Who we are	
Who is providing this notice?	You are receiving this notice from Kaufman Kampe Advisors LLC.
What we do	
How does Kaufman Kampe protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures, which include computer safeguards and secured files and buildings.
How does Kaufman Kampe collect my personal information?	<p>We collect your personal information, for example, when you open a managed account</p> <ul style="list-style-type: none"> <li>■ enter into an investment management agreement with us</li> <li>■ correspond with us or obtain information about us</li> <li>■ make investments or redeem investments</li> </ul> <p>We may also collect your personal information from others, such as credit bureaus, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only sharing for affiliates' everyday business purposes—information about your creditworthiness</p> <ul style="list-style-type: none"> <li>■ affiliates from using your information to market to you</li> <li>■ sharing for non affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <p><b>Kaufman Kampe does not have any affiliates</b></p>
Non-affiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies. Kaufman Kampe does not share with non-affiliates except in certain circumstances:</p> <p>As necessary to provide the service that the client has requested or authorized, or to maintain and service the client's account;</p> <p>As required by regulatory authorities or law enforcement officials who have jurisdiction over Kaufman Kampe, or as otherwise required or permitted by an applicable law; and</p> <p>To the extent reasonably necessary to prevent fraud and unauthorized transactions.</p>
Joint marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <p>Kaufman Kampe doesn't jointly market.</p>