

**Item 1 – Cover Page**

**FMF&E Wealth Management, LLC**

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[www.fmfewealthmgt.com](http://www.fmfewealthmgt.com)

March 5, 2021

This Brochure provides information about the qualifications and business practices of FMF&E Wealth Management, LLC (“Wealth Management”). If you have any questions about the contents of this Brochure, please contact us at (315) 472-7045. 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.

Wealth Management is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Wealth Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Wealth Management is 125721.

## **Item 2 – Material Changes**

This Item of the Brochure will discuss only specific material changes that are made to the Brochure since the last annual update and provide clients with a summary of such changes.

We do not have material changes for our current Brochure, however, please note that we have updated the Assets Under Management information of Item 4 in accordance with the filing of our Annual Updating Amendment on March 5, 2021.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Chris Gardner, President and Chief Compliance Officer (315) 472-7045.

Additional information about Wealth Management is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

(Brochure Date: 03/05/2021)

(Date of Most Recent Annual Updating Amendment: 03/05/2021)

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## **Item 4 – Advisory Business**

Wealth Management is owned by 13 individual Members (see [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) for Wealth Management's Form ADV Part 1, Schedule A for a list of all individual's names) and has been providing advisory services since 2001.

As of December 31, 2020, Wealth Management managed \$280,205,469 on a discretionary basis, \$351,288 on a non-discretionary basis and provided retirement plan consulting services to \$155,333,413 of self-directed retirement account assets.

### **Investment Management Services:**

Wealth Management manages investment portfolios for individuals (including high net worth individuals), qualified retirement plans, not-for-profit organizations, foundations, and corporations. Wealth Management works with clients to determine the client's specific investment objectives which may be set forth in a written Investment Policy Statement that describes an asset allocation model that conforms to a client's risk tolerance level.

Investment and portfolio allocation software may be used to evaluate alternative portfolio designs. Wealth Management evaluates the client's existing investments with respect to the client's investment policy statement. Wealth Management works with new clients to develop a plan to transition from the client's existing portfolio to the desired portfolio. Wealth Management will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold regular progress meetings with the client regarding their account and other wealth management issues, as necessary.

Wealth Management will typically create a portfolio of no-load mutual funds, and may use model portfolios if the models match the client's investment policy. Wealth Management will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. Wealth Management primarily recommends portfolios consisting of no-load mutual funds offered by Dimensional Fund Advisors ("DFA"). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover.

Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

Client portfolios may also include some individual equity securities. Wealth Management manages mutual fund and equity portfolios on a discretionary or nondiscretionary basis. A client may impose any reasonable restrictions on Wealth Management's discretionary authority, including restrictions on the types of securities in which Wealth Management may invest client's assets and on specific securities, which the client may believe to be appropriate.

Wealth Management may also recommend to advisory clients fixed income portfolios, which consist of managed accounts of laddered individual bond portfolios. Wealth Management will request discretionary authority from advisory clients to manage fixed income portfolios, including the discretion to retain a third party fixed income manager. Wealth Management will prepare a separate Fixed Income Investment Policy Statement for any client qualifying for separate fixed income portfolio services.

Pursuant to its discretionary authority, Wealth Management will retain a fixed income securities manager. The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Fixed Income Investment Policy Statement. The manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The manager will obtain Wealth Management consent prior to the sale of any client securities.

On an ongoing basis, Wealth Management will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. Wealth Management will periodically review each client's investment policy, risk profile, and discuss the re-balancing of each client's accounts to the extent appropriate. Wealth Management will provide to fixed income securities manager any updated client financial information or account restrictions necessary for fixed income securities manager to provide sub-advisory services.

In addition to managing the client's investment portfolio, Wealth Management may consult with clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things.

### **Employee Benefit Plan Services:**

Wealth Management provides advisory services to retirement plans using third party administration services of certain Retirement Plan Service Providers ("RPSPs"). Wealth

Management will analyze the plan's current investment platform, and assist the plan sponsor in creating an investment policy statement defining the types of investments be offered and the restrictions that may be imposed. Wealth Management will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles. Wealth Management primarily provides this advisory service to 401(k) plans.

Wealth Management will recommend changes in the plan's investment vehicles as may appropriate from time to time. Wealth Management will review the plan's investment vehicles and investment policy as necessary.

For certain retirement plans, Wealth Management also works in coordination and support with Buckingham Strategic Partners, LLC ("BSP"). Retirement plan clients will engage both Wealth Management and BSP. BSP will provide to the client additional discretionary investment management services and will exercise discretionary authority to select the plan investments made available to the plans' participants by selecting and maintain the plans' investments according to the goals and investment objectives of the plan.

Wealth Management will continue to work with plans to monitor plan investments, provide fiduciary plan advice including regular considerations of the goals and objectives of the plan, and provide participant education services to the plan.

## **Item 5 – Fees and Compensation**

In certain circumstances, all fees, account minimums and their applications to family circumstances may be negotiable.

Wealth Management has contracted with BSP, for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. Wealth Management has also contracted with BSP for sub-advisory services with respect to clients' fixed income accounts. Wealth Management pays a fee for BSP services based on management fees paid to Wealth Management on accounts which use BSP. The fee paid by Wealth Management to BSP consists of a portion of the fee paid by clients to Wealth Management and varies based on the total client assets participating in BSP through Wealth Management. These fees are not separately charged to advisory clients. The fee charged by Wealth Management to its clients includes all sub-advisory fees charged by BSP.

The specific manner in which fees are charged by Wealth Management is established in a client's written agreement with Wealth Management. Generally, Investment Management and Employee Benefit Plan clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value based on independent third party sources or fair market value in the absence of market value; client account balances on which Wealth Management calculates fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements) of the client's account at the end of the previous quarter. New accounts are charged a prorated fee for the remainder of the quarter in which the account is incepted or will not be billed until the next quarter.

Wealth Management will request authority from the client to receive quarterly payments directly from the client's account held by an independent custodian. Clients may provide written limited authorization to Wealth Management or its designated service provider, BSP, to withdraw fees from the account. Clients will receive custodial statements showing the advisory fees debited from their account(s). Certain third-party administrators will calculate and debit Wealth Management's fee and remit such fee to Wealth Management.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days' written notice. Upon termination of any account at any time after the required 30-day notice, any prepaid, unearned fees will be promptly refunded.

Wealth Management's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Mutual funds and exchange traded funds (ETFs) also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to Wealth Management for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. The services provided by Wealth Management which are designed, among other things, to assist the client in determining which mutual fund, ETF or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Wealth Management to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Such charges, fees and commissions are exclusive of and in addition to Wealth Management's fee, and Wealth Management shall not receive any portion of these commissions, fees, and costs.

### **Advisory Fees**

#### **Investment Management Services:**

The annual fee for investment supervisory services will be charged as a percentage of assets under management, according to the schedule below:

<b>Assets under management</b>	<b>Annual Fee (%)</b>
Up to - \$2,499,999	1.00%
\$2,500,000 - \$4,999,999	0.80%
\$5,000,000 - \$7,499,999	0.60%
\$7,500,000 or greater	0.50%

\*\*Client accounts where the total balance of all accounts is less than \$500,000 will be accepted only on a case by case basis.

Individual accounts for members of the same family, defined as spouses and dependent children are charged fees based upon the total account balance of all family accounts. Accounts for business entities and accounts related thereto, including those of the business owner are charged fees based upon the total account balances of all such related accounts.

#### **Investment Management Services for Not-for-Profits**

The annual fee for investment supervisory services for not-for-profit clients will be charged as a percentage of assets under management, according to the schedule below:

<b>Assets under management</b>	<b>Annual Fee (%)</b>
\$0 Up to \$2,499,999	0.60%
\$2,500,000 - \$4,999,999	0.50%
\$5,000,000 or greater	0.40%

\*\*Client accounts where the total balance of all accounts is less than \$500,000 will be accepted only on a case by case basis.



### **Employee Benefit Plan Services:**

The annual fee for Employee Benefit Plan services will be charged as a percentage of assets within the plan.

Assets Under Management	BSP's Annual Fee	Wealth Management's Annual Fee	Total Fee
On the first \$1,000,000**	0.20%	0.70%	0.90%
On the next \$4,000,000	0.15%	0.45%	0.60%
On the next \$5,000,000	0.08%	0.25%	0.33%
On all amounts above \$10,000,000	0.05%	0.15%	0.20%

\*\*Client accounts where the total balance of all accounts is less than \$500,000 will be accepted only on a case by case basis.

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

Wealth Management does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

### **Item 7 – Types of Clients**

Wealth Management provides services to individuals (including high net worth individuals), qualified retirement plans, not-for-profit organizations, foundations, and corporations.

Generally, Wealth Management will generally require a minimum client relationship of \$500,000. These minimum account sizes are negotiable under certain circumstances.

Members of Wealth Management and Principals of Wealth Management's affiliated accounting firm Firley, Moran, Freer & Eassa, P.C. are not charged fees by Wealth Management on either their personal accounts or accounts of immediate family members. Employees of Wealth Management and Firley, Moran, Freer & Eassa, P.C. receive reduced fees.

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

### **Methods of Analysis and Investment Strategy**

Wealth Management's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. Wealth Management's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. Wealth Management recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds. Wealth Management selects or recommends to clients' portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, Wealth Management's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients the investment directly in conservative fixed income securities to represent the fixed income class. Wealth Management's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that Wealth Management's strategy seeks to minimize.

In the implementation of investment plans, Wealth Management therefore primarily uses mutual funds and, as appropriate, portfolios of conservative fixed income securities. Wealth Management may also utilize Exchange Traded Funds (ETFs) to represent a market sector.

Clients may hold or retain other types of assets as well, and Wealth Management may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

Wealth Management's strategies do not utilize securities that we believe would be classified as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

Wealth Management receives supporting research from BSP and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). Wealth Management utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive asset class investment philosophy with low holdings turnover. DFA provides

historical market analysis, risk/return analysis, and continuing education to Wealth Management.

### *Analysis of a Client's Financial Situation*

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, Wealth Management relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, Wealth Management may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

### *Risk of Loss*

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

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by Wealth Management may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in Wealth Management's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, and emerging markets funds. Conservative fixed income securities have lower risk of loss of

principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by Wealth Management may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Wealth Management or the integrity of Wealth Management’s management. Wealth Management has no information applicable to this Item.

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

### **Affiliated Accounting Firm**

Associated persons of Wealth Management are principals with Firley, Moran, Freer & Eassa, P.C. an accounting and consulting firm providing audit, compliance, and tax consulting services to clients. These associated persons expect to spend virtually all of their business time providing audit, compliance, and tax services within Firley, Moran, Freer & Eassa, P.C. In addition, they expect to spend a limited amount of their business time on compliance and business issues at Wealth Management and no business time providing investment advisory services. Firley, Moran, Freer & Eassa, P.C. may recommend Wealth Management to accounting clients in need of advisory services. Wealth Management may recommend Firley, Moran, Freer & Eassa, P.C. to advisory clients in need of accounting services. Accounting services provided by Firley, Moran, Freer & Eassa, P.C. are separate and distinct from the advisory services of Wealth Management, and are provided for separate and typical compensation. No Wealth Management client is obligated to use Firley, Moran, Freer & Eassa, P.C. for any accounting services.

All full-time employees of Wealth Management expect to spend all of their business time providing investment advisory services. Wealth Management will share facilities, equipment and clerical personnel as needed with Firley, Moran, Freer & Eassa, P.C.

#### Buckingham Strategic Partners, LLC

As described above in Item 4, Wealth Management may exercise discretionary authority provided by a client to select an independent third-party investment manager for the management of portfolios of individual fixed income securities. Wealth Management selects BSP for such fixed income management. Wealth Management also contracts with BSP for back office services and assistance with portfolio modeling. Wealth Management has a fiduciary duty to select qualified and appropriate managers in the client's best interest, and believes that BSP effectively provides both the back-office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of Wealth Management continuously makes this assessment. While Wealth Management has a contract with BSP governing a time period for back office services, Wealth Management has no such fixed commitment to the selection of BSP Advisor Services, LLC for fixed income management services and may select another investment manager for clients upon reasonable notice to BSP.

#### Business Continuity and Succession Agreement

As a fiduciary, FMF&E Wealth Management, LLC has certain legal obligations, including the obligation to act in clients' best interest. FMF&E Wealth Management, LLC maintains a Business Continuity and Succession Plan and seeks to avoid a disruption of service to clients in the event of an unforeseen loss of key personnel, due to disability or death. To that end, FMF&E Wealth Management, LLC has entered into a succession agreement with Buckingham Asset Management, LLC effective August 20, 2015. FMF&E Wealth Management, LLC can provide additional information to any current or prospective client upon request to Christopher H. Gardner, President, at (315) 472-7045 or [cgardner@fmfwealthmgt.com](mailto:cgardner@fmfwealthmgt.com).

### **Item 11 – Code of Ethics**

Wealth Management has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Wealth Management's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth Wealth Management's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with Wealth Management may buy or sell securities for their

personal accounts identical or different than those recommended to clients. It is the expressed policy of Wealth Management that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, Wealth Management requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the firm's Chief Compliance Officer or his or her designee. Wealth Management also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements.

Wealth Management's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. Wealth Management requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

Wealth Management's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Wealth Management.

It is Wealth Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Wealth Management will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

Wealth Management arranges for the execution of securities transactions with the assistance of BSP. Through BSP, Wealth Management participates in the Schwab Advisor Services (SAS) program offered to independent investment advisers by Charles Schwab &

Company, Inc. and the TD Ameritrade Institutional Program (“TD Ameritrade”). TD Ameritrade Institutional is a division of TD Ameritrade, Inc. member FINRA/SIPC/NFA. TDA and Schwab are unaffiliated SEC-registered broker dealers and FINRA member broker dealers. Each offers to independent investment advisers, services, which include custody of securities, trade execution, clearance and settlement of transactions.

With respect to retirement plans, 529 plans and after-tax annuities, Wealth Management participates in the TIAA-CREF Financial Advisor Program offered to fee-only advisors. Wealth Management may also recommend after-tax annuities from Transamerica Life Insurance Company and Jefferson National.

The Schwab and TDA brokerage programs will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. Wealth Management regularly reviews these programs to ensure that its recommendations are consistent with its fiduciary duty. These trading platforms are essential to Wealth Management's service arrangements and capabilities, and Wealth Management may not accept clients who direct the use of other brokers. As part of this program, Wealth Management receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14).

As Wealth Management will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid for mutual fund and equity securities transactions, clients must direct Wealth Management as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that Wealth Management will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

Wealth Management will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by Wealth Management on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

TDA and SAS do not generally charge clients a custody fee and are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the brokers or that settle into the clients' accounts at the brokers. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While

Wealth Management will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

Wealth Management also does not have any arrangements to compensate any broker dealer for client referrals.

Wealth Management does not maintain any client trade error gains. Wealth Management makes client whole with respect to any trade error losses incurred by client caused by Wealth Management. For clients utilizing TD Ameritrade for brokerage services, TD Ameritrade maintains a policy that any trade error gains will be donated by TD Ameritrade to charity.

Wealth Management generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which Wealth Management arranges transactions. BSP, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case a Wealth Management client's orders may be aggregated with an order for another client of BSP who is not a Wealth Management client. See BSP's Form ADV Part 2.

#### **Employee Benefit Plan Services:**

Wealth Management does not arrange for the execution of securities transactions for participant directed plans utilizing Employee Benefit Retirement Plan Services. Transactions are executed directly through employee plan participation.

### **Item 13 – Review of Accounts**

#### **Reviews:**

#### **Investment Management Services:**

Account assets are supervised continuously and formally reviewed periodically. Advisory personnel are assigned to each account. The review process contains each of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and



d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a. a specific client request;
- b. a change in client goals and objectives;
- c. an imbalance in a portfolio asset allocation;
- d. market/economic conditions; and
- e. realizing tax losses in an account.

For fixed income portfolios, certain account review responsibilities are delegated to a third party investment manager as described above in Item 4.

#### **Employee Benefit Plan Services:**

Plan assets are reviewed as necessary and according to the situations described above for investment supervisory service accounts.

#### **Reports:**

All clients, other than those utilizing Employee Benefit Retirement Plan Services, will receive quarterly performance reports, prepared by BSP and reviewed by Wealth Management. These quarterly reports summarize the client's account, asset allocation, portfolio performance, current positions, and current market value. Clients will also receive statements from account custodians. Clients utilizing Employee Benefit Retirement Plan Services will receive reporting services through their respective RPSPs.

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

#### **Other Compensation**

As indicated under the disclosure for Item 12, TDA and SAS provide Wealth Management with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them.

These services benefit Wealth Management but may not benefit its clients' accounts. Many of the products and services assist Wealth Management in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade

execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Wealth Management's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Wealth Management's accounts. Recommended broker also makes available to Wealth Management other services intended to help Wealth Management manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. Wealth Management does not, however, enter into any commitments with the broker for transaction levels in exchange for any services or products from brokers. While as a fiduciary, Wealth Management endeavors to act in its clients' best interests, Wealth Management's requirement that clients maintain their assets in accounts at TDA and SAS may be based in part on the benefit to Wealth Management of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the broker, which may create a potential conflict of interest. Some of these same benefits may also be available on the TIAA-CREF, Transamerica and Jefferson National platforms.

Wealth Management also receives software from DFA, which Wealth Management utilizes in forming asset allocation strategies and producing performance reports. DFA also provides continuing education for Wealth Management personnel. These services are designed to assist Wealth Management plan and design its services for business growth.

## **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Wealth Management urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Wealth Management usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with

the stated investment objectives for the particular client account. For fixed income securities, this authority will include the discretion to retain a third-party money manager for fixed income accounts. Any limitations on this discretionary authority shall be provided in writing. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

When selecting securities and determining amounts, Wealth Management observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Wealth Management in writing.

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

Proxy Voting: Wealth Management shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held by a client. Client (or the plan fiduciary in the case of an Account subject to the provisions of the Employee Retirement Income Security Act of 1974 ["ERISA"]), expressly retains the authority and responsibility for, and Wealth Management is expressly precluded from rendering any advice or taking any action with respect to, the voting of any such proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that Wealth Management will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct Wealth Management to transmit copies of class action notices to the client or a third party. Upon such direction, Wealth Management will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Wealth Management's financial condition. Wealth Management has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.