

# **Meridian Wealth Management**

Firm Brochure  
(Form ADV Part 2A)

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**This brochure provides information about the qualifications and business practices of Meridian Wealth Management. If you have any questions about the contents of this brochure please contact us at 720-274-1656. G.E. Buenning is the firm's Chief Compliance Officer and he can be contacted at 303-393-2404.**

**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.**

**Meridian Wealth Management is a registered investment advisor. Registration does not imply any level of skill or training.**

**Additional information about Meridian Wealth Management also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 – Material Changes**

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Our firm is required to advise you of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Please note that we do not have to provide this information to a client or prospective client who has received a previous version of our brochure.

Since our last annual amendment in March of 2020, we have the following material changes to disclose:

- Please see item 10 of this brochure for information about the other financial industry affiliations of our firm’s Chief Compliance Officer as well as the relevant conflicts of interest and how these are mitigated.
- Please see sections 4, 5, 8 and 13 for additional information regarding the use of Third Party Money Managers, billing procedures, Third-Party Money Manager due diligence, as well as, Third-Party Money Manager account reviews.

### **Item 3 – Table of Contents**

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

## **Item 4 – Advisory Business**

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Meridian Wealth Management (“Meridian”, we” or “our”) provides clients with various asset management programs as described below. Meridian became registered as an investment advisor in 2012, and is owned by David Hansen, Tanya Mathews, Richard Mower and Richard Weintraub. The principals of Meridian have provided management services through other investment advisory firms since at least 1999.

### **Comprehensive Asset Management Services**

Meridian offers discretionary asset management services through a program account (the “Program”) based on the individual needs of clients (“client”, “you” or “your”). Understanding your personal situation is very important to the services we provide. Therefore, we will have detailed discussions with you to understand your current financial situation and investments, goals, risk tolerance and investment objectives. Financial Planning services may also be provided in our process of reviewing your financial situation. The investment objective you select, which could range from income with capital preservation to aggressive growth, will guide us in managing your account. In the Program we provide management services using a variety of investment types, including but not limited to, no-load and load-waived mutual funds, exchange traded funds (“ETF”), variable annuity subaccounts, alternative investments, individual stocks and bonds, and options.

In order for Meridian to manage your assets, you will be required to establish a Program account in your name at LPL Financial (“LPL”), a registered broker/dealer and qualified custodian. LPL provides clearing, custody and other brokerage services for accounts established through the Program. You will retain all rights of ownership on your account, including the right to withdraw securities or cash, vote proxies, and receive transaction confirmations. In addition, you will also have the ability to impose restrictions on investing in certain securities or types of securities at the time you open the account. You may also elect to have us manage your account on a non-discretionary basis.

In order to hire us to provide management services, you will be asked to enter into a written investment advisory agreement with us. This agreement will set forth the terms and conditions of our relationship, including the amount of your investment advisory fee. You will also be asked to complete a brokerage account application with LPL.

In addition to the LPL program’s discussed above and subsequently, our firm utilizes the sub-advisory services of a third party investment advisory firm or individual advisor to aid in the implementation of an investment portfolio designed by our firm. Before selecting a firm or individual, our firm will ensure that the chosen party is properly licensed or registered. Our firm will not offer advice on any specific securities or other investments in connection with this service. We will provide initial due diligence on third party money managers and ongoing reviews of their management of client accounts. In order to assist in the selection of a third party money manager, our firm will gather client information pertaining to financial situation, investment objectives, and reasonable restrictions to be imposed upon the management of the account.

Our firm will periodically review third party money manager reports provided to the client at least annually. Our firm will contact clients from time to time in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. Clients will be expected to notify our firm of any changes in their financial situation, investment objectives, or account restrictions that could affect their financial standing.

### **Assets Under Management**

As of December 31, 2020, we manage \$402,687,970 on a discretionary basis.

### **Optimum Market Portfolios**

Meridian offers the LPL Optimum Market Portfolios (“OMP”) advisory program. Both Meridian and LPL serve as investment advisors and provide ongoing investment advice for the OMP program. The OMP program offers clients the ability to participate in a professionally managed asset allocation program using Optimum Funds Class I shares. There are up to six Optimum Funds that may be purchased within an OMP account: Optimum Large Cap Growth Fund, Optimum Large Cap Value Fund, Optimum Small Cap Growth Fund, Optimum Small Cap Value Fund, Optimum International Fund and Optimum Fixed Income Fund. Upon opening an OMP account we will select a portfolio for you based on your investment objective. LPL will then rebalance the portfolio based on the frequency selected. Clients should refer to the LPL OMP disclosure brochure for additional details.

In addition to serving as an investment advisor for the OMP program, LPL provides custodial, brokerage and administrative services to clients. Clients will be required to enter into an account agreement with Meridian and LPL in order to open an OMP account and engage us for services.

### **Model Wealth Portfolios**

Meridian offers the LPL Model Wealth Portfolios (“MWP”) advisory program. The MWP program is a managed mutual fund and exchange traded fund (“ETF”) asset allocation program in which both Meridian and LPL serve as investment advisors and provide ongoing investment advice. Upon opening an MWP account we will select one or more model portfolio of funds designed by LPL or a third party investment strategist based on your investment objective. LPL or the outside strategist is responsible for selecting the mutual funds and/or ETFs within a portfolio. LPL has discretion to buy and sell securities in the account according to the portfolio(s) selected. An outside strategist does not have discretion, but instead provides LPL with asset allocation and fund recommendations. LPL acts as an overlay portfolio manager in coordinating the trades in the account. Clients should refer to the LPL MWP disclosure brochure for additional details.

In addition to serving as an investment advisor for the MWP program, LPL provides custodial, brokerage and administrative services to clients. Clients will be required to enter into an account agreement with Meridian and LPL in order to open an MWP account and engage us for services. You will have the opportunity to impose restrictions on investing in certain securities or types of securities when completing this agreement.

### **Manager Access Select**

Meridian offers the LPL Manager Access Select (“MAS”) advisory program. The MAS program

makes the advisory services of third party management firms (“Portfolio Managers”) available to clients. Meridian will assist the client in determining the investment objective, as well as selecting an investment strategy and Portfolio Manager, for the account. The Portfolio Manager selected by the client will manage the MAS account on a discretionary basis. The types of securities that may be purchased by the Portfolio Manager include stocks, bonds, mutual funds and ETFs. A Portfolio Manager may also hire one or more sub-advisors to manage all or a portion of the MAS account. Meridian will provide the client with ongoing advice and monitoring of the Portfolio Manager’s services and acts as the point of contact between the client and Portfolio Manager.

In addition to serving as an investment advisor for the MAS program, LPL provides custodial, brokerage and administrative services to clients. LPL also provides research information to Meridian, which may assist us in determining which Portfolio Managers to recommend to clients. Clients will be required to enter into an account agreement with Meridian, LPL and the selected Portfolio Manager in order to open an MAS account and engage us for services. You will have the opportunity to impose restrictions on investing in certain securities or types of securities when completing this agreement.

### **Use of Third-Party Managers**

We may also, when appropriate, recommend direct investment with independent third-party managers. Before selecting other advisers, we make sure that the other advisers are properly licensed or registered. Our IAR’s examine the experience, investment philosophies, and past performance of independent third-party managers to determine if a manager has demonstrated an ability to invest over a period and in different economic conditions. They monitor the manager’s holdings, strategies, and leverage as part of our overall risk assessment. Additionally, as part of their due-diligence process, the IAR may survey the manager’s compliance and business enterprise risks. The third party manager is responsible for managing the assets and the IAR of our firm is responsible for managing the ongoing relationship with the client and ensuring suitability of investments.

### **Financial Planning Services**

Some of the advisory representatives at Meridian offer their clients the option of paying a pre-negotiated price for personalized financial planning services only. Prices for this type of planning can range from \$800 to \$15,000, depending on the range of services selected and the complexity of the plan. These services are provided based on the individual needs of the client and commence after meeting with and collecting information from the client through interviews and completion of a detailed questionnaire regarding current financial status, future goals, and attitudes towards risk. The financial planning services may include some or all of the following areas as appropriate and agreed to between the client and Meridian. The client will not receive all of these services unless requested and appropriate based on the client’s circumstances. It is important to note that we do not practice law or provide accounting services.

**Retirement planning** – Review retirement goals, current assets, sources of income, and current savings, and provide cash flow projections based upon several variables including tax rates, anticipated rates of return, etc.

**College planning** – Analysis of college funding needs, including a detailed cost

projection for education expenses, determination of the appropriate funding amount, and types of accounts appropriate for investing for education.

**Estate planning** – Determine if estate planning documents have been executed, make sure trusts are funded, review account registrations, assist with re-titling of assets, beneficiary planning, insurance analysis, and work closely with your attorney to coordinate any changes needed.

**Investment planning** – Review of current investments and how those investments align with the client's goals, objectives and risk tolerance. May include stock option planning and risk management and monetization strategies analysis for concentrated holdings.

**Insurance Planning** – Insurance needs analysis, owner/insured/beneficiary analysis, cost benefit analysis, purchase decisions, and use of life insurance in estate planning and income replacement.

**Tax planning** – Consideration of a client's overall tax situation and tax implications of various investment strategies, verification of tax cost basis for each security, legacy planning, management of capital gains and losses for tax efficiency, develop a working relationship with your accountant if requested to assist in potential tax saving opportunities.

Clients will receive a written financial plan or analysis covering the areas selected for review. Results of the analysis may include online access to a financial planning tool. We may make general recommendations as to the types of investments or investment strategies as appropriate for the client.

Financial planning services offered by Meridian conclude upon delivery of the analysis or review. The services do not include implementation of any investment recommendations.

### **Additional Services**

Meridian also offers asset management services through a wrap fee program ("Wrap Program"). For more information regarding our Wrap Program, please contact us to request a copy of the Meridian Wrap Program Brochure or visit the SEC website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## **Item 5 – Fees and Compensation**

The amount of advisory fees will be disclosed prior to services being provided and agreed upon in the appropriate written investment advisory agreement. We will not require payment of more than \$1,200 in fees more than six months in advance.

### **Asset Management Services**

The annual advisory fee for management services is a maximum of 3%, and is based on a percentage of the market value of your account, including cash holdings. Advisory fees are negotiable between Meridian and the client, and the amount of the advisory fee will be as stated in the written investment advisory agreement.

Advisory fees are billed quarterly in advance and calculated based on the account's market value on the last business day of the prior quarter. LPL, as the qualified custodian for the Program account, is responsible for calculating and deducting all advisory fees from your account.

In addition to the advisory fee you pay to us for our services, you will pay certain transaction charges for trade execution. These transaction charges are paid to LPL and are set out in the LPL brokerage account application. We do not receive any portion of the transaction charges. The transaction charges vary based on the type of investment (e.g., mutual fund, ETF, equity or option) and range from \$0 to \$50.00.

You may also incur certain charges imposed by third parties other than Meridian in connection with investments made through the account depending upon the type of investments made and type of account. Meridian does not receive any portion of these fees. These charges include, but are not limited to, the following:

- Mutual funds - mutual fund 12b-1 fees, mutual fund management fees and administrative expenses, mutual fund transaction fees and redemption charges (if applicable) and deferred sales charges on previously purchased mutual funds transferred into the account
- ETFs – fund management fees and expenses

- Variable annuities – mortality, expense and administrative charges, fees for additional riders purchased by you on the contract, and charges for excessive transfers within a calendar year if imposed by the variable annuity sponsor

- Certain retirement accounts - IRA and qualified retirement plan fees

- Certain trust accounts - Administrative servicing fees for trust accounts

- Unit investment trusts (“UIT”) - creation and development fees or similar fees imposed by UIT sponsors

- Alternative investments - hedge fund and managed future investment management fees, and managed futures investor servicing fees

- Sweep money market funds and cash balances – 12b-1 fees or other fee based on average daily deposit balances

- Other charges required by law and imposed by the executing broker/dealer or custodian

If your account invests in mutual funds or ETFs, you will pay the fund a management fee as a shareholder of the fund in addition to paying us an advisory fee for managing the assets. As many of the funds available in the Program may be purchased directly, you could avoid the second layer of fees by not using our management services and by making your own fund investment decisions.

On July 2, 2018 LPL made available a no-transaction-fee (NTF) mutual fund network. When NTF funds are purchased in SWM I or SWM II, there is no transaction charge assessed to the client or advisor. Sponsors of mutual funds in the NTF network pay LPL compensation to participate in the NTF network. Not all share classes or funds within a fund family may be available at NTF. When NTF funds are redeemed, the transaction costs are waived. Please read the prospectus carefully before investing. There are some exceptions where LPL will continue to offer an additional share class at \$26.50, depending on the expense of the fund and minimums instituted by the fund company. Please note that this list of fund families is subject to change. Clients should be aware that advisors may be more likely to recommend funds that are participants in the NTF network. Please ask your IAR for current details. A complete list of mutual fund sponsors participating in the SWM NTF Program can be found by visiting <https://lplfinancial.lpl.com/disclosures.html>.



LPL Financial offers a trading platform with select exchange traded funds (“ETFs”) that do not charge transaction fees. The no-transaction-fee ETF trading platform is available to clients participating in LPL Financial’s Strategic Wealth Management (“SWM”) program. Clients will be subject to transaction fees charged by LPL Financial for ETFs not included in LPL Financial’s platform and for other types of securities. The limited number of ETFs available on LPL Financial’s no-transaction fee platform may have higher overall expenses than other types of securities and ETFs not included in the platform. Other major custodians have eliminated transaction fees for all ETFs and U.S. listed equities, so clients may pay more for investing in the same securities at LPL Financial. For a complete list of the NTF ETFs available through LPL Financial, please contact Meridian’s Compliance Department at (720) 909-3214.

Advisory representatives of Meridian are also separately registered as licensed securities representatives of LPL. In this capacity, the advisory representatives can sell securities to clients and receive compensation in the form of commissions and 12b-1 fees or trails. However, such compensation will not be received in connection with investments made in Program accounts.

The Program may cost you more or less than if the assets were held in a commission-based brokerage account. In a brokerage account, you are charged commissions for each transaction, and we would have no duty to provide ongoing advice with respect to the account. If you plan to follow a buy and hold investment strategy for the account or do not wish to purchase ongoing investment advice or management services, you should consider opening a commission-based brokerage account rather than a Program account.

You may terminate the agreement for services with us at any time with written notice. Upon termination, any prepaid, unearned fees will be refunded.

For additional information, refer to Item 12 – Brokerage Practices.

### **Third Party Money Managers**

The maximum annual fee charged to clients utilizing Third Party Managers will not exceed the maximum fee published above for this service. Our firm will debit fees for this service as disclosed in the executed advisory agreement between the client and our firm. This fee shall be in addition to any fees assessed by the chosen third party money manager. The third party money managers we recommend will not directly charge you a higher fee than they would have charged without us introducing you to them. Third party money managers establish and maintain their own separate billing processes over which we have no control. They will directly bill you and describe how this works in their separate written disclosure documents.

### **Client Referrals**

Meridian acts as a solicitor for referring potential clients to third party investment advisory firms. As set forth in a written agreement, Meridian will receive a portion of the annual management fee that the third party advisory firm collects. The third-party advisory firm is responsible for managing the assets and the IAR of our firm is responsible for managing the ongoing relationship with the client and ensuring suitability of investments. To the extent that Meridian receives compensation for such referrals, a conflict of interest exists because Meridian will receive additional compensation if clients use the services of the third-party firms.

### **Optimum Market Portfolios**

The annual advisory fee for OMP is a maximum of 2.5% and is based on a percentage of the market value of your account. Advisory fees are negotiable between Meridian and the client, and the amount of the advisory fee will be as stated in the OMP account agreement.

Advisory fees are billed quarterly in advance and calculated based on the account's market value on the last business day of the prior quarter. LPL, as the qualified custodian for the OMP account, is responsible for calculating and deducting all advisory fees from your account.

In addition to the advisory fee you pay to us for our services, you will pay confirmation charges for trade execution. These confirmation charges are paid to LPL and are set out in the OMP account agreement. Meridian does not receive any portion of the confirmation charges. LPL may also charge other miscellaneous administrative and custodial-related fees and charges that may apply to an OMP account.

As the OMP program invests solely in mutual funds, you will pay the funds a management fee and other expenses as a shareholder of the fund in addition to paying an advisory fee to Meridian and LPL for managing the assets. As the funds may be purchased directly, you could avoid the second layer of fees by not using our management services and by making your own investment decisions.

Advisory representatives of Meridian are also separately registered as licensed securities representatives of LPL. In this capacity, the advisory representatives can sell securities to clients and receive compensation in the form of commissions and 12b-1 fees or trails. However, such compensation will not be received in connection with investments made in OMP program accounts.

The Program may cost you more or less than if the assets were held in a traditional brokerage account. In a brokerage account, you are charged commissions for each transaction, and we would have no duty to provide ongoing advice with respect to the account. If you plan to follow a buy and hold investment strategy for the account or do not wish to purchase ongoing investment advice or management services, you should consider opening a commission-based brokerage account rather than an OMP account.

You may terminate the agreement for services with us at any time with written notice. Upon termination, any prepaid, unearned fees will be refunded.

For additional information, refer to Item 12 – Brokerage Practices and the OMP disclosure document and account agreement.

### **Model Wealth Portfolios**

The annual advisory fee for MWP is a maximum of 2.5% and is based on a percentage of the market value of your account. Advisory fees are negotiable between Meridian and the client, and the amount of the advisory fee will be as stated in the MWP account agreement.

Advisory fees are billed quarterly in advance and calculated based on the account's market value on the last business day of the prior quarter. LPL, as the qualified custodian for the MWP account, is responsible for calculating and deducting all advisory fees from your account. LPL may charge miscellaneous administrative and custodial-related fees and charges that may apply to an MWP account.

As the MWP program invests solely in mutual funds and ETFs, you will pay the fund a management fee and other expenses as a shareholder of the fund in addition to paying an advisory fee to Meridian and LPL for managing the assets. As the funds may be purchased directly, you could avoid the second layer of fees by not using our management services and by making your own investment decisions.

Advisory representatives of Meridian are also separately registered as licensed securities representatives of LPL. In this capacity, the advisory representatives can sell securities to clients and receive compensation in the form of commissions and 12b-1 fees or trails. However, such compensation will not be received in connection with investments made in MWP program accounts.

The Program may cost you more or less than if the assets were held in a traditional brokerage account. In a brokerage account, you are charged commissions for each transaction, and we would have no duty to provide ongoing advice with respect to the account. If you plan to follow a buy and hold investment strategy for the account or do not wish to purchase ongoing investment advice or management services, you should consider opening a commission-based brokerage account rather than an MWP account.

You may terminate the agreement for services with us at any time with written notice. Upon termination, any prepaid, unearned fees will be refunded.

For additional information, refer to Item 12 – Brokerage Practices and the MWP disclosure document and account agreement.

### **Manager Access Select**

The annual advisory fee for MAS is a maximum of 3% and is based on a percentage of the market value of your account, including cash holdings. Advisory fees are negotiable between Meridian and the client, and the amount of the advisory fee will be as stated in the MAS account agreement.

Advisory fees are billed quarterly in advance and calculated based on the account's market value on the last business day of the prior quarter. LPL, as the qualified custodian for the MAS account, is responsible for calculating and deducting all advisory fees from your account. LPL may charge miscellaneous administrative and custodial-related fees and charges that may apply to an MAS account.

The advisory fee will be shared among Meridian, the Portfolio Manager, and LPL. As the amount of the fee charged by one Portfolio Manager may differ from the amount charged by another Portfolio Manager, Meridian may have a financial incentive to recommend a Portfolio Manager that charges less than others. We take our responsibilities to clients very seriously and we will only recommend a Portfolio Manager if we believe it is appropriate and in the client's best interests.

As the MAS program may invest in mutual funds and ETFs, you should understand that you will pay the fund a management fee and other expenses as a shareholder of the fund in addition to paying an advisory fee to Meridian, the Portfolio Manager and LPL. As the funds may be purchased directly, you could avoid the second layer of fees by not using the management services offered through the MAS program and by making your own investment decisions.

Advisory representatives of Meridian are also separately registered as licensed securities

representatives of LPL. In this capacity, the advisory representatives can sell securities to clients and receive compensation in the form of commissions and 12b-1 fees or trails. However, such compensation will not be received in connection with investments made in MAS program accounts.

The Program may cost you more or less than if the assets were held in a traditional brokerage account. In a brokerage account, you are charged commissions for each transaction, and we

would have no duty to provide ongoing advice with respect to the account. If you plan to follow a buy and hold investment strategy for the account or do not wish to purchase ongoing investment advice or management services, you should consider opening a commission-based brokerage account rather than a MAS account.

You may terminate the agreement for services with us at any time with written notice. Upon termination, any prepaid, unearned fees will be refunded.

For additional information, refer to Item 12 – Brokerage Practices and the MAS disclosure document and account agreement.

### **Financial Planning Services**

Meridian charges for financial planning services on a fixed rate basis. The fee ranges from \$800 to \$15,000 depending upon the nature, scope and complexity of the plan. Fees for services are negotiable between Meridian and the client. Fees for services may be paid upon execution of the agreement for services or upon delivery of the written plan.

The client is under no obligation to use Meridian advisory representatives for implementation of financial planning recommendations. However, if client chooses to engage Meridian for asset management services, the financial planning fee will be waived.

The client or Meridian can terminate the financial planning agreement at any time on written notice to the other party. Any client terminating the financial planning agreement is entitled to a prorated refund of the unearned portion of any prepaid fee. Any fees owed to Meridian by the client upon termination will be billed to the client.

Advisory representatives of Meridian are also separately registered as licensed securities representatives of LPL. In this capacity, the advisory representatives can sell securities to clients and receive normal and customary compensation (e.g., commissions and 12b-1 fees or trails) as a result of securities transactions. This presents a conflict of interest in that the advisory representatives have an incentive to recommend investments when providing consulting and financial planning services based on compensation received rather than client needs. To address this conflict, clients are advised that they are under no obligation to use an advisory representative of Meridian for implementation of financial planning recommendations; investment products and asset management services may be purchased through other brokers or agents not affiliated with the advisory representatives. In addition, to the extent that client's do subsequently hire an advisory representative of Meridian for assistance in his/her capacity as a registered representative of LPL or as an advisory representative of Meridian, additional discussions take place regarding the relationship and, in the case of opening an asset management or other program account, the client would be required to enter into an written investment advisory agreement with Meridian.

For additional information, refer to Item 12 – Brokerage Practices.

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

This Item is not applicable as Meridian 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).

#### **Item 7 – Types of Clients**

Meridian provides services to individuals high net worth individuals, charitable organizations, pension and profit sharing plans, trusts, estates, and businesses.

The typical minimum needed to establish an account is \$100,000.00. However, exceptions may be made at the discretion of Meridian based on multiple accounts within the same family or other special circumstances.

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

Meridian offers the investment advisory services described in this brochure through its advisory representatives. Each client is responsible for selecting his or her own advisory representative. For more information about the individual advisory representative managing or handling your account, refer to the brochure supplement for the advisory representative, a copy of which you should have received along with this brochure.

It is important to keep in mind that there is no specific approach to investing that guarantees success or positive returns; investing in securities involves risk of loss that clients should be prepared to bear.

Within a Program account, the advisory representative is responsible for determining his or her own methods of analysis and investment strategies with the goal of constructing a portfolio using an asset allocation mix that is appropriately diversified and consistent with your investment objective for the Program account. Further, your advisory representative will monitor your account and rebalance it as necessary when the percentages of certain holdings exceed or fall below our target allocations.

We typically manage Program accounts or otherwise provide investment advice focusing on one of the following investment objectives based on the client's goals and risk tolerance; income with capital preservation, income with moderate growth, growth with income, growth or aggressive growth. The allocation of assets to different mutual funds or other securities in a Program account or to portfolios or portfolios and outside strategists in OMP or MWP, respectively, will be made based on these overall objectives.

**Third-Party Money Manager Analysis:** The analysis of the experience, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. Analysis is completed by monitoring the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk

assessment. Additionally, as part of the due-diligence process, the manager's compliance and business enterprise risks are surveyed and reviewed. A risk of investing with a third-party manager who has been successful in the past is that they may not be able to replicate that success in the future. In addition, as our firm does not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as our firm does not control the manager's daily business and compliance operations, our firm may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

**Preferred Securities:** As stated above, we generally use the following types of investment vehicles within Program accounts: mutual funds (including international funds, emerging market funds, real estate funds, high yield bond funds and funds that short the market), ETFs (including commodity funds, precious metal funds and agricultural funds), variable annuity subaccounts, alternative investments (including managed futures funds or hedge funds), individual stocks and bonds, and options (including covered calls and purchasing calls and puts). The particular investments selected for your Program account will depend upon your investment objective, level of risk tolerance, sensitivity to taxes, and other factors.

There are risks associated with investing in securities. The following highlights some of the risks associated with the types of investments that may be purchased for your account:

Investing in international markets presents additional risks including currency fluctuations, the potential for diplomatic and political instability, regulatory and liquidity risks and foreign taxation among others. The risks of foreign investing are generally greater in emerging markets.

High yield bonds carry greater risks than bonds rated as investment grade. For example, they are issued by organizations that do not qualify for an investment grade rating by one of the rating agencies because of the potential for higher default by the issuer. Another risk is that further financial difficulties by the issuer may result in a decrease in the market value, and this may make it impossible to liquidate the bond prior to maturity.

Funds designed to short the market, or inverse funds, have a goal of providing the opposite or inverse of the return for the underlying index. Inverse funds may have higher expense ratios and be less tax-efficient than a traditional mutual fund or ETF. They may also be riskier. We may use inverse mutual funds or inverse ETFs as a short term holding in Program accounts when deemed appropriate.

ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company.

Managed futures funds and hedge funds may be purchased within Program accounts on a non-discretionary basis by clients meeting certain standards. Investing in these funds involves additional risk including, but not limited to, the risk of investment loss due to the use of leveraging and other speculative investment practices and lack of liquidity and performance volatility. In addition, these funds are not required to provide periodic pricing or valuation information to investors and may involve complex tax structures and delays in distributing tax information. You should be aware that these funds are not liquid as there is no secondary trading market available.

We may also purchase call options, which gives the right to purchase the underlying stock for your account at a specified price within a specified period of time if we deem it appropriate. You should be aware that the use of options involves additional risks. The risk of covered call options includes the possibility that the market will rise sharply and the investment upon which the covered call was placed will be called away. In this case you will no longer own this investment. The risk of purchasing put options is limited to the loss of the premium paid for the option unless the Program account exercises or sells the investment. The risk of purchasing call options is limited to the loss of the amount paid for the call option.

We may use either a fundamental or technical method for analyzing investment opportunities for Program accounts. Fundamental analysis means that the overall business is considered by reviewing a business' financial statements and financial health, its management and competitive advantages, and its competitors and markets. Technical analysis is an investment analysis discipline that attempts to forecast the direction of prices through the study of historical trends in past market data, primarily price and volume. Of course, past performance does not guarantee future results.

We consider the overall economy, both domestically and globally, when selecting specific investments and making asset allocation decisions. We also consider current and recent market levels and volatility when making management decisions. We use a variety of sources of data to conduct our economic, investment and market analysis, such as economic and market research materials prepared by economists and other market professionals, conference calls and educational/due diligence meetings hosted by mutual funds and other money managers, financial publications, corporate rating services, annual reports, prospectuses, and company press releases.

In order to provide financial planning services, we will first collect important information regarding your objectives, goals, financial data, and risk tolerance. For more information regarding the areas of analysis covered, please refer to Item 4 – Advisory Business.

## **Item 9 – Disciplinary Information**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our advisory business or the integrity of our management. We have no information applicable to this Item.

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

Meridian is only in the business of providing investment advice as described above and in our Wrap Program Brochure. However, as also noted above, advisory representatives of Meridian are registered representatives of LPL Financial, an SEC registered broker/dealer and member of the Financial Industry Regulatory Authority. In this capacity the advisory representative can sell

securities to clients and receive normal and customary compensation in the form of commissions. Client's purchasing securities from an advisory representative will receive disclosure documents (e.g., prospectus, brokerage account agreement) when conducting such transactions. For more information, refer to Item 5 – Fees and Compensation.

Our firm's Chief Compliance Officer is also the owner and CCO of another independent RIA. As such a conflict of interest exists where our firm is incentivized to recommend the Third-Party Money Manager services of our CCO's RIA. Further, the time allocated by our CCO to his duties as the owner and CCO of another independent RIA will represent a sizable amount of time during any given month. In order to mitigate these conflicts of interest, our firm will only recommend any given Third-Party Money Manager when in the client's best interest, and further, our CCO is committed to allocating sufficient time to our RIA's compliance program and supervision.

LPL's parent company, LPL Investment Holdings, Inc., is a publicly traded company with shares listed on The NASDAQ Global Select Market under the trading symbol "LPLA". Certain advisory representatives of Meridian are shareholders and/or option holders of LPLA.

Advisory representatives are also licensed as independent insurance agents and appointed through various insurance companies to offer a variety of types of insurance depending upon the individual. The types of insurance that may be available include life insurance, long term care

insurance, fixed annuities and disability insurance. In such capacity, the advisory representatives can sell insurance products to clients and receive normal and customary compensation in the form of commissions. Client's purchasing insurance from advisory representatives will receive certain disclosure documents and complete an insurance application process when conducting such transactions.

Investment research assistance may be provided by BlackRock Investments LLC and/or its affiliates (together, "BlackRock"). The research provided represents a conflict of interest, as advisors may be incentivized to utilize BlackRock funds in client portfolios to ensure continued receipt of these free research services.

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

Meridian has adopted a Code of Ethics which establishes standards of conduct for its supervised persons. The Code of Ethics includes general requirements that such supervised persons comply with their fiduciary obligations to clients and other applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to report their personal securities transactions and holdings quarterly to Meridian, and requires Meridian to review those reports. Each supervised person receives a copy of the Code of Ethics and must acknowledge in writing having received the materials. Clients and prospective clients may obtain a copy of the Code of Ethics by contacting Meridian.

It is our policy not to affect any principal trades for client accounts. Principal trades are generally defined as transactions where an advisor, acting for its own account, buys from or sells a security to an advisory client. It is also our policy not to cross trades between your account and the account of another client.



Meridian and its advisory representatives may buy or sell securities for our personal accounts identical to those recommended to clients. This creates a potential conflict of interest. It is our policy that all persons associated with us in any manner must place the interests of clients ahead of their own when making personal investments. In addition, we require that client transactions be placed before our own transactions. We also monitor trading by our advisory representatives.

LPL's parent company, LPL Investment Holdings Inc., is a publicly traded company. Meridian does not recommend or solicit orders of LPL Investment Holdings Inc. stock in Program accounts.

## **Item 12 – Brokerage Practices**

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Meridian requires that clients direct LPL as the sole and exclusive broker/dealer to execute transactions for Program accounts. LPL is not paid a commission for executing transactions. Because advisory representatives of Meridian are licensed with LPL, this presents a conflict of interest. Clients should understand that not all advisors require their clients to direct brokerage. By directing brokerage to LPL, clients may be unable to achieve the most favorable execution of client transactions. Therefore, directed brokerage may cost clients more money.

Meridian may receive support services and/or products from LPL, which assist Meridian to better monitor and service client accounts maintained at LPL. These support services and/or products may be received without cost, at a discount, and/or at another negotiated rate, and may include the following:

- Investment-related research
- Pricing information and market data
- Software and other technology that provide access to client account Data compliance and/or practice management-related publications
- Consulting services
- Attendance at conferences, meetings, and other educational and/or social Events and marketing support
- Computer hardware and/or software
- Other products used by Meridian in furtherance of its investment advisory business operations

Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by Meridian to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities or programs as a result of this arrangement.

The financial planning services offered by Meridian conclude upon delivery of the written financial plan. The services offered do not include implementation of recommendations or any transactions. Clients are under no obligation to implement the planning recommendations through advisory representatives of Meridian. Clients are free to select any broker/dealer or investment advisor for implementation.

However, Meridian may suggest that clients implement recommendations provided as a part of the financial planning services through an advisory representative of Meridian in his/her capacity as a registered representative of LPL, or through various insurance companies in his/her capacity as an independent insurance agent, or through the advisory representative offering asset management services. If the client chooses to implement through an advisory representative of Meridian, the advisory representative would receive normal and customary commissions as a

registered representative or licensed insurance agent resulting from any securities or insurance transactions, or normal and customary advisory fees as an advisory representative of Meridian.

### **Item 13 – Review of Accounts**

Advisory representatives conduct reviews of client Program and Third-Party Money Manager accounts on a regular schedule for consistency with the client's stated investment objectives, among other factors. Client account reviews may also be triggered upon client request, a change in client circumstances, or unusual market activity.

All Program accounts are also subjected to a risk-based exception reporting system that flags accounts on a quarterly basis for criteria such as performance, trading activity and position concentration. The exception reporting identifies accounts where additional scrutiny or analysis by Meridian may be appropriate.

During any month that there is activity in an account, you will receive a monthly account statement from LPL showing account activity as well as positions held in the account at month end. Additionally, you will receive a confirmation of each transaction that occurs unless the transaction is a result of a systematic purchase, redemption or exchange. You will also receive a detailed quarterly performance report prepared by LPL on behalf of Meridian. All account data and statements are also available online through the LPL Account View portal.

As stated above, the financial planning services terminate upon delivery of the analysis or review. Thus, there are no ongoing reviews or reporting provided by Meridian.

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

Meridian may from time to time compensate, either directly or indirectly, any person for client referrals. These individuals are referred to as solicitors and Meridian pays them a portion of the advisory fee paid by the client. When a solicitor is used, the arrangement will be disclosed in writing to the client through a disclosure document signed by the client at the time the account is opened.

As a result of our relationship with LPL, we may receive production bonuses, stock options to purchase shares of LPL's parent company, and other things of value such as free or reduced-cost attendance at LPL's national sales conference or top producer forums and events. Such compensation may be based on overall business produced and/or on the amount of assets serviced through LPL. Thus, there is a financial incentive for us to recommend that you establish a Program account, OMP account, MWP account or MAS account so that we will be compensated. We take our responsibilities to clients very seriously and we will only recommend that clients hire us for management services if we believe it is appropriate and in the client's best interests.

### **Item 15 – Custody**

While our firm does not maintain physical custody of client assets (which are maintained by a qualified custodian, as discussed above), we are deemed to have custody of certain client assets if given the authority to withdraw assets from client accounts, as further described below under "Standing Instructions". All our clients receive account statements directly from their qualified custodian(s) at least quarterly upon opening of an account. We urge our clients to carefully

review these statements. Additionally, if our firm decides to send its own account statements to clients, such statements will include a legend that recommends the client compare the account statements received from the qualified custodian with those received from our firm. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

The SEC issued a no-action letter (“Letter”) with respect to the Rule 206(4)-2 (“Custody Rule”) under the Investment Advisers Act of 1940 (“Advisers Act”). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction (“SLOA”) is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodians:

- The client provides an instruction to the qualified custodian, in writing, that includes the client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client’s qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client’s authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client’s qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client’s instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client’s qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

## **Item 16 – Investment Discretion**

Upon your written authorization in our investment advisory agreement, we will provide discretionary investment advisory services for your Program account. Our discretionary authority is limited only to affecting trades in your accounts; we will determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each trade.

Within the OMP, our discretionary authority is limited to selecting a portfolio for you based on your investment objective for the account. LPL is the party with discretion to rebalance your account as needed. Within MWP, our discretionary authority is limited to selecting one or more model portfolio of funds or third party investment strategist for your account. Again, LPL is the party with discretion to rebalance your account as needed. Finally, within MAS, we do not have any discretionary authority with respect to your account. The Portfolio Manager is the party with discretion and responsibility for account management. For further information about OMP, MWP or MAS, kindly refer to the disclosure brochure for the applicable program.

We will not have access to your funds or securities with the exception of having advisory fees deducted from your account and paid to us by LPL as the custodian. Any fee deduction will be done pursuant to your prior written authorization provided to LPL.

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

Meridian does not have any authority to vote client securities or proxies on your behalf. Within a Program account, OMP account, or MWP account, the client retains the right to vote all proxies. Proxy information for any securities which are held in your accounts will be sent to you by LPL as the custodian of your funds and securities. We will not be providing you with this information. However, if you have any questions about a particular solicitation, you may contact us for general information.

Within a MAS account, the Portfolio Manager is responsible for voting proxies unless the client notifies the Portfolio Manager in writing that he/she wishes to be responsible for voting proxies.

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

Meridian is required to provide clients with certain information or disclosures about its financial condition. We have no financial commitment that impairs our ability to meet contractual or fiduciary commitments to clients, and we have not been the subject of a bankruptcy petition.