



*a Registered Investment Adviser*

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This brochure ("Brochure") provides information about the qualifications and business practices of First Oak Wealth Management, LLC (CRD #288316) (hereinafter "First Oak" or the "Firm"). If you have any questions about the contents of this Brochure, please contact the Firm at the telephone number listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state authority. Additional information about the Firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

### **Item 2. Material Changes**

There are no material changes in this brochure from the last annual updating amendment of First Oak on 03/02/2021. Material changes relate to First Oak's policies, practices or conflicts of interests only.

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### **Item 4. Advisory Business**

First Oak offers a variety of advisory services, which include financial planning and investment management services. Prior to First Oak rendering any advisory services, clients are required to enter into one or more written agreements with First Oak setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

First Oak has been registered as an investment adviser since April 2017 and is wholly owned by Ryan Thomsen. As of December 31, 2020, First Oak had \$ 205,288,688.00 in assets under management, all of which was managed on a discretionary basis.

While this brochure generally describes the business of First Oak, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on First Oak’s behalf and is subject to the Firm’s supervision or control.

#### **Financial Planning Services**

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First Oak offers clients a broad range of financial planning services, which includes any or all of the following functions:

- Cash Flow Forecasting
- Trust and Estate Planning
- Insurance Planning
- Retirement Planning

In performing these services, First Oak is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. First Oak recommends certain clients engage the Firm for additional related services and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage First Oak or its affiliates to provide (or continue to provide) additional services for compensation, including investment management services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by First Oak under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising First Oak’s recommendations and/or services.

#### **Portfolio Management Services**

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First Oak manages client portfolios on a discretionary or non-discretionary basis. First Oak primarily allocates client assets among various mutual funds, exchange-traded funds (“ETFs”), individual debt and equity securities, options and independent investment managers (“Independent Managers”) in accordance with their stated investment objectives.

Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios. Clients can engage First Oak to manage and/or advise on certain investment

products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, First Oak directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

First Oak tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. First Oak consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify First Oak if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if First Oak determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

Each client should note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of First Oak.

### **Use of Independent Managers**

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As mentioned above, First Oak selects certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

First Oak evaluates a variety of information about Independent Managers, which includes the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. First Oak also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

First Oak continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. First Oak seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

### **High Net Worth Planning and Consulting Services**

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First Oak provides planning and consulting services for certain High Net Worth (HNW) individuals and/or businesses for their executives on a project or retainer basis.

The services may include but not be limited to: asset allocation, asset coordination, business consulting, business transition & exit planning, charitable counseling, estate planning (gift & wealth transfer), executive compensation planning & strategies, financial planning, group 401k advice, impact investing advice, insurance planning, investment selection, outside investment account analysis, retirement planning and/or risk management.

### **Item 5. Fees and Compensation**

First Oak offers services based upon assets under management or advisement.

#### **Portfolio Management Fees**

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First Oak offers portfolio management services for an annual fee based on the amount of assets under the Firm's management. This management fee varies between 75 and 125 basis points (0.75% – 1.25%), depending upon the size and composition of a client's portfolio and the type of services rendered. The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by First Oak on the last day of the previous billing period.

If assets in excess of \$100,000 are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a pro rata basis. In the event the Advisory Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate. Clients may terminate the Advisory Agreement by giving 30 days prior written notice of termination to the Firm.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), First Oak may negotiate a fee rate that differs from the range set forth above.

#### **High Net Worth Planning and Consulting Services Fees**

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The rate for HNW Planning and Consulting Services is \$1,000/hour. The fee for service will be determined upfront based on the anticipated scope of the project.

#### **Fee Discretion**

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First Oak may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

#### **Additional Fees and Expenses**

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In addition to the advisory fees paid to First Oak, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include transaction fees, custodial fees, reporting charges, fees charged by the Independent Managers, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other

fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 12, below.

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### **Direct Fee Debit**

Clients provide First Oak and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to First Oak.

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### **Account Additions and Withdrawals**

Clients can make additions to and withdrawals from their account at any time, subject to First Oak's right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to First Oak, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. First Oak may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

First Oak does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

## **Item 7. Types of Clients**

First Oak offers services to individuals, pension and profit-sharing plans, corporations, charitable institutions, and trusts.

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### **Minimum Account Requirements**

First Oak does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and billing practices from the Firm. In these instances, First Oak may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

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

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### **Methods of Analysis**

First Oak reviews each client's Investment Plan and develops a customized investment strategy for each client. The primary vehicles for investment used by First Oak are ETFs, mutual funds, Independent Managers, common stock and fixed income securities.

In selecting investments for an individual account in accordance with the client's Investment Plan, First Oak generally applies traditional fundamental analysis including, without limitation, the following factors: financial strength ratios; price-to-earnings ratios; dividend yields; and growth rate-to-price earnings ratios.

First Oak may incorporate other methods of analysis, such as:

- *Charting Analysis* –involves gathering and processing price and volume information for a particular security and may include, without limitation: mathematical analysis; graphing charts; and estimations of future price movements based on perceived patterns and trends.
- *Technical Analysis* –involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- *Cyclical Analysis* –involves evaluating recurring price patterns and trends.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. First Oak may evaluate and select individual bonds, bond funds, or Independent Managers based on a number of factors including, without limitation, rating, yield and duration.

### Investment Strategies

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First Oak's strategic approach is to invest each portfolio in accordance with the Investment Plan that has been developed specifically for each client. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances:

- *Long Term Purchases* – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- *Short Term Purchases* – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.
- *Options Trading/Writing* – a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the exercise of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option. Selling "covered calls" involves writing options against shares of stock you already own.

### Risk of Loss

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While First Oak seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks.



Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money. Below is a description of several of the principal risks that client investment portfolios face.

### *Management Risks*

While First Oak manages client investment portfolios, or recommends one or more Independent Managers, based on First Oak's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that First Oak or an Independent Manager allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that First Oak's or the Independent Manager's specific investment choices could underperform their relevant indexes.

### *Economic Conditions*

Changes in economic conditions, including, for example, interest rates, inflation rates, employment conditions, competition, technological developments, political and diplomatic events and trends, and tax laws may adversely affect the business prospects or perceived prospects of companies. While First Oak or an Independent Manager performs due diligence on the companies in whose securities it invests, economic conditions are not within the control of First Oak or the Independent Manager and no assurances can be given that First Oak or the Independent Manager will anticipate adverse developments.

### *Mutual Funds and ETFs*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

### *Equity Market Risks*

First Oak and any Independent Managers will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investment funds have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

### *Fixed Income Risks*

First Oak and any Independent Managers may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

### *Foreign Securities Risks*

First Oak and any Independent Managers may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the United States. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

### *Use of Independent Managers*

As stated above, First Oak may select certain Independent Managers to manage a portion of its clients' assets. In these situations, First Oak continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, First Oak does not have the ability to supervise the Independent Managers on a day-to-day basis.

### *Options*

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease

to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

### **Item 9. Disciplinary Information**

On 4/8/19 the NC Secretary of State issued, by consent and without admission or denial, a cease and desist order along with assessment of a civil penalty and costs against First Oak for issues that took place in 2017, while First Oak was registered with the North Carolina Secretary of State, Securities Division. The findings were that First Oak utilized a solicitor without registration as an investment adviser representative for the purpose of soliciting new clients whose accounts were purchased by First Oak from the solicitor's former investment advisory firm. It was also found that First Oak failed to reasonably supervise this solicitor, and violated the brochure supplement requirement and solicitor rule regarding this solicitor.

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

This item requires investment advisers to disclose certain financial industry activities and affiliations. The Firm does not have any other financial industry activities or affiliations that need to be disclosed.

### **Item 11. Code of Ethics**

First Oak has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. First Oak's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of First Oak's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- The transaction has been completed;
- The transaction for the Supervised Person is completed as part of a batch trade with clients; or
- A decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase

agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact First Oak to request a copy of its Code of Ethics.

## **Item 12. Brokerage Practices**

### **Recommendation of Broker-Dealers for Client Transactions**

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First Oak recommends that clients utilize the custody, brokerage and clearing services of Charles Schwab & Co, Inc. through its Schwab Advisor Services division (“Schwab”), TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. (“TD Ameritrade”) (together, the “Financial Institutions”) and Interactive Brokers LLC (CRD# 36418) for investment management accounts.

The final decision to custody assets with the Financial Institutions is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. First Oak is independently owned and operated and not affiliated with the Financial Institutions. The Financial Institutions provide First Oak with access to its institutional trading and custody services, which are typically not available to retail investors.

Factors which First Oak considers in recommending the Financial Institutions or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. The Financial Institutions enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by the Financial Institutions may be higher or lower than those charged by other broker-dealers.

The commissions paid by First Oak’s clients to the Financial Institutions for client transactions comply with the Firm’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified broker-dealer might charge to effect the same transaction where First Oak determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of available services, including among others, the value of research provided, execution capability, commission rates and responsiveness. First Oak seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist First Oak in its investment decision-making process. Such research will be used to service all of the Firm’s clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client’s portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because First Oak does not have to produce or pay for the products or services.

First Oak periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

## **Software and Support Provided by Financial Institutions**

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First Oak receives without cost from the Financial Institutions administrative support, computer software, related systems support, as well as other third party support as further described below (together "Support") which allow First Oak to better monitor client accounts maintained at the Financial Institutions and otherwise conduct its business. First Oak receives the Support without cost because the Firm renders investment management services to clients that maintain assets at the Financial Institutions. The Support is not provided in connection with securities transactions of clients. The Support benefits First Oak, but not its clients directly. Clients should be aware that First Oak's receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits may influence the Firm's choice of broker-dealer over another that does not furnish similar software, systems support or services. In fulfilling its duties to its clients, First Oak endeavors at all times to put the interests of its clients first and has determined that the recommendation of the Financial Institutions is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, First Oak receives the following benefits from the Financial Institutions: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

With respect to benefits from Schwab, these services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by Schwab. Other potential benefits may include occasional business entertainment of personnel of First Oak by Schwab personnel, including meals. Other of these products and services assist First Oak in managing and administering clients' accounts. These include software and other technology (and related technological training) 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 the Firm's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm's accounts, including accounts not maintained at Schwab. Schwab also makes available to First Oak other services intended to help the Firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession,

regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to the Firm by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Firm. While, as a fiduciary, First Oak endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a potential conflict of interest.

With respect to TD Ameritrade, First Oak participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA, an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. First Oak receives some benefits from TD Ameritrade through its participation in the program.

With respect to benefits received from TD Ameritrade, there is no direct link between First Oak's participation in TD Ameritrade's institutional customer program and the investment advice it gives to its clients, although First Oak receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. Additionally, First Oak may receive the following benefits from TD Ameritrade through its registered investment adviser division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Registered Investment Adviser participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. The Firm also has the ability deduct advisory fees directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Firm by third party vendors. TD Ameritrade may fund business consulting and professional services received by First Oak's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit First Oak but not its client. These products or services may assist First Oak in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help First Oak manage and further develop its business enterprise. The benefits received by First Oak's participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

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### **Brokerage for Client Referrals**

First Oak does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

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### **Trade Aggregation**

Transactions for each client will be effected independently, unless First Oak decides to purchase or sell the same securities for several clients at approximately the same time. First Oak may (but is not obligated to)



combine or “block” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among First Oak’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which First Oak’s Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. First Oak does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

## **Item 13. Review of Accounts**

### **Account Reviews**

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First Oak monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least an annual basis. Such reviews are conducted by the Firm’s investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with First Oak and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and annually to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

### **Account Statements and Reports**

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Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from First Oak and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from First Oak or an outside service provider.

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

### **Client Referrals**

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The Firm does not currently provide compensation to any third-party solicitors for client referrals.

## **Item 15. Custody**

All clients must place their assets with a qualified custodian. It is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify First Oak of any questions or concerns. Clients are also asked to promptly notify First Oak if the custodian fails to provide statements on each account held.

The Advisory Agreement and/or the separate agreement with any Financial Institution authorize First Oak and/or the Independent Managers to debit client accounts for payment of the Firm's fees and to directly remit that those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to First Oak.

In addition, as discussed in Item 13, First Oak will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from First Oak.

## **Item 16. Investment Discretion**

First Oak is given the authority to exercise discretion on behalf of clients. First Oak is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. First Oak is given this authority through a power-of-attorney included in the agreement between First Oak and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold).

First Oak takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

## **Item 17. Voting Client Securities**

### **Declination of Proxy Voting Authority**

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First Oak does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.



## **Item 18. Financial Information**

First Oak is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$500 in fees six months or more in advance of services rendered;
- In light of the COVID-19 coronavirus and historic decline in market values, the Firm has elected to participate in the CARES Act's Paycheck Protection Program ("PPP") to strengthen its balance sheet. The Firm intends to use this loan predominantly to continue payroll for the Firm and may ultimately seek loan forgiveness per the terms of the PPP. Due to this and other measures taken internally, the Firm has been able to operate and continue serving its clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.