

# Mazars Wealth Advisors

SEC File Number: 801 – 63968

## **ADV Part 2A, Brochure**

**Dated: November 30, 2021**

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**This brochure provides information about the qualifications and business practices of Mazars USA Wealth Advisors LLC dba Mazars Wealth Advisors. If you have any questions about the contents of this brochure, please contact us at (212) 375-6631 or [cmichel@mazarswa.com](mailto:cmichel@mazarswa.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

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

**References herein to Mazars Wealth Advisors as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2           Material Changes**

There have been no material changes to our Brochure since our last Annual Amendment filing on November 30, 2020.

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

- A. Mazars USA Wealth Advisors LLC dba Mazars Wealth Advisors (the “Registrant”) is a limited liability company formed on November 12, 2004 in the state of New York. The Registrant became registered as an Investment Adviser Firm in March 2005. The Registrant is a wholly-owned subsidiary of Weiser Holding Group LLC, which is wholly and solely owned by Mazars USA LLP, a certified public accounting firm.
- B. As discussed below, the Registrant offers to its clients (individuals, business entities, pension and profit sharing plans, trusts, estates and charitable organizations, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

#### **INVESTMENT ADVISORY SERVICES**

The Registrant may be engaged to provide discretionary investment advisory services on a *fee* basis. The Registrant’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under the Registrant’s management as described below.

To commence the investment advisory process, an investment adviser representative will first ascertain each client’s investment objectives and then allocate or recommend that the client allocate investment assets consistent with the designated investment objectives. Once allocated, the Registrant provides ongoing monitoring and will review account performance and asset allocation as compared to client investment objectives, and may periodically execute or recommend execution of account transactions based upon such reviews.

#### **FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)**

The Registrant may be engaged to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Registrant’s planning and consulting fees generally range from \$1,000.00 to \$100,000.00 on a fixed fee basis, depending upon the level and scope of the service(s) required.

Prior to engaging the Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services.

If requested by the client, Registrant may recommend the services of other professionals for implementation purposes, including the Registrant’s representatives in their individual capacities as registered representatives of a broker-dealer and/or licensed insurance agents. (*See* disclosures at Item 10.C). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant.

If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

It remains the client's responsibility to promptly notify the Registrant if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Registrant's previous recommendations and/or services.

### **ACCOUNTING AND TAX SERVICES**

To the extent that a client requires accounting advice and/or tax preparation services, the Registrant, if requested, will recommend the services of the Registrant's indirect owner, Mazars USA LLP ("*Mazars*"), a certified public accounting firm. All such services shall be pursuant to a separate agreement. See Item 10.C below.

### **Independent Advisor Solutions by SEI (SEI Investments Management Corporation)**

The Registrant participates in the Independent Advisor Solutions Program, which is offered to high-net-worth individuals, defined benefit plans, participant and non-participant directed defined contribution plans, institutions, endowments, and foundations.

Independent Advisor Solutions by SEI ("IAS") provides independent financial intermediaries, such as registered investment advisors, financial planning firms, broker-dealers and other financial institutions ("Independent Advisors") with wealth management services through outsourced investment strategies, administration and technology services, and practice management programs.

### **SEI Funds**

*SIMC* serves as the investment advisor to the SEI mutual funds ("SEI Funds"), which is a family of SEC-registered mutual funds. Most of the SEI Funds are manager-of-managers funds, which means that *SIMC* (i) hires one or more sub-advisors to manage the SEI Funds on a day-to-day basis; (ii) monitors the sub-advisors; (iii) allocates, on a continuous basis, assets of a SEI Fund among the sub-advisors (to the extent a fund has more than one sub-advisor) and (iv) when necessary, replaces sub-advisors. Each sub-advisor makes investment decisions for the assets it manages and continuously reviews, supervises and administers its investment program. *SIMC* is generally responsible for establishing, monitoring, and administering the investment program of each SEI Fund.

*SIMC* develops various SEI Funds, each of which seeks to achieve particular investment goals. The SEI Funds are not tailored to accommodate the needs or objectives of specific individuals, but rather the program is designed to enable an Independent Advisor to match its clients with SEI Funds that are consistent with the client's investment goals and objectives. Additionally, clients invested in the SEI Funds may not impose restrictions on investing in certain securities or types of securities within each SEI Fund.

### **SEI Asset Allocation Models**

SEI Funds may be purchased individually or they can be purchased in a manner intended to follow *SIMC*-developed model investment portfolios. Under this "Asset Allocation Program," *SIMC* provides non-discretionary services to the Independent Advisor through the publication of investment models consisting of allocations to different SEI Funds (each, a "SEI Asset Allocation Model"). Each SEI Asset Allocation Model seeks to achieve a particular investment goal or to meet particular risk and return characteristics. These models are not tailored to accommodate the needs or objectives of specific investors, but

rather the program is designed to enable an Independent Advisor to match its clients to SEI Asset Allocation Models that are consistent with the clients' investment goals and objectives. Clients may not impose reasonable restrictions on investing in certain securities or types of securities within each Asset Allocation model.

Since a large portion of the assets in the SEI Funds are comprised of clients following these Asset Allocation Models (or other asset allocation models for which *SIMC* either determines or influences the allocation), model reallocation activity could result in significant purchase or redemption activity in the SEI Funds. While reallocations are intended to benefit clients that invest in the SEI Funds through the SEI Asset Allocation Models, they could in certain cases have a detrimental effect on the SEI Funds that are being materially reallocated, including by increasing portfolio turnover (and related transaction costs), disrupting portfolio management strategy, and causing a SEI Fund to incur taxable gains. *SIMC* seeks to manage the impact to the SEI Funds resulting from reallocations.

For temporary defensive or liquidity purposes during unusual economic or market conditions, *SIMC* may change the allocations of the SEI Asset Allocation Model in a manner that would not ordinarily be consistent with a portfolio's strategy. *SIMC* will only do so only if it believes that the risk of loss outweighs the opportunity for capital gains or higher income. During such time, a portfolio may not achieve its investment goal.

### **SEI ASSET ALLOCATION PROGRAM**

The Registrant participates in the SEI Asset Allocation Program, which is offered to high net worth individuals, defined benefit plans, participant and non-participant directed defined contribution plans, institutions, endowments, and foundations.

With the SEI Asset Allocation Program, the Registrant serves as the investment adviser to the client and is responsible for analyzing the client's current financial situation, return expectations, risk tolerance, time horizon, and asset class preference, pursuant to investment advisory agreement. Based upon the client's information, the Registrant and the client select an investment strategy and choose from one of many mutual fund asset allocation models, which may be provided by SEI Investments Management Corporation ("*SIMC*") or purchase the individual mutual funds.

The Registrant may allocate the assets placed in the client's account among the mutual fund asset allocation models in accordance with the investment strategy, goal or model selected by the client. The client, through the Registrant, may adjust their asset allocation to help ensure that the mix reflects the objectives of the chosen strategy. The client may, at any time, impose reasonable restrictions on the management of their account or choose a new investment strategy. For participant-directed plans, assets will be invested in the SEI Asset Allocation mutual funds and other style-specific SEI Funds (if applicable).

In accordance with the client's investment objectives, the Registrant may also allocate assets placed in the client's account among the SEI Funds through SEI's Private Client Models, which reflect *SIMC*'s institutional asset allocation models more aligned with individual clients' goals. *SIMC* expects to make changes to the Private Client Models periodically to incorporate changes to the mutual fund asset allocations underlying the models. Upon consent from the Registrant (on behalf of the client), these asset allocation changes will be made to the client's accounts invested in the Private Client Models.

The SEI Funds are administered, distributed, and in some cases advised by *SIMC* or its affiliates for which it is paid fees as disclosed in the SEI Funds' prospectuses. The prospectus(es) should be read carefully by all clients before investing in the SEI Funds.

The investment management fees charged to the client by the SEI Asset Allocation Program are exclusive of, and in addition to, Registrant's ongoing investment advisory fee as set forth in the fee schedule below in Item 5.

### **SEI MANAGED ACCOUNT SOLUTIONS PROGRAM**

The SEI Managed Account Solutions Program is a wrap fee program which charges a bundled fee that includes advisory, brokerage and custody services. *SIMC* sponsors and is advisor to the SEI Managed Account Solutions Program. The SEI Managed Account Solutions Program is offered by *SIMC* through financial professionals to promote one or more of SEI's investment management strategies or a customized allocation utilizing one or more SEI's strategies, individual managers, mutual funds, or ETF strategies to their clients. Under the Managed Account Solutions ("MAS") program, a wrap fee program available to the Registrant, *SIMC* charges a bundled fee that includes advisory, brokerage and custody services. *SIMC* enters into a tri-party investment management agreement with the Registrant and our client to provide MAS. In the MAS Program, the client appoints the Registrant as its investment advisor to assist the client in selecting an appropriate investment strategy. The client appoints *SIMC* to manage the assets in each portfolio in accordance with the strategy recommended by the Registrant and selected by the client.

*SIMC* manages certain portfolios in MAS directly, rather than through the use of sub-advisors, as noted in the applicable client paperwork. These investment management services are not tailored to accommodate the needs or objectives of specific individuals, but rather the program is designed to enable clients to be matched with a portfolio that is consistent with the client's investment goals and objectives. However, a client may, at any time, impose reasonable restrictions on the management of client's account.

Within MAS, *SIMC* makes available two broad categories of investment strategies - "*SIMC* Managed Account Strategies": (i) individual investment strategies (or model investment portfolios) of third party investment managers selected and overseen by *SIMC* ("Portfolio Managers") covering a broad spectrum of available investment styles; and (ii) *SIMC* designed and managed investment strategies (or model investment portfolios), including strategies that allocate to various Portfolio Managers, or strategies managed directly by *SIMC* and/or SEI Funds or exchange traded funds. The *SIMC* Managed Account Strategies include SEI Distribution-Focused Strategies (or "DFS"), which are a series of investment strategies designed for investors requiring regular distributions from their investment accounts. A detailed description of MAS, including the services provided, available *SIMC* Managed Account Strategies and the related fees, can be found in the Wrap Brochure.

In the SEI Managed Account Program, *SIMC* may recommend that a client allocate all or a portion of its assets to the SEI Managed Account Implementation. *SIMC* is responsible for managing assets which the client has instructed be invested in accordance with the client's investment objectives and risk profile, as determined through client's completion of SEI's "Risk Tolerance Questionnaire" and SEI's proprietary proposal tool and the provision of other required information in the client's account application. Based on this information, *SIMC* will recommend strategies for the client's account. *SIMC* manages Managed Account Program assets (i.e., "wrap fee accounts") in the same manner that it manages non-wrap fee separate accounts with the same investment strategy or mandate. If

circumstances warrant, the financial professional may customize the management account program to address the needs and objectives of the individual clients.

Participating in the Managed Account Program may cost the client more or less than if the client paid separately for investment advice, brokerage, and other services. In addition, the fees may be higher or lower than that charged by other sponsors of comparable wrap fee programs. *SIMC* develops various Managed Account Program strategies, each of which seeks to achieve particular investment goals. These Managed Account Program strategies may be tailored to accommodate the needs or objectives of specific individuals, but rather the program is designed to enable clients to be matched with a Managed Account Program strategy that is consistent with the client's investment goals and objectives. However, clients may at any time impose reasonable restrictions on the management of client's accounts.

## MISCELLANEOUS

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.** As indicated above, to the extent requested by a client, Registrant may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Registrant does not serve as an attorney or accountant, and no portion of its services should be construed as legal or accounting services. Accordingly, Registrant does not prepare estate planning documents or tax returns. To the extent requested by a client, Registrant may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance agents, etc.), including representatives of Registrant in their separate individual capacities as representatives APW Capital, Inc. ("*APW*"), an SEC registered and FINRA member broker-dealer, or as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Registrant and/or its representatives.

**Conflict of Interest:** The recommendation by Registrant's representative that a client purchase a securities or insurance commission product through Registrant's representative in their separate and individual capacity as a registered representative of *APW* and/or as an insurance agent, presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment or insurance products based on commissions to be received, rather than on a particular client's need.

No client is under any obligation to purchase any securities or insurance commission products through such a representative.

Clients are reminded that they may purchase securities and insurance products recommended by Registrant through other, non-affiliated broker-dealers and/or insurance agencies. Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

**Independent Managers.** The Registrant may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers (each, an "*Independent Manager*"), including but not limited to the Bank of New York Mellon Corporation ("*BNY Mellon*"), in accordance with the client's designated investment objective(s). In such situations, the *Independent Manager(s)* shall

have day-to-day responsibility for the active discretionary management of the allocated assets. The Registrant may receive a referral fee from the *Independent Manager(s)* as set forth in Item 10.D below.

**Retirement Plan Rollovers – No Obligation / Conflict of Interest.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer’s plan, if permitted, (ii) roll over the assets to the new employer’s plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account (“IRA”), or (iv) cash out the account value (which could, depending upon the client’s age, result in adverse tax consequences). If the Registrant recommends that a client roll over their retirement plan assets into an account to be managed by the Registrant, such a recommendation creates a conflict of interest since the Registrant may receive a higher fee as a result of the assets rolling over to the new account. **No client is under any obligation to roll over retirement plan assets to an account managed by Registrant.** The Registrant’s Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the for conflict of interest presented by such a rollover recommendation.

**Use of Mutual and Exchange Traded Funds.** Most mutual funds and exchange traded funds are available directly to the public. Therefore, a prospective client can obtain many of the funds that may be utilized by Registrant independent of engaging Registrant as an investment advisor. However, if a prospective client determines to do so, they will not receive the Registrant’s initial and ongoing investment advisory services.

In addition to Registrant’s investment advisory fee described below, and any applicable transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

**Portfolio Activity.** Registrant has a fiduciary duty to provide services consistent with the client’s best interest. As part of its investment advisory services, Registrant will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client’s investment objective. Based upon these factors, there may be extended periods of time when Registrant determines that changes to a client’s portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Registrant will be profitable or equal any specific performance level(s).

**eMoney Advisor Platform.** Registrant may provide its clients with access to an online platform hosted by “eMoney Advisor” (“eMoney”). The eMoney platform allows a client to view their complete asset allocation, including those assets that Registrant does not manage (the “Excluded Assets”). Registrant does not provide investment management, monitoring, or implementation services for the Excluded Assets. Unless otherwise specifically agreed to, in writing, Registrant’s service relative to the Excluded Assets is limited to reporting only. Therefore, Registrant shall not be responsible for the investment performance of the Excluded Assets. **Rather, the client and/or their advisor(s) that maintain management authority for the Excluded Assets, and not Registrant, shall be exclusively responsible for such investment performance.**



The eMoney platform also provides access to other types of information and applications including financial planning concepts and functionality, which should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by Registrant. Finally, Registrant shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the eMoney platform without Registrant's assistance or oversight.

**Socially Responsible Investing Limitations.** Socially Responsible Investing involves the incorporation of Environmental, Social and Governance considerations into the investment due diligence process ("ESG"). There are potential limitations associated with allocating a portion of an investment portfolio in ESG securities (i.e., securities that have a mandate to avoid, when possible, investments in such products as alcohol, tobacco, firearms, oil drilling, gambling, etc.). The number of these securities may be limited when compared to those that do not maintain such a mandate. ESG securities could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange-traded funds are few when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by the Registrant), there can be no assurance that investment in ESG securities or funds will be profitable or prove successful.

**Cash Positions.** Registrant treats cash as an asset class. As such, all cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating Registrant's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Registrant may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, Registrant's advisory fee could exceed the interest paid by the client's money market fund.

**Client Obligations.** In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify the Registrant if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Registrant's previous recommendations and/or services.

**Disclosure Statement.** A copy of the Registrant's written Brochure as set forth on Part 2 of Form ADV and Client Relationship Summary (Form CRS) shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement* or *Financial Planning and Consulting Agreement*.

- C. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on the Registrant's services.
- D. In the event that Registrant is engaged to provide investment advisory services as part of an unaffiliated wrap-fee program, Registrant will be unable to negotiate commissions and/or transaction costs. Under a wrap program, the wrap program sponsor arranges for the

investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the participant more or less than purchasing such services separately. In the event that Registrant is engaged to provide investment advisory services as part of an unaffiliated managed account program, Registrant will likewise be unable to negotiate commissions and/or transaction costs. If the program is offered on a non-wrap basis, the program sponsor will determine the broker-dealer through which transactions must be executed, and the amount of transaction fees and/or commissions to be charged to the participant investor accounts.

Since the custodian/broker-dealer is determined by the unaffiliated wrap and/or managed account program sponsor, Registrant will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. As a result, clients may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices on transactions for the account than would otherwise be the case through alternative clearing arrangements recommended by Registrant. Higher transaction and fee costs adversely impact account performance.

- E. As of August 31, 2021, the Registrant had \$173,987,244 in assets under management on a discretionary basis and \$1,677,486 in asset under management on a non-discretionary basis.

## Item 5 Fees and Compensation

A.

### INVESTMENT ADVISORY SERVICES

The Registrant may be engaged to provide discretionary investment advisory services on a *fee* basis. The Registrant's annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under the Registrant's management as follows:

<u>Market Value of Portfolio</u>	<u>% of Assets</u>
\$0.00 - \$999,999	1.00%
\$1,000,000-\$1,999,999	0.90%
\$2,000,000-\$2,999,999	0.80%
\$3,000,000-\$3,999,999	0.70%
\$4,000,000- \$4,999,999	0.60%
\$5,000,000- and more	0.50%

The above scheduled fees are negotiable when warranted based on the client's individual facts and circumstances.

Those clients participating in the SEI Asset Allocation Program incur a separate and additional fee.

\*The fees charged may be higher or lower than the cost of similar services offered through other registered investment advisors. Clients may be able to obtain similar services for a lesser fee from other investment advisors.

## FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

The Registrant may be engaged to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. Registrant's planning and consulting fees generally range from \$1,000.00 to \$100,000.00 on a fixed fee basis, depending upon the level and scope of the service(s) required.

- B. Clients shall have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures.

In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients quarterly in advance or arrears, based upon the market value of the assets on the last business day of the previous quarter.

- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant shall generally recommend that SEI Investments ("SEI") serve as the broker-dealer/custodian for client investment management assets. Millennium Trust ("Millennium") may also serve as the custodian for certain clients' assets. Broker-dealers/custodians such as *SEI Millennium* may charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions).

In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

Also, to the extent that a client utilizes the SEI Managed Account Program, as discussed above in Item 4, the client shall be required to complete a SEI application. The client then receives a proposal and an investment policy statement which disclose the separate and additional bundled fee (inclusive of advisory, brokerage and custody services) charged by SEI and incurred by the client.

Asset Based Pricing Limitations. Registrant may recommend that its clients enter into an asset based pricing agreement with the account custodian. Under an asset based pricing arrangement, the amount paid to the custodian for account commission/transaction fees is based upon a percentage (%) of the market value of the client's account (generally, the greater the market value, the lower the %). This differs from transaction-based pricing, which assesses a separate commission/transaction fee against the client's account for each account transaction. Account investment decisions are driven by security selection and anticipated market conditions and not the amount of transaction fees payable by the client to the account custodian. Registrant does not receive any portion of the asset based transaction fees payable by the client to the account custodian. Registrant continues to believe that its clients may benefit from an asset based pricing arrangement.

- D. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in

advance or arrears, based upon the market value of the assets on the last business day of the previous quarter. The Registrant generally does not require an annual minimum fee or a minimum asset level for investment advisory services. The Registrant, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum fee or asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, if the Registrant's fee was paid quarterly in advance, the Registrant shall refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter. Alternatively, if the Registrant's fee was paid quarterly in arrears, the Registrant shall debit the client's account for the value of services rendered as of the time of termination.

- E. **Securities Commission Transactions.** In the event that the client desires, the client can engage certain of Registrant's representatives in their individual capacities, as a registered representative of *APW*, an SEC registered and FINRA member broker-dealer, to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through *APW*, *APW* will charge brokerage commissions to effect securities transactions, a portion of which commissions *APW* shall pay to Registrant's representatives, as applicable. The brokerage commissions charged by *APW* may be higher or lower than those charged by other broker-dealers. In addition, *APW*, as well as Registrant's representatives, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

1. **Conflict of Interest:** The recommendation that a client purchase a commission product from *APW* presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Registrant's representatives. The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.
2. Clients may purchase investment products recommended by Registrant through other, non-affiliated broker dealers or agents.
3. The Registrant does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products the Registrant recommends to its clients.
4. When Registrant's representatives sell an investment product on a commission basis, the Registrant does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, the Registrant's representatives do not also receive commission compensation for such advisory services. **However,** a client may engage the Registrant to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from

Registrant's representatives on a separate commission basis.

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

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

## **Item 7            Types of Clients**

The Registrant's clients shall generally include individuals, business entities, trusts, pension and profit sharing plans, estates and charitable organizations. The Registrant generally does not require an annual minimum fee or a minimum asset level for investment advisory services. The Registrant, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum fee or asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. The Registrant may utilize the following methods of security analysis:
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

The Registrant may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)

**Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

**Borrowing Against Assets/Risks.** A client who has a need to borrow funds, could determine to do so by using:

- **Margin**-The account custodian lends money to the client. The custodian charges the client interest for the right to borrow money, and uses the assets in the client's brokerage account as collateral; and,
- **Pledged Assets Loan**- In consideration for a lender (i.e., a bank, etc.) to make a loan to the client, the client pledges its investment assets held at the account custodian as collateral.

The above-collateralized loans are generally utilized because they provide favorable interest rates. These types of loans can assist with a pending home purchase, permit the retirement of more expensive debt, or enable borrowing in lieu of liquidating existing account positions and incurring capital gains taxes. However, such loans are not without potential material risk to the client's investment assets. The lender (i.e. custodian, bank, etc.) will have recourse against the client's investment assets in the event of loan default or if the assets fall below a certain level. For this reason, the Registrant does not recommend such borrowing unless it is for specific short-term purposes (i.e. a bridge loan to purchase a new residence). The Registrant does not recommend such borrowing for investment purposes (i.e. to invest borrowed funds in the market). Regardless, if the client was to determine to utilize margin or a pledged assets loan, the following potential economic benefits could inure to the Registrant:

- by taking the loan rather than liquidating assets in the client's account, Registrant continues to earn a fee on such Account assets; and,
- if the client invests any portion of the loan proceeds in an account to be managed by Registrant, Registrant will receive an advisory fee on the invested amount; and,
- if Registrant's advisory fee is based upon the higher margined account value, Registrant will earn a correspondingly higher advisory fee. This could provide Registrant with a disincentive to encourage the client to discontinue the use of margin.

The Client must accept the above risks and potential corresponding consequences associated with the use of margin or a pledged assets loans.

- C. Currently, the Registrant primarily allocates client investment assets among various, mutual funds and/or exchange traded funds and/or investment programs and/or *Independent Manager(s)* on a discretionary basis in accordance with the client's designated investment objective(s).

## Item 9                   Disciplinary Information

The Registrant has not been the subject of any disciplinary actions.

## Item 10               Other Financial Industry Activities and Affiliations

- A. As disclosed above in Item 5.E., certain of Registrant's representatives are also representatives of *APW*, a FINRA member broker-dealer.
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Broker-Dealer.** As disclosed above in Item 5.E, certain of Registrant's representatives are registered representatives of *APW*, a FINRA member broker-dealer. Clients can choose to engage certain of Registrant's representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

**Conflict of Interest:** The recommendation by Registrant or its representatives that a client purchase a commission product may provide an incentive to recommend the purchase of securities based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission product from Registrant or its representatives. Clients are reminded that they may purchase securities recommended by Registrant or its representatives through other, non-affiliated broker-dealers. The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

**Certified Public Accountant.** Registrant does not render accounting advice or tax preparation services to its clients. Rather, to the extent that a client requires accounting advice and/or tax preparation services, Registrant, if requested, may recommend the services of a certified public accountant, all of which services shall be rendered independent of the Registrant pursuant to a separate agreement between the client and the certified public accountant. Registrant's indirect owner, Mazars USA LLP ("*Mazars*") is a certified public accounting firm.

Specifically, to the extent that *Mazars* provides accounting and/or tax preparation services to any clients, including clients of the Registrant, all such services shall be performed by *Mazars*, in its professional capacity, independent of the Registrant, for which services Registrant shall not receive any portion of the fees charged by *Mazars*, referral or otherwise. Certain members of Registrant are also members of *Mazars*.

It is expected that the members of *Mazars*, solely incidental to their respective practices as Certified Public Accountants with *Mazars*, shall recommend the Registrant's services to certain of *Mazars*' clients. Neither *Mazars*, nor any of its members, shall receive referral fees from the Registrant. However, those individual members of the Registrant who are also members of *Mazars* shall be entitled to receive distributions relative to their respective ownership interests in Registrant. *Mazars* is not involved in providing investment advice on behalf of the Registrant, nor does *Mazars* hold itself out as providing advisory services on behalf of the Registrant. No client is under any obligation to engage the services of

*Mazars*, or any other person or entity recommended by Registrant or its representatives.

The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above arrangement and the corresponding conflict of interest such arrangement may create.

**Licensed Insurance Agency/Agents.** Registrant's affiliate, Weiser Risk Solutions, is a New York licensed insurance agency, and in such capacity may offer for sale, insurance-related products on a commission basis, including the sale of such products to investment advisory clients of the Registrant.

Registrant's representatives, in their individual capacities are licensed insurance agents with various insurance companies, and may, in such individual capacities, recommend the purchase of certain insurance-related products on a commission basis to Registrant's advisory clients.

As referenced in Item 4 B above, clients can engage Registrant's representatives to purchase insurance products on a commission basis.

**Conflict of Interest:** The recommendation by Registrant and/or its representatives that a client purchase an insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need.

No client is under any obligation to purchase any commission products from Registrant and/or its representatives.

Clients are reminded that they may purchase insurance products recommended by Registrant and/or its representatives through other, non-affiliated insurance agents. The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

- D. If Registrant refers a client to certain third party managers, including *BNY Mellon*. When the client engages those third party managers, Registrant may be compensated for its services by receipt of a referral fee to be paid by *BNY Mellon* to the Registrant in accordance with the requirements of Rule 206 (4)-3 of the Investment Advisors Act of 1940, as amended, and any corresponding state securities laws, rules, regulations or requirements. As such, the Registrant shall be acting as a solicitor for *BNY Mellon*. The referral fee shall be paid solely from the investment management fee paid to either entity and shall not result in any additional charge to the client. In addition to Registrant's written disclosure statement, the client shall also receive the third-party manager's written disclosure statement discussing its fees and services.

**Conflict of Interest:** The recommendation by Registrant that an individual or entity engage *BNY Mellon* presents a conflict of interest, as the receipt of a referral fee provides an incentive to recommend *BNY Mellon* based upon the referral fee received, rather than on a particular client's need. No person or entity is under any obligation to engage any investment advisory firm recommended by Registrant. The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.



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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Registrant's clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons". The Registrant's securities transaction policy requires that an Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11 C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

## **Item 12            Brokerage Practices**

- A. In the event that the client requests that the Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may

direct the Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at *SEI*, however certain clients may custody their assets at *Millennium*. Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that the Registrant considers in recommending *SEI* (or any other broker-dealer/custodian to clients) include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with the Registrant's duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable. 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 a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant receives from *SEI* (or another broker-dealer/custodian, investment platform, unaffiliated investment manager, and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be 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, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *SEI* or *Millennium* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *SEI* and *Millennium* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

2. The Registrant does not receive referrals from broker-dealers.
3. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant. Higher transaction costs adversely impact account performance.

The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

## **Item 13      Review of Accounts**

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.

- B. The Registrant may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

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

- A. As referenced in Item 12.A.1 above, the Registrant can receive an indirect economic benefit from *SEI*. The Registrant, without cost (and/or at a discount), may receive support services and/or products from *SEI*.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *SEI* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *SEI* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

- B. The Registrant does not compensate, directly or indirectly, any person, other than its Representatives, for client referrals.

#### **Item 15      Custody**

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant with the account statements received from the account custodian.

The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

The Registrant's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding custody-related issues.

## **Item 16          Investment Discretion**

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, the client shall be required to execute an *Investment Advisory Agreement*, naming the Registrant as the client's attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at any time, impose restrictions, in writing, on the Registrant's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant's use of margin, etc.).

## **Item 17          Voting Client Securities**

- A. Except for client assets managed by *Independent Manager(s)* that maintain proxy voting authority, the Registrant does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

## **Item 18          Financial Information**

- A. The Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

The Registrant's Chief Compliance Officer, Carijn Michel, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.