

**Form ADV Part 2A Brochure**

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This brochure provides information about the qualifications and business practices of Meridian Investment Counsel Inc. ("Meridian", "us" or "we"). If you have any questions about the contents of this brochure, please contact us at (510) 493-7650 or [adv@merinvesco.com](mailto:adv@merinvesco.com). The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority.

This Brochure provides information that a prospective client may rely upon in their decision to retain Meridian. You are welcome to review this material which includes the professional backgrounds of our associates.

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

**Item 2: Material Changes**

This updated Form ADV Part 2A contains no material changes from the prior version dated March 30, 2021.

**Item 3: Table of Contents**

Item 1: Cover Page .....	i
Item 2: Material Changes .....	ii
Item 4: Advisory Business .....	1
Item 5: Fees and Compensation .....	2
Item 6: Performance-Based Fees and Side-by-Side Management .....	4
Item 7: Types of Clients .....	4
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....	5
Item 9: Disciplinary Information .....	6
Item 10: Other Financial Industry Activities and Affiliations .....	6
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	7
Item 12: Brokerage Practices .....	8
Item 13: Review of Accounts .....	10
Item 14: Client Referrals and Other Compensation .....	11
Item 15: Custody .....	12
Item 16: Investment Discretion .....	12
Item 17: Voting Client Securities .....	13
Item 18: Financial Information .....	14
Item 19: Additional Disclosures .....	14

**Item 4: Advisory Business**

Headquartered in Lafayette, California, Meridian is an independent investment-advisory firm registered with the SEC under the Investment Advisers Act of 1940 and the Commissioner of Corporations of the State of California. Registration with the SEC does not imply any particular level of skill or training.

Meridian was founded in 2004 and its principal owner is the Woodall Family 2010 Trust.

Meridian offers investment-advisory services to various categories of clients (“you”). Our service is provided on an individualized and confidential basis. Meridian services relate to allocation of assets among different classes, security purchases and sales, portfolio diversification, management of portfolio risk and general financial planning. Asset management is guided by your stated guidelines and objectives and we maintain all managed assets with a qualified custodian. Investment and suitability restrictions (“restrictions”) are at your discretion and these will affect your overall account performance.

When managing your assets we generally take these steps:

- Your investment guidelines and objectives are identified by assessing your risk tolerance, time horizon, income, net worth, tax situation, education, need for cash flows, investment goals, and resilience to market volatility. We note any restrictions imposed by you. We request that such guidance be focused and specific. We collect this information through meetings, interviews, and questionnaires;
- After analyzing your financial situation and formulating together with you an investment strategy, we implement an investment strategy through combination of investments;
- We monitor capital market conditions and changes in your circumstances;
- We make adjustments to your assets to reflect significant changes in any or all of the above variables; and
- You receive a quarterly report from us detailing asset positions and performance.

You may also retain us in a single engagement on a fixed fee or hourly basis to provide you with advice categorized as financial planning. The term financial planning, as used herein, refers to helping you formulate financial goals, and then helping you determine the direction you should take to reach these goals, using your available financial resources. We make recommendations concerning areas other than securities, such as insurance needs, tax analysis and planning, estate plan review, retirement planning, education funding analysis, mortgage and refinance analysis, opinion on current investment strategy, and other areas which affect your financial affairs but are not necessarily related to securities. Such recommendations do not constitute nor substitute for legal or accounting advice and you are encouraged to consult with your legal and/or tax adviser on any legal or tax matter.

Implementation of the financial plan in a standalone engagement, not incidental to the investment-advisory service, is at your discretion. Follow up services are billed separately at our then current hourly rate. In performing a financial plan, Meridian will not verify any information received from you or from your other professionals (i.e., attorney, tax preparer, etc) and we will rely on you to provide us with any changes in your financial situation or investment objectives that would necessitate a revision of the financial plan.

As a registered investment advisor under the Investment Advisers Act of 1940, Meridian acts as a fiduciary in relation to each of its clients. To the extent any client is a retirement plan or other employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA") Meridian is considered a "fiduciary".

Meridian does not participate in any wrap fee programs.

As of December 31, 2021, Meridian had approximately \$486.3 million in assets under management, of which 100 percent were managed on a discretionary basis. We do not manage assets on a non-discretionary basis.

## **Item 5: Fees and Compensation**

For investment-advisory services, Meridian charges a fee based upon the percentage of the market value of assets held in your accounts which are under Meridian's management. All assets in these accounts are included in the fee calculation unless specifically identified in writing for exclusion. Our minimum annual fee is \$5,000. A lower minimum fee or a waiver of the minimum fee is at our discretion. Before any services are rendered, we explain the computation of fees to you and come to agreement upon the compensation. The annual compensation for our services ranges up to a maximum of 1.25% of assets under management. The amount of the advisory fee is negotiated on a case-by-case basis with each client and is based upon a number of factors including the amount of work involved and assets placed under management. A solicitor fee, if a solicitor is involved, is not a factor in determining the negotiated advisory fee.

For clients originated through a solicitor ("Solicited Client"), we add the amount of the solicitor's fee to the negotiated advisory fee described above. The solicitor fee is described in a Solicitor Disclosure Statement provided by the solicitor to Solicited Client before we render any services. Thus the Solicited Client's fee is composed of two parts: a negotiated advisory fee and a solicitor fee. The two parts of the Solicited Client's fee is reflected in the Solicited Client's investment advisory agreement with us. For example, if the negotiated advisory fee between Solicited Client and Meridian is 1.25% and the solicitor fee is 0.25%, the Solicited Client will pay a total fee of 1.50% to us, of which 0.25% is paid by us to the solicitor and 1.25% remains to compensate us.

We reserve the right to reduce the maximum advisory fee as we deem appropriate for new clients while retaining prior fee arrangements for existing clients. This will result in different advisory fees being charged for similar services. For certain relationships, multiple portfolios with a common interest will be combined as one for billing purposes. Additionally conflicts of interest exist over portfolio manager time devoted to managing one account and allocating investment opportunities among accounts. Circumstances may arise where we give advice and take action with respect to a client that differs from advice given or the timing or nature of action taken with respect to another client.

Fees are billed in advance at the beginning of each calendar quarter and are computed by multiplying one quarter of the negotiated fee rate by the gross value of your managed assets, in aggregate, on the last business day of the previous quarter. For additional contributions of \$50,000 or more per occurrence made to the account during the quarter, fees are pro-rated from that date to the last day of the quarter. For withdrawals of \$50,000 or more per occurrence from the account during a quarter, fees are refunded on a pro-rata basis. Adjustments are made on the next billing cycle. No adjustments are made for additions or withdrawals less than \$50,000. Fees are generally deducted directly from your account pursuant to a written agreement. You may choose to pay our fees directly. Investment-advisory services begin with the effective date of the agreement, which is the date you sign the Investment Advisory Agreement ("Agreement"), or an alternate date mutually agreed by you and us. For the calendar quarter when the Agreement is first in place, fees are adjusted pro rata based upon the number of calendar days in the calendar quarter that the Agreement was effective.

While Meridian does not utilize margin for the management of client accounts a client may choose at their sole discretion to utilize margin to borrow money against their account. If so, Meridian calculates its fee on the gross value of managed assets. For example, if your managed assets are \$3,000,000 and there is a \$50,000 margin balance initiated and directed by you, Meridian will calculate its fee on \$3,000,000.

Our service can be terminated by either party upon written notification in accordance with the applicable contractual notice of termination. Upon termination, the fees charged for advisory services are pro-rated and a refund for any unearned fees is issued. You are responsible to pay for services rendered until the termination of the Agreement. You can cancel the Agreement without penalty.

Clients customarily authorize Meridian to deduct its investment advisory fees directly from their accounts. At the discretion of Meridian, a client may pay their fee directly to Meridian. Under this arrangement, payment is due upon client's receipt of our billing invoice. You should be aware of your responsibility to verify the accuracy of the fee calculation submitted to the custodian by us, as the custodian will not determine whether the fee has been properly calculated.

Neither Meridian nor any of its supervised persons receive any compensation for the sale or purchase of securities or other investment products.

Advisory fees charged by Meridian are separate and distinct from fees and expenses charged by custodians, broker-dealers, and certain securities such as ADRs and limited partnerships. A detailed description of these fees and expenses is available from the party charging the fee. These costs are paid by you. Regarding the purchase and sale of debt securities, you will incur a cost called a “spread”. When you buy a debt security, there is a mark-up on the price that you pay to the broker completing the transaction. When you sell a debt security, there is a mark-down on the price that you receive from the broker completing the transaction. The mark-up and mark-down go to the broker. Your account custodian may also impose a fee on the transaction.

All fees paid to Meridian for investment-advisory services are in addition to fees and expenses charged by investment vehicles such as mutual funds, closed-end funds, exchange-traded funds that are borne by each shareholder. These fees and expenses are described in each fund’s prospectus. If you hold a fund in a brokerage account managed by Meridian you will pay the fund’s fees and expenses in addition to Meridian’s advisory fee.

Fees for financial planning services are \$350 per hour or can be a fixed fee predicated upon the facts at the start of the engagement. A fixed fee typically ranges from \$5,000 to \$10,000 depending on the complexity and scope for comprehensive financial plans and negotiable for limited scope plans. Estimated financial planning fees are paid in advance. Should additional scope be required necessitating a revised higher fixed fee you will be given the opportunity to approve the extra fee before additional work is to be performed. Fees for financial planning are separate from and in addition to the annual investment-advisory service fee. You can cancel this agreement at any time. If cancellation occurs, you are responsible only for fees and any expenses incurred to that point. In such an event, an itemized invoice is provided documenting the fees and any expenses that have been incurred.

Meridian’s fees for financial planning or investment-advisory services do not include the fees you incur for other professionals such as attorneys and accountants in connection with the financial planning or the investment-advisory service.

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

Meridian does not charge performance-based fees or engage in side-by-side management, a practice where an adviser manages similar client portfolios where some are charged a performance-based fee and some are not. Meridian has not in the past and currently does not manage any client relationships for mutual funds or hedge funds or charge any performance fees.

#### **Item 7: Types of Clients**

Meridian provides investment-advisory services to individuals, families, trusts and estates, non-profit corporations, foundations and endowments, and pension and profit-sharing plans.

The minimum dollar value of assets required to set up an investment advisory account with Meridian is \$1,000,000. We have discretion to waive the account minimum. Accounts of less than \$1,000,000 can be set up when we anticipate you will add additional funds to the managed account, bringing the total to \$1,000,000 within a reasonable time. Other exceptions may apply.

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

Meridian's general investment approach is tax-wise, conservative growth. We focus on the fundamentals of individual companies in evaluating the investment merits of their equity and debt. Purchases of securities are further guided by your current and anticipated marginal tax rate. In general, we ladder debt maturities to mitigate interest rate risk for bonds. When selling securities some of the factors that we consider include tax implications, cash needs, changes in your risk preference and circumstances, degree of account diversification and competing investment opportunities.

Your portfolio will be managed and monitored by a portfolio manager on an ongoing basis and personalized with an appropriate asset allocation between stock, bonds and cash. Other investments may include investments in publicly-traded common and preferred stocks, open- and closed-end mutual funds and exchange traded funds. We may also recommend investments in publicly-traded partnerships, option contracts and foreign equity and debt securities.

We conduct research and analysis by studying information directly published by companies, third-party research providers, corporate rating services, financial newspapers, newsletters and magazines, quantitative screens, industry sources and corporate records filed with the SEC. Meridian's investment decision makers meet routinely to review portfolio holdings, financial market conditions and potential buy and sell candidates.

Depending on the circumstances, investments may be held long-term, short-term or bought and sold within a short period of time. Long-term holding periods for investments are our norm, which has the advantage of minimizing taxes and trading commissions.

You should be aware that different types of investments involve varying degrees of risk and that past performance will not be indicative of future results. Therefore you should not assume that future performance of any specific investment or investment strategy that we recommend or employ will be profitable and could result in a loss that you should be prepared to bear. Securities markets experience varying degrees of volatility and that over time your assets will fluctuate in value and at any time be worth more or less than the amount you invested. While economic and investment decisions are subject to a great deal of uncertainty, we will use our best judgment in making such decisions based on information we review.

Risk management is important to all aspects of investing. We address risk management by our business structure and our investment process. Structurally, our firm is organized to manage risk. Meridian is a fiduciary. This means we put your interests first. Our fee structure is simple and transparent. We are paid by you and no one else. We do not accept withdrawal authority on client accounts. We employ investment professionals who are qualified and trained in security evaluation and selection and who undergo rigorous background checks. We maintain data systems that are secure, reliable and redundant and we can operate remotely should the need arise. On the investment side, we have tools and resources to monitor your portfolio. We also have operational and compliance teams that work independently from the portfolio management team to monitor and review transactions and exposures.

There are risks in portfolio management that we contend with on an ongoing basis. Examples include how a portfolio performs relative to expectations, the presence of concentrated positions, day to day mechanics of managing a portfolio and the consequences of decisions involving a specific strategy or tactics. Additionally there are risks that center on the value and performance characteristics of individual investment positions. Some of the factors that are involved include market risk, security selection risk, default risk, yield risk, pre-payment risk, liquidity risk, currency risk, taxation risk, political risk, and counterparty and custodial risk.

#### **Item 9: Disciplinary Information**

Meridian and its employees have not been involved in any legal or disciplinary event.

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

Meridian is an independent investment advisor. Meridian is not and does not have a related company that is registered as a broker-dealer, an investment company or other pooled investment vehicle, a futures commission merchant, commodity pool operator or a commodity trading adviser, a bank or thrift, or a sponsor or syndicator of limited partnerships.

Meridian does not use or select other advisers or third-party managers. We manage all of our client assets.

Meridian does not have any material business or financial industry relationships that would present a possible conflict of interest to Meridian or its clients. None of Meridian's staff, other than noted in the following paragraph, has any material business or financial industry relationships that would present a possible conflict of interest to Meridian or its clients.

John Kerns is a portfolio manager at Meridian. He is also a CPA providing accounting and business-consulting services as a sole proprietor. Mr. Kerns spends a little over 5% of his time with his accounting and business-consulting practice. Clients that desire to retain Mr. Kerns for accounting and



business-consulting services must do so by directly contracting with him. We do not receive any compensation if a client engages Mr. Kerns for accounting and business-consulting services.

Dan Horowitz is a portfolio manager at Meridian. He is also an attorney providing legal services as a sole proprietor. Mr. Horowitz spends a little over half of his time with his legal practice. Clients that desire to retain Mr. Horowitz legal services must do so by directly contracting with him. We do not receive any compensation if a client engages Mr. Horowitz for legal services.

Meridian is a member in good standing with the Investment Adviser Association.

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

Meridian's Code of Ethics Policy applies to our employees and it addresses General Principles, Employee Trading, Insider Trading, Prohibition of Manipulative Practices, Gifts and Privacy.

Meridian will provide you with a copy of Meridian's Code of Ethics Policy upon written request.

Meridian's employees are required to read, understand, and sign off on Meridian's Code of Ethics Policy. Failure to comply will result in employee censure and depending on the severity and frequency may include disciplinary action and termination. Our employees must promptly report violations of the Code of Ethics or compliance procedure to Meridian's President/Chief Compliance Officer.

Meridian's General Principles require our employees to:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, fellow employees, colleagues in the investment profession, and other participants in the capital markets;
- Place the integrity of the investment profession and the interests of clients above their own personal interests;
- Adhere to the fundamental standard that employees should not take inappropriate advantage of their position;
- Avoid any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice in a professional and ethical manner that will reflect credit on themselves and the profession;
- Promote the integrity of and comply with the rules governing capital markets;
- Maintain and improve their professional competence;
- Comply with applicable provisions of the federal securities laws.

Meridian's Personal Securities Transaction Policy requires our employees to: 1) report personal securities transactions on a quarterly basis; 2) provide a detailed summary of certain holdings (both upon commencement of employment and annually thereafter) over which employee has a direct or indirect beneficial interest; 3) pre-clear certain personal securities transactions before completing the transaction and 4) refrain from trading in any restricted security as determined by the Chief Compliance Officer, from time to time.

We strive to avoid potential conflicts in our own personal securities transactions by following our Code of Ethics Policy. Our employees are allowed to buy and sell for their own accounts the same securities that we recommend to you. It can happen that a security is purchased or sold in an employee account and a client account on the same day or on a different day where the employee's price is more favorable than what is obtained for clients. We are not obligated to acquire for your account any security that we acquire for our own account or for the account of any other client if in our absolute discretion it is not practical or desirable to acquire a position in such security. Employees are permitted to sell a security for their own account that is contrary to those taken on behalf of clients. This can occur when personal considerations such as liquidity needs or rebalancing or tax planning deems a sale necessary for individual financial planning reasons. If these securities subsequently fall in price, these personal transactions create a conflict of interest.

Meridian employees are not allowed to accept or offer inappropriate gifts, favors, entertainment, special accommodations or other thing of material value that would influence the employee's decision making or make them feel beholden to a person or firm.

Meridian had adopted and implements a privacy policy that complies with applicable law. We acknowledge the importance of client privacy and security of the information relating to clients and their accounts. Meridian collects non-public information about clients from information we receive about clients on applications and other forms, given to us in writing, by email or text or any other electronic means, and orally, and about client transactions with us or others. We do not disclose any non-public personal information about our existing or former clients without the client's authorization, except as required by law or in response to inquiries from governmental or regulatory authorities. We disclose that information to unaffiliated third parties (such as brokers or custodians) only as permitted by law and as needed for Meridian to provide agreed services to clients. Meridian maintains physical, electronic, and procedural safeguards to protect client non-public personal information.

### **Item 12: Brokerage Practices**

Meridian does not take possession or maintain custody of your managed assets, although we are deemed to have constructive custody of those assets if you give us authority to directly withdraw fees from your account. Your assets must be maintained in an account at a qualified custodian which is generally a broker-dealer or a bank.

Our general guiding principle is to trade through broker-dealers who offer the best overall execution under the particular circumstances. With respect to execution, we consider a number of factors, including, for example, if the broker has custody of client assets, block trading and block positioning capabilities, the actual handling of a trade order, the ability of the broker-dealer to settle a trade promptly and accurately, the financial strength and stability of the broker-dealer, the ability of the broker-dealer to position stock to facilitate execution, our past experience with similar trades, settlement and error resolution, and other factors which are unique to a particular trade order. Based on these judgmental factors, it is possible to trade through broker-dealers that charge fees that are higher than the lowest available fees.

In addition, you will pay broker-dealer fees that are greater than those typical for similar investments if we determine that the research, execution and other services rendered by a particular broker-dealer merit greater than typical fees. Also, executing over-the-counter securities transactions on an agency basis results in advisory clients incurring two transaction costs for a single trade: a commission paid to the executing broker-dealer plus the mark-up (in the case of a purchase) or mark-down (in the case of a sale).

There are instances where we aggregate numerous clients' purchases or sales as a single order. When we do, each client account receives the average price of all the securities being purchased or sold in the aggregated order. Commission costs are not averaged. Client will pay the same commission whether the trade is placed as part of an aggregated transaction or on an individual basis. The executed price of the aggregated order may be less favorable than it would be if we executed the transaction on an individual account basis. Meridian retains a record of the trade order specifying each participating account and its allocation, which is completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be reported to Meridian's Chief Compliance Officer and noted in the trade order.

You may direct us in writing to use a particular broker-dealer to execute all transactions for your account. When you select the broker-dealer to be used for your account, the terms and conditions, including but not limited to commission rates, are decided between you and your broker-dealer. In addition, we do not have any responsibility for obtaining for you from any such broker-dealer the best prices or particular commission rates, and so you may not obtain rates as low as you might otherwise obtain if we had discretion to select broker-dealers other than those you have chosen.

Should you restrict or direct us to using a particular broker-dealer for executing your transactions this restriction will make you unable to participate in aggregated orders and you will be precluded from receiving the benefits, if any, of an aggregation which other clients will receive. We generally execute aggregated orders for clients who do not direct brokerage before we execute orders for clients that direct brokerage.

From time to time, a particular security is required by a client to be sold for their account but Meridian deems it to be a desirable addition to another account. When such accounts are held at a common custodian, the securities may be transferred from one account to another through a securities cross transaction, or cross-trade. We generally utilize cross-trades to address account funding issues and when it specifically deems the practice to be advantageous for each participant. In no instance do we receive additional compensation when crossing trades for your account. We seek to ensure that the terms of the transaction, including the consideration to be paid or received, are fair and reasonable, and the transaction is done for the sole benefit of the clients.

We use research and trading services furnished by broker-dealers with respect to the securities markets, the economy, particular industries, individual issuers, and similar topics having broad applications to client accounts. We use research and trading services for the benefit of all our clients, including clients whose securities transactions are not affected by the broker providing such services.

We recommend that you establish a brokerage account with the Schwab Advisor Services division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, member SIPC, to maintain custody of your assets and to trade in your accounts. Although we recommend that you establish an account at Schwab, it is your decision to custody assets with Schwab.

For Meridian client accounts maintained in Schwab's custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab. For trades that are executed at a broker-dealer other than Schwab, you will pay a fee to Schwab for the clearance and settlement of that trade. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Despite the added fee, Meridian judges executing a trade at another broker-dealer other than Schwab to be appropriate. Also, trades for client accounts custodied at Schwab may be executed at different times and different prices from trades for other client accounts that are executed at other broker-dealers.

We can make an error in submitting a trade order on your behalf. When this occurs, we place a correcting trade with the broker-dealer which has custody of your account. If an investment gain results from the correcting trade, the gain will remain in your account. If a loss occurs greater than \$100, we will pay for the loss. Schwab will absorb a loss under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors results in both gains and losses in your account they will be netted.

### **Item 13: Review of Accounts**

We review your account on an ongoing basis to ensure appropriate asset allocation and suitable security holdings based on our assessment of market conditions, your circumstances, the written guidelines we mutually set for your account, and your restrictions, if any. Factors giving rise to a review

of your account, and perhaps triggering buy or sell recommendations, include changes in your circumstances, changes in general conditions in the stock and bond markets, changes in investment companies or individual securities in your account, or specific requests by you.

The portfolio manager assigned to your account is responsible for reviewing your account. Nancy Woodall, John Kerns, Chris Young, Daniel Horowitz and Mark Wheeler are portfolio managers at Meridian. There is no set minimum or maximum in place with regard to the number of client accounts each portfolio manager will review. You are encouraged to discuss your needs, goals, and objectives with your assigned portfolio manager and to keep them informed of any changes thereto.

If we provide you with ongoing investment-advisory services you will receive a written report from us summarizing account positions, performance, and a billing statement at least quarterly. We also generally contact you annually, or more frequently as merited, or requested by you, to review our previous services and recommendations and to discuss the effects arising from any changes in your financial situation, investment objectives, and restrictions. You are responsible for contacting Meridian if you feel your circumstances have changed and warrant a reexamination of your investment strategy.

You are provided transaction confirmation notices directly from the broker-dealer and account statements directly from the custodian of your accounts on a monthly basis during which there is activity in the accounts. You are responsible for reviewing them for accuracy and completeness. You can access your accounts via the custodian's website.

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

Meridian receives no monetary compensation from any source other than fees paid by its clients.

We compensate solicitors for referring prospective clients to us. Such solicitors are paid a solicitor fee, which is negotiated on a solicitor-by-solicitor basis. Our payment of a solicitor fee will affect the total fee paid by the Solicited Client. Each solicitor agrees that such solicitor fee arrangement will conform to Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, including that such solicitor fee arrangement is disclosed to prospective Solicited Clients.

While we are independently owned and operated and not affiliated with Schwab, Schwab provides us with access to its institutional trading and custody services which are typically not available to Schwab retail clients or that would require a significantly higher minimum initial investment by you. Schwab also makes available to us other products and services that benefit us but may or may not benefit your account. These benefits do not depend on the amount of transactions we direct to Schwab or on our referring clients to Schwab. These benefits include: free research, discounts on services, client- and adviser-appreciation events, a dedicated service group and an account services manager dedicated to our client accounts, access to a real time order-matching system, ability to execute block trades, electronic download of trades, access to an electronic interface with Schwab's software, duplicate and

batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), publications and conferences on aspects of the investment advisory business, practice-management and business succession aids, access to employee benefits providers, human capital consultants and insurance providers, pricing information and other market data, access to mutual funds, ability to have loads waived for our clients who invest in certain mutual funds when certain conditions are met and maintained and the ability to have custody fees waived. Schwab also provides us with computer software services whereby we can place orders and obtain up-to-date review of your account.

While a fiduciary, we endeavor to act in your best interests and our recommendation that you maintain your assets in accounts at Schwab is based in part on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab.

### **Item 15: Custody**

Meridian uses an unaffiliated qualified custodian (in our case a broker-dealer) for your assets and we make efforts to confirm the custodian sends quarterly account statements directly to you (known as the “due inquiry” obligation).

Even though the custodian maintains actual custody of your assets at all times, under government regulations we are deemed to have constructive custody of your assets solely because we are authorized to deduct fees from your account. Because this is the only way we hold custody we are exempt from additional requirements of the regulations that govern custody.

Whether you use Schwab or another broker-dealer to custody your assets, you enter into an account agreement directly with the broker-dealer/custodian. We do not open your account although we may assist you in doing so. You should receive your account statements directly from the custodian every month during which there is activity in your account. Those statements will be sent to the email or postal mailing address you provided to them. You should be aware of your responsibility to carefully review the information found in your account statement promptly and to compare them with the periodic statements you receive from us.

### **Item 16: Investment Discretion**

Meridian accepts client accounts with limited discretionary management authority. This means you give us permission in advance to buy and sell securities on your behalf in your account. Meridian does not accept discretion to distribute your cash or your securities.

When you agree to discretionary management authority you do so through the execution of our advisory contract and a limited power of attorney authorization provided by the broker-dealer acting as custodian for your account. After written authority is granted by you, we become responsible for selecting the nature and amount of securities to be bought and sold, subject to investment guidelines we mutually set for your account. Restrictions on our investment authority are those imposed in writing by you. Examples of restrictions include not selling a specific security you hold in your account or not buying a specific security for your account. You can also exclude certain securities from Meridian management. In that case, Meridian will not charge you a management fee on those securities.

In the course of providing our services to you, we will execute trades for you through broker-dealers. When you give us broker-dealer discretion, there is no restriction on the broker-dealers we select to execute transactions in your account. You may elect to custody your accounts at any custodian but the selection of a custodian may or may not put you at a disadvantage for getting the best execution for your trades.

#### **Item 17: Voting Client Securities**

The voting of your proxies is among the services we provide you. It is executed through the limited power of attorney authorization provided by broker-dealer acting as custodian for your account. Our policy is to vote proxies consistent with the recommendation of the Board and senior management of the issuer, absent mitigating circumstances and/or conflicts of interest. We monitor corporate actions of individual issuers and investment companies consistent with our fiduciary duty to vote proxies in your best interests. With respect to individual issuers, from time to time, we are solicited to vote on matters including corporate governance, adoption of or amendments to compensation plans, and matters involving social issues and corporate responsibility. With respect to investment companies, from time to time, we are solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers.

We have currently identified no conflicts of interest between our client interests and our own within our proxy voting process. If we determine that we are facing a material conflict of interest in voting a proxy for you, our procedure is to contact you to determine how you want to vote your interest in the proxy.

Our proxy voting policy and procedures are memorialized in writing and are available for your review upon written request. In addition, information pertaining to how we voted on any specific proxy in your account is available to you, upon written request.

In the event we do not exercise proxy-voting authority over your securities then the obligation to vote client proxies shall at all time rest with you. If you make this choice, you are welcome to contact us for advice or information about a particular proxy vote. However, we shall not be deemed to have proxy-

voting authority solely as a result of providing such advice to you. Upon termination of our agreement with you, we will vote any proxy that is dated before the termination but not after the termination.

Although we are authorized to provide investment-advisory services and vote your proxies, we will not file proof of claims in securities class action settlements ("claim") unless at your request and if all required claim information is readily and timely available to us. You assume the sole responsibility of evaluating the merits and risks associated with any claim. Therefore, you are responsible for filing proofs of claims. We cannot provide legal advice and you are encouraged to consult with your legal adviser when filing a claim. Your response to a settlement notice will impact your legal rights. In no way are you precluded from contacting us for information about a particular claim. Should we inadvertently receive proof of claims for securities class action settlements on your behalf, we will forward such information to you and will not take any further action with respect to the claim unless at your request.

#### **Item 18: Financial Information**

Meridian does not require or solicit prepayment of its investment management fees from clients six or more months in advance. As a result of the 2020 Covid-19 Pandemic, the firm received a CARES Act, PPP loan through the US Small Business Administration to pay payroll and other authorized expenses for a two-month period. There are no other adverse conditions related to the Firm's finances that are likely to impair its ability to meet its contractual commitments to its clients. The Firm has never been the subject of a bankruptcy filing.

#### **Item 19: Additional Disclosures**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. When client opens an account, Meridian will ask for name, address, date of birth, and other information that will allow us to identify the client. Meridian may also ask to see a current government issued photo identification such as a driver's license or other identifying documents.

Meridian maintains an information security program to reduce the risk that your personal and confidential information may be breached.



**Part 2B of Form ADV**

Meridian Investment Counsel Inc.  
P. O. Box 1057  
Lafayette, CA 94549  
(510) 493-7650



This brochure supplement provides information about Meridian's investment professionals. It supplements Meridian's accompanying Form ADV brochure. Please contact us at (510) 493-7650 or [adv@merinvesco.com](mailto:adv@merinvesco.com) if you did not receive Meridian's Form ADV brochure or if you have any questions about the Form ADV brochure or this supplement, or if you would like to request additional or updated copies of either document.

Additional information about Meridian's supervised persons is available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov).

## Educational Background and Business Experience

### Supervised Persons:

Nancy Woodall was born in 1967 in Toronto, Canada.

Ms. Woodall's formal education and professional designations are:

- University of Western Ontario, Canada – BA Economics
- University of Toronto, Canada – MA Economics
- Series 7 – General Securities Representative Examination
- Series 65 – Uniform Investment Adviser Law Examination
- Chartered Financial Analyst (CFA)

The Chartered Financial Analyst® designation is an international professional certification offered by the CFA Institute. To obtain the certification, candidates must meet requirements in the areas of education, examination, and professional conduct. The education requirement can be met with one of the following: a bachelor's (or equivalent) degree, four years of qualified professional work experience or a combination of college and work experience that totals at least 48 months. Candidates must complete a graduate-level self-study program that includes curricula in the areas of ethics and professional standards, investment tools, asset classes, portfolio management and wealth planning, and they must successfully pass three six-hour examinations. Candidates agree to abide by the CFA Institute Code of Ethics and Standards of Professional Conduct and its Candidate Responsibility Statement.

- Chartered Investment Counselor (CIC)

The Chartered Investment Counselor (CIC) charter is a professional designation established in 1975 and awarded by the Investment Adviser Association (IAA). In addition to successful completion of the CFA program, the CIC designation requires candidates to demonstrate significant experience in performing investment counseling and portfolio management responsibilities. At the time the charter is awarded, a candidate must be employed by an IAA member firm, must provide work and character references, must endorse the IAA's Standards of Practice and must provide professional ethical information.

Ms. Woodall's business background:

- September 2004 to Present  
Senior Portfolio Manager/President, Meridian Investment Counsel Inc
- September 2004 to 2007  
Portfolio Manager, Cephus Capital Management LLC
- March 1999 to September 2004  
Portfolio Manager, SDR Capital Management Inc
- September 1996 to March 1999  
VP and Senior Economist, Bank of America
- October 1994 to September 1996  
Senior Economist, Royal Bank of Canada
- July 1993 to October 1994  
Economist, BMO Nesbitt Burns
- July 1991 to August 1992  
Economist Assistant, Bank of Canada

John Kerns was born in 1946 in Long Beach, California.

Mr. Kerns' formal education and professional designations are:

- Stanford University, California – BA and MBA
- Series 65 – Uniform Investment Adviser Law Examination
- Certified Public Accountant (CPA) – The title designates an individual who has completed about 5 years of college level education and a certain degree of work experience, passed the uniform CPA examination administered by the American Institute of Certified Public Accountants and who has received state certification to practice accounting. Retaining the designation requires a commitment to continuing professional education.

Mr. Kerns' business background is:

- March 2005 to Present  
Senior Portfolio Manager, Meridian Investment Counsel Inc
- October 1994 to March 2005  
Senior Portfolio Manager, SDR Capital Management Inc
- January 1981 to Present  
Self-employed CPA and Business Consultant

Chris Young was born in 1964 in Brooklyn, New York.

Mr. Young's formal education and professional designations are:

- The Colorado College – BA Business Economics
- Series 7 – General Securities Representative Examination
- Series 65 – Uniform Investment Adviser Law Examination

Mr. Young's business background:

- June 2013 to Present  
Senior Portfolio Manager, Meridian Investment Counsel Inc
- June 2008 to 2016  
President and CEO, Cooper Young & Associates Ltd
- June 2004 to 2016  
Managing Member and CCO, Cephus Capital Management LLC
- February 2002 to June 2004  
Portfolio Manager, SDR Capital management Inc
- June 1987 to February 2002  
Financial Consultant, Merrill Lynch, Pierce, Fenner & Smith Inc.

Daniel Horowitz was born in 1954 in Bronx, New York.

Mr. Horowitz' formal education and professional designations are:

- Southwestern University School of Law – JD
- Hampshire College – BA Economics/Playwriting
- Series 65 – Uniform Investment Adviser Law Examination
- Admitted to practice US Supreme Court; 9<sup>th</sup> Circuit Court of Appeal; State Bar of California
- Licensed Real Estate Broker

Mr. Horowitz' business background:

- April 2019 to Present  
Senior Portfolio Manager, Meridian Investment Counsel Inc
- January 1980 to Present  
Senior Attorney, Law Offices of Daniel Horowitz

**Disciplinary Information**

No supervised person at Meridian has any legal or disciplinary history to disclose.

**Other Business Activities**

Other than personal holdings of real estate and financial securities, and the activity noted in the following paragraph, no investment professional at Meridian is involved in any investment related business activity outside of Meridian.

Mr. Kerns is a CPA providing accounting and business-consulting services as a sole proprietor. Mr. Kerns spends a little over 5% of his time with his accounting and business-consulting practice. Clients that desire to retain Mr. Kerns for accounting and business-consulting services must do so by directly contracting with him. Meridian does not receive any compensation if a client engages Mr. Kerns for accounting and business-consulting services.

Mr. Horowitz is an attorney providing legal services as a sole proprietor. Mr. Horowitz spends about half of his time with his legal practice. Clients that desire to retain Mr. Horowitz for legal services must do so by directly contracting with him. Meridian does not receive any compensation if a client engages Mr. Horowitz for legal services.

**Additional Compensation**

No investment professional at Meridian receives economic benefits from any person or entity other than Meridian in connection with the provision of investment advice to Meridian clients.

**Supervision**

Ms. Woodall, President and Chief Compliance Officer, telephone number (510) 493-7630, supervises Mr. Kerns, Mr. Young, Mr. Horowitz and herself.