

# **Concord Asset Management, LLC**

## **Form ADV Part 2A – Disclosure Brochure**

**Dated: March 31, 2022**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Concord Asset Management, LLC (“CAM” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (276) 628-5910.

CAM is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about CAM to assist you in determining whether to retain the Advisor.

Additional information about CAM and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or SEC#:801-119737/CRD# 310710.

**Concord Asset Management, LLC**  
**2400 Old Brick Rd Suite 74, Glen Allen, VA 23060**  
**Phone: (276) 628-5910**

## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of CAM. For convenience, the Advisor has combined these documents into a single disclosure document.

CAM believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. CAM encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

Since the other than annual amendment on November 2, 2021:

Item 1 has been revised to indicate a new address for CAM.

Item 4 has been revised to provide additional information regarding our investment advisory business, including portfolio activity, socially responsible investing, use of independent managers, and management of cash positions.

Item 5 has been revised with respect to advisory fee information.

Item 8 has been revised to include information on use of margin and management of models.

Since the Annual Amendment filing on April 1, 2021, this Disclosure Brochure has been revised with a non-material change at Item 4 to provide additional information regarding an ETF used within its model strategies.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 310710. You may also request a copy of this Disclosure Brochure at any time by contacting the Advisor at (276) 628-5910.

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## Item 4 – Advisory Services

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### A. Firm Information

Concord Asset Management, LLC (“CAM” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Advisor is organized as a Limited Liability Company (“LLC”) under the laws of the Commonwealth of Virginia. CAM was founded in October 2020. Concord Wealth Holdings, LLC is the primary owner of CAM. Strategic Services, LLC is also an owner of CAM. The controlling shareholder of Concord Wealth Holdings, LLC is Jonathan Wade Lopez.

This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by CAM. If you have any questions about this Disclosure Brochure, please contact Jonathan R. Weatherly, Chief Compliance Officer by phone at 276-628-5910 or 800-838-4370, or by email at [jon@concordwealthpartners.com](mailto:jon@concordwealthpartners.com).

### B. Advisory Services Offered

CAM offers investment advisory services to other registered investment advisors (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. CAM's fiduciary commitment is further described in the Advisor's Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

CAM provides customized investment sub-advisory solutions for its Clients, per the terms and conditions of a written Sub-Advisory Agreement. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management services. CAM works closely with each Client to identify the investment sub-advisory mandates that it shall employ. The Client and the Advisor work closely to define the investment policy and related portfolio requirements. CAM will then construct one or more investment portfolios, consisting of exchange-traded funds (“ETFs”), individual stocks, individual bonds, mutual funds, options and/or alternative investments that seeks to achieve the results of the sub-advisory mandates. For certain Clients, these investment mandates can be customized further to the needs of the Client's underlying investor relationships. The Client [other Registered Investment Advisor], who is CAM's sole Client for these services, is responsible for determining whether a particular investment strategy is appropriate for each underlying investor client. The Advisor may retain certain types of investments based on the Client's instructions.

CAM's investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions. CAM will construct, implement and monitor the portfolio to ensure it meets the stated investment objectives. The Client is responsible to confirm suitability with each underlying investor's goals, objectives, circumstances, and risk tolerance agreed to by the Client. CAM will allow the Client to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

CAM evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. CAM may recommend, on occasion, redistributing investment allocations to diversify the portfolio. CAM may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. CAM may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

At no time will CAM accept or maintain custody of a Client's funds or securities, except for the limited authority as outlined in Item 15 – Custody. All Client assets will be managed within the designated account[s] at the Custodian, pursuant to the terms of the management agreement. Please see Item 12 – Brokerage Practices.

The unaffiliated investment advisers that engage CAM's sub-advisory services shall maintain both the initial and ongoing day-to-day relationship with the underlying client, including initial and ongoing determination of client suitability for CAM's designated investment strategies. If the custodian/broker-dealer is determined by the unaffiliated investment adviser, CAM will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. 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 through alternative clearing arrangements recommended by CAM. Higher transaction costs adversely impact account performance.

**Unaffiliated Exchange Traded Fund:** CAM recommends the Nationwide Risk-Managed income Exchange Traded Fund (ETF) (Symbol: NUSI") in connection with several of its model portfolios. A complete description of this ETF, its strategy, objectives, and costs is set forth in the ETF's then-current prospectus, a copy of which is available from CAM. As the investment manager to the model portfolios, and pursuant to a sub-advisory agreement with CAM's affiliate, Concord Wealth Partners, LLC ("CWP"), CAM has discretionary authority to place client assets in various models containing NUSI and recommended to CWP clients. Neither CAM, nor any of its supervised persons, receive any economic benefit in connection with recommending NUSI in model portfolios. A potential conflict of interest is presented where a member of Harvest Volatility Management, LLC ("Harvest"), a sub-advisor to NUSI, serves as a business consultant to Edge Strategic Services, LLC, an owner of CAM. In connection with the member's consulting engagement with Edge Strategic Services, LLC, the member may also provide general advice to CAM. The advice provided to either organization is generally limited to industry analyses and best practices, manager investment strategies and use of various product types. The member has no direct involvement with CAM investment or portfolio allocation decisions. Thus, the member may receive an indirect economic benefit in their role as a portfolio manager to Harvest, while also serving in a business consulting capacity on behalf of Edge Strategic Services, LLC and providing guidance to CAM. The Member is not a supervised person of Concord Asset Management and is not directly compensated by CAM for any services provided, however, the Member is indirectly compensated based upon Harvest's subadvisory fee to NUSI. Any potential conflict of interest is mitigated by ensuring that CAM maintains an independent process for determining the assets to be recommended in its portfolios. CAM is under no obligation to include the ETF in any portfolio.

**Independent Managers.** CAM may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers ("Independent Manager(s)") in accordance with the client's designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of the allocated assets. CAM will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. CAM generally considers the following factors when recommending Independent Manager(s): the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s) are exclusive of, and in addition to, Registrant's ongoing investment advisory fee, which will be disclosed to the client before entering into the Independent Manager engagement and/or subject to the terms and conditions of a separate agreement between the client and the Independent Manager(s).

**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 CAM independent of engaging CAM as an investment advisor. However, if a prospective client determines to do so, he/she will not receive Registrant's initial and ongoing investment advisory services. In addition to Registrant's investment advisory fee described below, and 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. CAM has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, CAM 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 CAM determines that changes to a client's portfolio are neither necessary nor prudent. Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity

**Please Note: 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 CAM), there can be no assurance that investment in ESG securities or funds will be profitable, or prove successful.

**Trustee Directed Plans.** CAM may be engaged to provide discretionary investment sub-advisory services to ERISA retirement plans, whereby CAM shall manage Plan assets consistent with the investment objective designated by the Plan trustees. In such engagements, CAM will serve as an investment fiduciary as that term is defined under The Employee Retirement Income Security Act of 1974 ("ERISA"). Registrant will generally provide services on an "assets under management" fee basis per the terms and conditions of an *Investment Advisory Agreement* between CAM and the primary investment advisor Client

**Cash Positions.** CAM continues to treat cash as an asset class. As such, unless determined to the contrary by Registrant, all cash positions (money markets, etc.) shall continue to 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), CAM 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, CAM 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 CAM 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 and Client Relationship Summary, as set forth on Part 2 of Form ADV, shall be provided to each client prior to the execution of any advisory agreement.

### **C. Client Account Management**

Prior to engaging CAM to provide investment advisory services, each Client is required to enter into an investment sub-advisory agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client.

These services may include:

- Establishing an Investment Strategy – CAM, in connection with the Client, will develop investment strategies that seeks to achieve the Client's goals and objectives for its underlying investor[s].
- Portfolio Construction – CAM will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – CAM will provide investment management and ongoing oversight of the Client's investment portfolio.

#### **D. Wrap Fee Programs**

CAM does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by CAM.

#### **E. Assets Under Management**

As of December 31, 2021, the Advisor had \$379,741,251 in assets under management on a discretionary basis.

### **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into a written sub-advisory agreement with the Advisor.

#### **A. Fees for Advisory Services**

Investment management fees are paid monthly, in arrears pursuant to the terms of the investment management agreement. Investment management fees are based on the average daily balance in the account during the billable month. Investment management fees range from 0.25% to 0.75% annually based on several factors, including: the scope and complexity of the services to be provided; the level of assets to be managed; and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

The investment advisory fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by CAM will be independently valued by the Custodian. CAM will not have the authority or responsibility to value portfolio securities.

CAM's investment advisory fee is negotiable at its discretion, depending upon objective and subjective factors including but not limited to: the amount of assets to be managed; portfolio composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional(s) rendering the service(s); prior relationships with the CAM and/or its representatives, and negotiations with the client. As a result of these factors, similarly situated clients could pay different fees, the services to be provided by the CAM to any particular client could be available from other advisers at lower fees, and certain clients may have fees different than those specifically set forth above.

The Advisor's fee is exclusive of, and in addition to any applicable securities transaction and custody fees, and other related costs and expenses described in Item 5.C below, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

#### **B. Fee Billing**

Investment management fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted



from the Client's account[s] at the start of each month. The amount due is calculated by applying the monthly rate (annual rate divided by 12) to the total assets under management with CAM at the end of the prior month. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. Clients are urged to also review and compare the statement provided by the Advisor to the brokerage statement from the Custodian, as the Custodian does not perform a verification of fees. Clients provide written authorization permitting management fees to be deducted by CAM to be paid directly from their account[s] held by the Custodian as part of the investment management agreement and separate account forms provided by the Custodian.

Please Note: With respect to the instances where CAM is providing sub-advisory services to its affiliate, CWP, CWP shall be responsible for client fee billing. CWP will charge an advisory fee in accordance with the methodology set forth in the CWP Disclosure Brochure. CWP will then remit the applicable portion of the advisory fee to CAM.

Clients may incur certain fees or charges imposed by third parties, other than CAM, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian, as applicable. In addition, all fees paid to CAM for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of CAM, but would not receive the services provided by CAM which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by CAM to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

#### **D. Advance Payment of Fees and Termination**

CAM may be compensated for its investment management services in advance of the quarter in which services are rendered. Either party may terminate the investment management agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment management agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Advisor will refund any unearned, prepaid investment management fees from the effective date of termination to the end of the quarter. The Client's investment management agreement with the Advisor is non-transferable without the Client's prior consent.

#### **E. Compensation for Sales of Securities**

CAM does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the investment management fees noted above.

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

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CAM does not charge performance-based fees for its investment advisory services. The fees charged by CAM are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client. CAM does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

### **Item 7 – Types of Clients**

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CAM offers investment management services to other registered investment advisors, including its affiliate, CWP. CAM generally does not impose a minimum relationship size, but practical minimum exists to effectively implement an investment strategy. CAM will work closely with its registered investment advisor Clients to determine these minimums.



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

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### **A. Methods of Analysis**

CAM primarily employs fundamental and technical analysis methods in developing investment strategies for its Clients. Research and analysis from CAM are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

*Fundamental analysis* utilizes economic and business indicators as investment selection criteria. This criteria consists generally of ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends, which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that CAM will be able to accurately predict such a reoccurrence.

As noted above, CAM generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. CAM will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, CAM may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. CAM will assist Clients in determining an appropriate strategies for their underlying Clients. CAM does not evaluate the suitability of its investment strategies for these underlying investors. Such reviews are required by the Client and its advisory persons.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in their underlying investor needs that may be in conflict with the investment strategies or allocations.

The risks associated with a particular strategy are provided to each Client in advance of investing underlying accounts for the Client. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the Advisor's investment strategies:

### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

### Bond ETFs

Bond ETFs are subject to specific risks, including the following: (1) interest rate risks, i.e. the risk that bond prices will fall if interest rates rise, and vice versa, the risk depends on two things, the bond's time to maturity, and the coupon rate of the bond. (2) reinvestment risk, i.e. the risk that any profit gained must be reinvested at a lower rate than was previously being earned, (3) inflation risk, i.e. the risk that the cost of living and inflation increase at a rate that exceeds the income investment thereby decreasing the investor's rate of return, (4) credit default risk, i.e. the risk associated with purchasing a debt instrument which includes the possibility of the company defaulting on its repayment obligation, (5) rating downgrades, i.e. the risk associated with a rating agency's downgrade of the company's rating which impacts the investor's confidence in the company's ability to repay its debt and (6) Liquidity Risks, i.e. the risk that a bond may not be sold as quickly as there is no readily available market for the bond.

### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

### Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

### Margin Borrowings

**Margin Accounts: Risks/Conflict of Interest.** Registrant does not recommend the use of margin for investment purposes. A margin account is a brokerage account that allows investors to borrow money to buy securities. By using borrowed funds, the customer is employing leverage that will magnify both account gains and losses. The broker charges the investor interest for the right to borrow money and uses the securities as collateral. Should a client determine to use margin, Registrant does not include the additional market value of the margined assets when computing its advisory fee. The use of margin can cause significant adverse financial consequences in the event of a market correction

If securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value.

### Alternative Investments (Limited Partnerships)

The performance of alternative investments (limited partnerships) can be volatile and may have limited liquidity. An investor could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Client should only have a portion of their assets in these investments.

CAM may, allocate investment management assets of its client accounts, on a discretionary basis, among one or more asset allocation programs as designated on the Investment Advisory Agreement. CP Models have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, such as CP's models, with a non-exclusive safe harbor from the definition of an investment company.

In accordance with Rule 3a-4, the following disclosure is applicable to CP's management of client assets through the Program:

1. Initial Interview – at the opening of the account, CP, through its designated representatives, shall obtain from the client information sufficient to determine the client's financial situation and investment objectives;
2. Individual Treatment - the account is managed on the basis of the client's financial situation and investment objectives;
3. Quarterly Notice – at least quarterly CP shall notify the client to advise CP whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
4. Annual Contact – at least annually, CP shall contact the client to determine whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
5. Consultation Available – CP shall be reasonably available to consult with the client relative to the status of the account;
6. Reporting – the client shall have access to reporting at any time through the Program;
7. Ability to Impose Restrictions – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct CP not to purchase certain mutual funds;
8. No Pooling – the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;
9. Separate Account - a separate account is maintained for the client with the Custodian;
10. Ownership – each client retains indicia of ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### **Item 9 – Disciplinary Information**

**There are no legal, regulatory or disciplinary events involving CAM or its management persons.** CAM values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor or Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 310710.

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

#### Related Advisor

Certain Supervised Persons of CAM are also owners and/or Supervised Persons of Concord Wealth Partners, LLC (CRD # 118642 and herein "CWP"). CAM serves as an investment sub-advisor for CWP. CAM and CWP are under common control and share certain supervised persons. Recommending an affiliate advisor for sub-advisory services presents a conflict of interest that we disclose to Clients and prospective clients.

## Related Accounting Firm

Trainer, Wright, Paterno, LLC is a Certified Public Accounting firm ("TWP"). To the extent that TWP provides accounting and/or tax preparation services to any clients, including clients of CAM, all such services shall be performed by TWP, in its separate professional capacity, independent of CAM. CAM shall not receive any portion of the fees charged by TWP, referral or otherwise. It is anticipated that professionals, solely incidental to their respective practices as CPAs of TWP, shall recommend CAM's services to certain of its clients. TWP is not involved in providing investment advice on behalf of CAM, nor does TWP hold itself out as providing advisory services on behalf of CAM. No client of CAM is under any obligation to use the services of TWP. The recommendation by CAM that a client engage TWP or its representatives in their capacities as CPAs presents a conflict of interest, as CAM could have the incentive to make such a recommendation based upon indirect compensation by way of CAM's commonality of ownership with TWP. No client is under any obligation to engage TWP in such a capacity and clients are reminded that they may engage other non-affiliated CPAs.

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

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### A. Code of Ethics

CAM has implemented a Code of Ethics (the "Code") that defines the Advisor's fiduciary commitment to each Client. This Code applies to all persons associated with CAM ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor's duties to each Client. CAM and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of CAM's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (276) 628-5910.

### B. Personal Trading with Material Interest

CAM allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. CAM does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. CAM does not have a material interest in any securities traded in Client accounts.

### C. Personal Trading in Same Securities as Clients

CAM allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and procedures. As noted above, the Advisor has adopted the Code to address insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by CAM requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. The Advisor has also adopted written policies and procedures to detect the misuse of material, non-public information.

### D. Personal Trading at Same Time as Client

While CAM allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will CAM, or any Supervised Person of CAM, transact in any security to the detriment of any Client.**

## Item 12 – Brokerage Practices

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### A. Recommendation of Custodian[s]

CAM does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize CAM to direct trades to the Custodian as agreed upon in the investment management agreement. Further, CAM does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where CAM does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a custodian not recommended by CAM. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. CAM may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and its reputation and/or the location of the Custodian's offices.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. CAM does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian.

**2. Brokerage Referrals** - CAM does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where CAM will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). CAM will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

### B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. CAM will execute its transactions through the Custodian as authorized by the Client. CAM may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Clients' accounts.

## Item 13 – Review of Accounts

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### A. Frequency of Reviews

Securities in Client accounts are monitored on a regular and continuous basis by Advisory Persons of CAM and periodically by the CCO. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client.

## **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify CAM if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

## **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by CAM**

CAM is a fee-based advisory firm, that is compensated solely by its Clients and not from any investment product. CAM does not receive commissions from product sponsors, broker-dealers or any un-related third party. CAM may refer Clients to various unaffiliated, non-advisory professionals (e.g. attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, CAM may receive non-compensated referrals of new Clients from various third-parties.

### **B. Client Referrals from Solicitors**

CAM does not engage paid solicitors for Client referrals.

## **Item 15 – Custody**

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CAM does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct CAM to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by CAM to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

If the Client gives the Advisor authority to move money from one account to another account, the Advisor may have custody of those assets. In order to avoid additional regulatory requirements, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

## **Item 16 – Investment Discretion**

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CAM generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by CAM. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment management agreement containing all applicable limitations to such authority. All discretionary trades made by CAM will be in accordance with each Client's investment objectives and goals.

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

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CAM does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

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

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Neither CAM, nor its management, have any adverse financial situations that would reasonably impair the ability of CAM to meet all obligations to its Clients. Neither CAM, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. CAM is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.



## Privacy Policy

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Effective: October 5, 2020

### Our Commitment to You

Concord Asset Management, LLC ("CAM" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. CAM (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

CAM does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

|  |                                 |
|--|---------------------------------|
| Driver's license number                            | Date of birth                   |
| Social security or taxpayer identification number  | Assets and liabilities          |
| Name, address and phone number[s]                  | Income and expenses             |
| E-mail address[es]                                 | Investment activity             |
| Account information (including other institutions) | Investment experience and goals |

### What Information do we collect from other sources?

|   |   |
|---|---|
| Custody, brokerage and management agreements    | Account applications and forms                      |
| Other management agreements and legal documents | Investment questionnaires and suitability documents |
| Transactional information with us or others     | Other information needed to service account         |

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

| Basis For Sharing   | Do we share? | Can you limit? |
|---|--------------|----------------|
| <b>Servicing our Clients</b><br>We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.             | Yes          | No             |
| <b>Marketing Purposes</b><br>CAM does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where CAM or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b> | No           | Not Shared     |
| <b>Authorized Users</b><br>Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].  | Yes          | Yes            |
| <b>Information About Former Clients</b><br>CAM does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.  | No           | Not Shared     |

### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy and will provide you with a revised Policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (276) 628-5910.