

## Item 1: Cover Page

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### Form ADV Part 2A Investment Adviser Brochure

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March 2023

This Brochure provides information about the qualifications and business practices of Lowell, Blake & Associates, Inc. (“we,” “us,” “our”). If you have any questions about the contents of this Brochure, please contact us at (617) 422-0064 or at [lba@lowell-blake.com](mailto:lba@lowell-blake.com).

Additional information about our Firm is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

We are a registered investment adviser. Please note that use of the term “registered investment advisor” and a description of the Firm and/or our employees as “registered” does not imply a certain level of skill or training. For more information on the qualifications of the Firm and our employees who advise you, we encourage you to review this Brochure and the Brochure Supplement(s).

## Item 2: Summary of Material Changes

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### **Annual Update**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to our disclosure brochure, we are required to notify you and provide you with a description of the material changes.

### **Material Changes Since Last Update**

Since our last annual updating amendment dated March 30, 2022, the Firm has the following Material Changes to report:

- This Form was updated to include information regarding our fiduciary role when providing services to retirement investors and retirement accounts. Please see Item 4: Advisory Business for more information.
- This Form was updated to include disclosure of our conflict of interest related to the financial incentive we have in recommending the transfer of retirement plan assets to accounts that we manage. Please see Item 5: Fees and Compensation for more information.
- We have had changes in ownership of the Firm. Please see Item 4: Advisory Business, for more information.

### **Firm Brochure Available**

If you have questions or would like a copy of our current brochure at any time free of charge, please contact us at (617) 422-0064 or at [lba@lowell-blake.com](mailto:lba@lowell-blake.com).

Additional information about our Firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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## Item 4: Advisory Business

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Lowell, Blake & Associates, Inc. (LBA or firm or we) is a fee-only with its principal place of business located in Boston, Massachusetts. The firm was founded in 1974. Current shareholders include: Nicole F. Gagliardi, Diana B. Malcom, and Jessica C. Welch.

### **Portfolio Management Services**

LBA manages individually tailored investment portfolios. We provide continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or investment plan and create and manage a portfolio based on that policy or plan. During our information-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history and current investment holdings, as well as family composition and background.

We manage advisory accounts primarily on a discretionary and non-discretionary basis. For discretionary accounts we obtain limited power of attorney from clients in the investment advisory agreement to effect trades without prior client consent. For these non-discretionary accounts, we will seek prior client consent for every contemplated transaction. Therefore, clients with non-discretionary accounts should understand that any delay in obtaining consent may result in less favorable transaction terms, including higher security price and/or higher commissions and/or limited availability of the securities sought.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

### **Consulting Services**

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, tax, portfolio analysis on a periodic basis, retirement planning, insurance issues, annuity advice, or any other specific topic.

### **Trustee Services**

In limited circumstances, we offer private trustee services to clients.

### **Services in General**

Our investment advice is not limited to any specific product or service offered by a broker dealer or insurance company and will primarily include advice regarding the following instruments:

- Domestic and foreign equity securities

- Domestic and foreign fixed income securities

Occasionally, we may also advise clients on the following instruments:

- Commercial paper
- Certificates of deposit
- Variable life insurance
- Variable annuities
- No-load or load-waived mutual funds
- Exchange Traded Funds (ETFs)
- Private placement securities and pooled investment vehicles

### **Tailored Relationships**

We tailor all of our investment advice to the individual needs of each client. All such recommendations are tailored based on information gathered through client questionnaires, electronic communications and telephone and in-person discussions.

### **Fiduciary Statement**

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act, ("ERISA") and/or the Internal Revenue Code, ("IRC"), as applicable, which are laws governing retirement accounts.

We have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. We must take into consideration each client's objectives and act in the best interests of the client. We are prohibited from engaging in any activity that is in conflict with the interests of the client. We have the following responsibilities when working with a client:

- To render impartial advice;
- To make appropriate recommendations based on the client's needs, financial circumstances, and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have a reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- Disclose any material conflict of interest in writing; and
- Treat clients fairly and equitably.

Regulations prohibit us from:

- Employing any device, scheme, or artifice to defraud a client;

- Making any untrue statement of a material fact to a client or omitting to state a material fact when communicating with a client;
- Engaging in any act, practice, or course of business which operates or would operate as fraud or deceit upon a client; or
- Engaging in any manipulative act or practice with a client.

We will act with competence, dignity, integrity, and in an ethical manner, when working with clients. We will use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

#### **Wrap Fee Programs**

LBA does not participate in a wrap fee program.

#### **Client Assets**

As of January 31, 2023, we managed \$596,558,143 in assets under management; \$544,818,221 managed on a discretionary basis and \$51,739,922 managed on a non-discretionary basis.

## Item 5: Fees and Compensation

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### **Compensation - Portfolio Management Services**

Our fees for Portfolio Management Services are determined in advance based on individualized factors and generally do not exceed 1% of the marketable securities for the full scope of our multi-faceted advice. The fixed annual retainer is presented to a prospective client and is paid on a quarterly basis in advance. Fees are determined depending on the nature and complexity of each client's circumstances.

### **Compensation - Consulting Services**

Our fees for Consulting Services range from \$150 to \$600 per hour. In limited circumstances, we charge a flat fee for Consulting Services. All Consulting Services Fees are payable in arrears.

Typically, these services are offered for separate and additional compensation. However, we may, at our sole discretion, waive or reduce these fees for our advisory clients or include them in the overall Portfolio Management Services fee.

### **Cash Balances**

Some of your assets may be held as cash and remain uninvested. Holding a portion of your assets in cash and cash alternatives, i.e., money market fund shares, may be based on your desire to have an allocation to cash as an asset class, to support a phased market entrance strategy, to facilitate transaction execution, to have available funds for withdrawal needs or to pay fees or to provide for asset protection during periods of volatile market conditions. Your cash and cash equivalents will be subject to our investment advisory fees unless otherwise agreed upon. You may experience negative performance on the cash portion of your portfolio if the investment advisory fees charged are higher than the returns you receive from your cash.

### **Retirement Plan Rollover Recommendations**

As part of our investment advisory services to our clients, we may recommend that clients roll assets from their employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will advise on the client's behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts.

If the client elects to roll the assets to an IRA that is subject to our advisement, we will charge the client an asset-based fee as set forth in the advisory agreement the client executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to the client (i.e., receipt of additional fee-based compensation). Clients are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if clients do complete the rollover, clients are under no obligation to have the assets in an IRA advised on by our firm. Due to the foregoing conflict of interest, when we make rollover

recommendations, we operate under a special rule that requires us to act in our clients' best interests and not put our interests ahead of our clients'.

Under this special rule's provisions, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice);
- never put our financial interests ahead of our clients' when making recommendations (give loyal advice);
- avoid misleading statements about conflicts of interest, fees, and investments;
- follow policies and procedures designed to ensure that we give advice that is in our clients' best interests;
- charge no more than a reasonable fee for our services; and
- give clients basic information about conflicts of interest.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, clients should consider the costs and benefits of a rollover. Note that an employee will typically have four options in this situation:

1. leaving the funds in the employer's (former employer's) plan;
2. moving the funds to a new employer's retirement plan;
3. cashing out and taking a taxable distribution from the plan; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide clients with a written explanation of the advantages and disadvantages of both account types and document the basis for our belief that the rollover transaction we recommend is in your best interests.

### **Compensation in General**

Fees and account minimums for all services are negotiable based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Discounts, not generally available to our advisory clients, may be offered to family members and friends.

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.



**Termination**

Clients may terminate the agreement by providing us with oral or written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

**Mutual Fund and ETF Fees and Expenses**

All fees paid to us for portfolio management services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund and/or ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Brokerage and Custodial Fees**

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, trade-away and custodial fees incurred as part of their account management. Please see Item 12 below for disclosure regarding our brokerage practices.

**Securities Claims**

You may engage Chicago Clearing House to act on your behalf in Class Action proceedings for a 15% fee (plus related expenses) if successful. For more information, please see Item 17: Voting Client Securities.

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

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“Performance-based fees” are fees based on the capital gains or capital appreciation in an account. We do not charge performance-based fees. “Side-by-side management” refers to the practice of managing accounts that are charged a performance-based fee and accounts that are charged other types of fees, such as asset-based fees and hourly fees. Because we do not charge performance-based fees, we do not engage in side-by-side management.

## Item 7: Types of Clients

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We generally provide advisory services to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, business entities and limited liability companies.

We do not currently impose any minimum account sizes or minimum fees for our services.

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

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We primarily employ fundamental analysis to formulate client recommendations. Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may misprice a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mispriced security and then waiting for the market to recognize its "mistake" and re-price the security. However, fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock. Therefore, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses.

### **Risks for all forms of analysis**

Our analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

We employ the following investment strategies to implement investment advice given to clients:

### **Long-term purchases**

We frequently purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

### **Short-term purchases**

On rare occasions, we may purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy

involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

### **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear.

**All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although we manage assets in a manner consistent with your investment objectives and risk tolerance, there can be no guarantee that our efforts will be successful. You should be prepared to bear the following risk of loss:**

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties (i.e., Non-traded REITs and other alternative investments) are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

- **Cybersecurity Risk:** A breach in cyber security refers to both intentional and unintentional events that may cause an account to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause an account to incur regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures, and/or financial loss.
- **Pandemic Risk:** Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption.

## **Item 9: Disciplinary Information**

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Registered investment advisers are required to disclose all pertinent facts regarding any legal or disciplinary events that would be material to your evaluation of LBA or the integrity of LBA's management. There are no, legal or disciplinary events to disclose under this item.

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

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We are not registered as a broker-dealer, and none of our management persons are registered representatives of a broker-dealer.

We are not registered and do not have an application pending as a securities broker-dealer, futures commission merchant, commodity pool operator or commodity trading advisor.

We do not recommend or select other investment advisors for our clients.



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

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### **Code of Ethics**

We have adopted a Code of Ethics code which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. The Code's key provisions include:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Pre-approval of Private Placements
- Prohibition of trading in Initial Public Offerings (IPOs)
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of client information

Our Code provides for oversight, enforcement and recordkeeping provisions.

A copy of our Code is available upon request to Nicole F. Gagliardi, Managing Director of Operations and Chief Compliance Officer.

### **Participation or Interest in Client Transactions – Personal Securities Transactions**

Although our firm or employees may buy or sell securities identical to those recommended to or purchased for customers for their personal accounts, no trading is permitted in a security while it is being considered for inclusion in the list of securities to be held in client accounts. In addition, employees may have an interest or position in certain security (i.e.) which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases, to the extent it is possible, to obtain a better price or more favorable allocation in rare cases of limited availability.

To mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

### **Participation or Interest in Client Transactions – Financial Interest and Principal/Agency Cross**

We will not affect any principal or agency cross securities transactions for client accounts. We will also not cross trades between client accounts.

Neither we nor our employees recommend to clients, or buy or sell for client accounts, securities in which we have a material financial interest.

## Item 12: Brokerage Practices

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### **Soft Dollars**

We do not have soft-dollar arrangements and do not receive any soft-dollar benefits.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker/dealers.

### **Directed Brokerage**

We generally recommend that clients utilize the trading, custody and clearing services of Charles Schwab & Co Institutional Services Group (Schwab) or Fidelity Brokerage Services, LLC (Fidelity).

Factors which we consider in recommending these firms to clients include their respective financial strength, reputation, execution, pricing, research and service. The commissions and/or transaction fees charged by either firm may be higher or lower than those charged by other custodians.

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

We periodically and systematically review our policies and procedures regarding the recommendation of qualified custodians in light of its duty to obtain best execution.

The client may direct us in writing to use a particular custodian to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that custodian, and we will not seek better execution services or prices from other custodians or be able to “batch” client transactions for execution through other custodians with orders for other accounts that we manage. As a result, the 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. Subject to our duty of best execution, we may decline a client’s request to direct brokerage if, in our sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

### **Other Economic Benefits**

We may receive from Schwab and/or Fidelity, and without cost to us, computer software and related systems support, which allow us to better monitor client accounts maintained at Schwab and/or Fidelity.

We may receive the software and related support without cost because we render investment management services to clients that maintain assets at these firms. The software and related systems support may benefit us, but not its clients directly. In fulfilling its duties to its clients, our endeavor at all times to put the interests of its clients first. Clients should be aware, however, that our receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence our choice of a broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

We may also receive the following benefits from either firm: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. Each firm has offered us assistance with expenses related to marketing, website development and other related products and services.

### **Trade Aggregation**

As a matter of policy and practice, we do not generally block client trades and, therefore, implements client transactions separately for each account. Due to this practice, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be allocated among our clients on an average price basis. This is in proportion to the purchase and sale orders placed for each client account on any given day. Any exceptions from the pro-rata allocation procedure will be documented. Such exceptions may occur due to varying cash availability across accounts, divergent investment objectives and existing concentrations, and desire to avoid "odd lots," (an amount of a security that is less than the normal unit of trading for that particular security).

## Item 13: Review of Accounts

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### **Reviews**

Our Investment Committee is comprised of the following members: Diana B. Malcom, President; Benjamin P. Lewis, Portfolio Manager and Research Associate; Jonathan McGraw Bentley, Research Director & Portfolio Manager; Mark R. Perry, Senior Manager of Operations, and Jessica Welch, Portfolio Manager & Philanthropic Advisor. Each Committee member is responsible for reviewing client accounts.

These individuals will continuously monitor the underlying securities in client accounts and perform at least quarterly reviews of account holdings for all clients on a rotating basis during weekly meetings. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Significant domestic, geopolitical, and macroeconomic events may also trigger reviews. For non-discretionary accounts written recommendations resulting from the account review are sent to each client for review and approval.

Each member of the Committee is expected to focus and evaluate long-term fundamental, social, political, and economic trends affecting any and all categories of investment, most particularly stocks, real estate, and bonds. They assist us in identifying market sectors and/or industries offering particular opportunity or hazard and stimulate investment ideas by presenting and defending specific recommendations from time to time. In addition, we invite non-members of the Committee to attend Committee meetings and express opinions pertaining to general long-term industry trends, as distinguished from specific issuer information.

In addition to the monthly/quarterly statements and confirmations of transactions that clients receive from their broker dealer and/or custodian, we will provide quarterly reports of account holdings, values and/or performance. More frequent reports may be delivered upon client request.

## Item 14: Client Referrals and Other Compensation

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We are required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, we are required to disclose any direct or indirect compensation that it provides for client referrals.

### **Compensation – Client Referrals – Solicitation Arrangements**

We may enter into written arrangements to pay cash referral fees to individuals or companies (solicitors) who refer prospective clients to the Firm. There will be a written agreement between the Firm and the solicitor, which will clearly define the duties and responsibilities of the solicitor under this arrangement. In addition, either the solicitor or the Firm will provide a written disclosure document, which explains to the prospective client the terms and compensation structure under which the solicitor is working with us. We will ensure that a copy of our Form ADV Part 2A be delivered to the prospective client and will obtain a written acknowledgement from the client that both the solicitor's disclosure document and our Form ADV Part 2A have been received.

## Item 15: Custody

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### **Custody – Fee Debiting**

Clients may authorize us (in the client agreement) to debit fees directly from their account at the broker dealer, bank or other qualified custodian. The custodian is advised in writing of the limitation of our access to the account. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

### **Custody – Trusteeship/Executorship**

Occasionally, a member of the firm is asked to serve as a co-trustee where the client is a grantor or beneficiary of a trust. The client's funds are held by a qualified custodian and will receive the client's quarterly statements which include investment positions and transactions. We comply with the SEC's Custody Rule with regard to the custody of the trust assets; each year, we are subject to a surprise examination by an independent public accountant.

### **Custody – First Party Money Transfers**

Clients may provide us with written ongoing authorization to wire money between the client's accounts held with the qualified custodian directly to an outside financial institution (i.e., a client's bank account). A copy of this authorization is provided to the qualified custodian. The authorization includes the client's name and account number(s) at the outside financial institution(s) as required.

### **Custody – Third Party Money Transfers**

Clients may also provide us with a standing letter of authorization (or similar asset transfer authorization) which allows us to disburse funds on behalf of clients to third parties. We ensure the following conditions are in place when deemed to have custody via third party money movement:

1. The client provides a Written Authorization to the custodian that includes all appropriate information as to how the transfer should be directed;
2. The Written Authorization includes instruction to direct transfers to the third party either on a specified schedule or from time to time;
3. Appropriate verification is performed by the custodian, along with a transfer of funds notice to the client promptly after each transfer;
4. The client may terminate or change the instruction to the custodian;
5. We have no authority or ability to designate or change any information about the third party contained in the instruction;
6. We maintain records showing that the third party is not a related party of the Firm or located at the same address as us; and
7. The custodian sends the client a written initial notice confirming the instruction and an annual written confirmation thereafter.

We urge clients to carefully review and compare the quarterly reviews of account holdings and/or performance results received from us to those they receive from their custodian. Any discrepancies should be reported to us and/or the custodian as soon as possible.

## **Item 16: Investment Discretion**

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We may accept limited power of attorney to act on a discretionary basis on behalf of clients. A limited power of attorney allows us to execute trades on behalf of clients.

When such limited powers exist between us and the client, we have the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client account objectives. Additionally, we may accept any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to us in writing.



## Item 17: Voting Client Securities

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We typically do not vote proxies on behalf of clients. Clients receive proxies and other solicitations directly from their custodian and retain sole responsibility for voting. We typically do not provide clients with consulting assistance regarding proxy issues.

You may engage Chicago Clearing House, through a separate Agreement, to act on your behalf in legal proceedings involving companies whose securities are held in their account(s), including, but not limited to, the preparation, filing, processing of securities claims, distributions resulting from the claims (“Settlement Payments”), and government filings in regards to class action lawsuits. If you have entered into an arrangement with Chicago Clearing House, we will forward class action notices received by us to Chicago Clearing House.

There is no fee for this service unless a claim is successful, in which case Chicago Clearing House is authorized, through their agreement with you, to deduct a 15% fee and other related expenses (per the terms of the agreement) directly from the proceeds of such settlement.

You may contact us directly at (617) 422-0064 with questions regarding proxy voting.

## Item 18: Financial Information

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Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered. As such, we are not required to provide a balance sheet to clients.

Our ability to meet contractual obligations to our clients has not been effected by the pandemic.

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients and have not been the subject of a bankruptcy proceeding.