



GW & WADE, LLC

93 Worcester Street

Wellesley, MA 02481

(781) 239-1188 [www.gwwade.com](http://www.gwwade.com)

Part 2A of Form ADV: Firm Brochure

March 31, 2023

This Brochure provides information about the qualifications and business practices of GW & Wade, LLC (“GW & Wade”). If you have any questions about the contents of this Brochure, please contact us at 781-239-1188 or at [info@gwwade.com](mailto:info@gwwade.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

GW & Wade is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about GW & Wade also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 - Material Changes**

Material changes in this Brochure since our annual update on March 31, 2022 include the following.

### Item 4

We are in the process of recommending that clients appoint Fidelity Brokerage Services LLC as broker and custodian for their GW & Wade accounts. For some period of time, we expect that there will be some clients who use Fidelity and some who use GW & Wade Asset Management Company, LLC (“GWWAMC”) our affiliated introducing broker. In general, the commissions and other fees, expenses, and margin rates that we have negotiated with Fidelity on behalf of our clients are either more advantageous or the same as those of GWWAMC. Please call your counselor if you have not yet received Fidelity account paperwork and would like to transition your accounts sooner.

### Item 5:

Fidelity provided a transaction fee credit of up to \$300,000 to Original DKBIM clients who transitioned to GW & Wade and Fidelity that expired in December 2022. The goal of providing this credit was to keep costs flat for clients who were in wrap-fee programs (i.e., where transaction fees were included in the fee) at Ms. Brede’s previous firm for a period of time post-transition. In January 2023, Original DKBIM clients began to bear increased costs associated with transactions in their accounts.

### Items 5, 10, 12, 14:

Please see the discussion regarding our affiliate, Focus Transition Services, LLC (“FTS”), which provides operational, compliance, and marketing services and support to us in connection with our clients transitioning their brokerage/custodial relationship to Fidelity. The fee for FTS’s services was reimbursed by Fidelity (who provided us a budget with which to pay transition-related expenses). FTS has shared a substantial percentage of that payment with GW & Wade’s management company, which is owned by principals.

As always, please contact your Counselor if you have any questions about our advisory services or the brokerage services of our affiliated broker-dealer, GW & Wade Asset Management Company, LLC.

### **Item 3 - Table of Contents**

<b>Item 2 - Material Changes.....</b>	<b>2</b>
<b>Item 3 - Table of Contents.....</b>	<b>3</b>
<b>Item 4 - Advisory Business.....</b>	<b>4</b>
<b>Item 5 - Fees and Compensation .....</b>	<b>9</b>
<b>Item 6 - Performance-Based Fees and Side-By-Side Management.....</b>	<b>21</b>
<b>Item 7 - Types of Clients.....</b>	<b>21</b>
<b>Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>21</b>
<b>Item 9 - Disciplinary Information .....</b>	<b>28</b>
<b>Item 10 - Other Financial Industry Activities and Affiliations .....</b>	<b>29</b>
<b>Item 11 - Code of Ethics .....</b>	<b>32</b>
<b>Item 12 - Brokerage Practices.....</b>	<b>34</b>
<b>Item 13 - Review of Accounts.....</b>	<b>42</b>
<b>Item 14 - Client Referrals and Other Compensation .....</b>	<b>43</b>
<b>Item 15 – Custody .....</b>	<b>45</b>
<b>Item 16 - Investment Discretion .....</b>	<b>46</b>
<b>Item 17 - Voting Client Securities .....</b>	<b>46</b>
<b>Item 18 - Financial Information .....</b>	<b>46</b>

## **Item 4 - Advisory Business**

GW & Wade, LLC (“GW & Wade”) is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. GW & Wade has been in business since 1986 and primarily serves individuals and families as well as, to a lesser extent, defined contribution plans, charitable organizations, foundations and municipalities. Debra K. Brede and her team joined GW & Wade at the end of 2020. The clients who are served by Ms. Brede and her team are serviced by GW & Wade doing business as D.K. Brede Investment Management Company (“DKBIM”). Where appropriate, throughout this brochure, we will distinguish DKBIM’s practices from those of GW & Wade’s main business line.

### **Focus Operating, LLC, Focus Financial Partners, LLC, and Focus Financial Partners, Inc.**

GW & Wade is part of the Focus Financial Partners, LLC (“Focus LLC”) partnership. Specifically, GW & Wade is a wholly owned subsidiary of Focus Operating, LLC (“Focus Operating”), which is a wholly owned subsidiary of Focus LLC. Focus Financial Partners Inc. (“Focus Inc.”) is the sole managing member of Focus LLC and is a public company traded on the NASDAQ Global Select Market. Focus Inc. owns approximately two-thirds of the economic interests in Focus LLC.

Focus Inc. has no single 25% or greater shareholder. Focus Inc. is the managing member of Focus LLC and has 100% of its governance rights. Accordingly, all governance is through the voting rights and board of directors at Focus Inc. (the “Board”).

Focus LLC also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, business managers and other firms (the “Focus Partners”), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADV. The advisory activities of GW & Wade operate independently from the advisory activities of each of the Focus Partners.

### **GW & WADE**

GW & Wade offers various financial, investment management and wealth management services to our clients. These services, summarized below, are generally provided pursuant to a written agreement with a client.

We offer comprehensive financial planning services for our clients which include areas such as cash flow and budgeting, insurance needs analysis, education planning, retirement planning, and estate planning, taking into account a client’s specific financial needs and goals.

We also offer investment management services. These services involve continuous advice and monitoring regarding the investment of clients’ securities assets based on their individual goals and investment objectives, typically as identified in the financial planning process. We then develop and manage a securities portfolio based on these goals and objectives.

GW & Wade offers investment management services primarily on a discretionary basis, although we manage accounts for some clients on a non-discretionary basis. Account management is guided

by the stated goals and investment objectives of each client. Clients are free to impose reasonable restrictions on investments to be purchased in their accounts. Clients retain individual ownership of all securities.

A client has the right to terminate an investment advisory agreement without penalty within five business days after entering into the agreement. Either we or the client may terminate an investment advisory agreement effective upon receipt of written notice by the other party.

**We will be winding down our broker-dealer affiliate GW & Wade Asset Management (“GWWAMC”). We are recommending that clients appoint Fidelity Brokerage Services LLC as the broker and custodian for their GW & Wade accounts. Throughout this document, we refer to Fidelity Brokerage Services as “Fidelity” and the services they provide as “custodial/ brokerage services.” For some period of time, we expect that there will be some clients who use Fidelity and some who use GWWAMC. In general, the commissions and other fees, expenses, and margin rates that we have negotiated with Fidelity on behalf of our clients are either the same or more advantageous than those of GWWAMC set forth in Item 12 below. For example, transaction fees for mutual funds are generally \$3 cheaper at Fidelity. Additionally, for clients who elect electronic delivery of their brokerage statements from Fidelity or who have greater than \$1 million under management with GW & Wade at Fidelity, ETF and most equity trades will be at no charge. Please call your counselor if you have not yet received Fidelity account paperwork and would like to transition your accounts sooner.**

In addition, some clients have brokerage and custodial arrangements elsewhere and direct us to execute transactions through that custodian/broker-dealer.

Please see the discussions throughout this Item 4, in Item 5, Fees and Expenses, Item 12, Brokerage Practices and Item 14, Client Referrals and Other Compensation.

Many of GW & Wade’s personnel are currently also registered representatives of GWWAMC, our affiliated broker-dealer. When those personnel provide investment advice, they are solely acting on behalf of GW & Wade and not on behalf of GWWAMC. This means that they are acting as representatives of the investment advisor and not our affiliated broker/dealer. All obligations owed to clients with respect to investment advice are owed by GW & Wade and personnel acting on its behalf and GWWAMC itself does not provide investment advice of any type.

GWWAMC continues to have a limited number of brokerage accounts for customers that are not also clients of GW & Wade. GWWAMC solely executes transactions on behalf of these accounts and does not offer any investment advice.

Whether an individual is acting on behalf of GW & Wade in its capacity as an investment adviser with fiduciary obligations to our clients or GWWAMC, a broker-dealer, or both is a significant fact. In particular, it affects the federal legal requirements that are applicable to the investment advice that a client receives. Specifically, since all investment advice is given by personnel acting solely on behalf of GW & Wade, the federal legal requirements under the Investment Advisers Act of 1940 (“Advisers Act”) apply to that investment advice. Under these circumstances, the federal

legal requirements applicable to investment advice provided by broker-dealers do not apply to the advice clients receive even though persons providing the investment advice are registered representatives of GWWAMC as well as representatives of GW & Wade.

If we advise a client about the choice of investing through an advisory arrangement or a brokerage-only arrangement, we have a conflict of interest. It is in our financial interest for a client to invest through an investment advisory arrangement with GW & Wade because a client compensates us for that service. It is not in our financial interest for a client to invest through a brokerage arrangement in which we are not involved as their investment adviser. There are circumstances under which a client's best interest could be served by entering into a brokerage arrangement in which an investment adviser is not involved. A client may not wish to receive investment advice or may wish to receive one-time investment advice rather than continuing investment advice. For example, a client may wish to buy and hold a portfolio of securities for an extended period and not wish to have that portfolio monitored in light of the cost of an investment advisory arrangement. Given that GW & Wade only provides investment advice, GWWAMC brokerage-only accounts (i.e., where no investment advice is given) have only been offered to clients that request a non-advisory account or relationship. We are not offering new brokerage-only accounts at GWWAMC. We seek to address this conflict of interest by bringing it to the attention of clients in this Brochure so they may evaluate any recommendation we make to them about the arrangement type in light of the conflict.

As a fiduciary, GW & Wade has duties of care and of loyalty to our investment advisory clients and we are subject to obligations imposed on us by the federal and state securities laws. As a result, clients have certain rights that they cannot waive or limit by contract. Nothing in our investment advisory agreement should be interpreted as a limitation of our obligations under the federal and state securities laws or as a waiver of any unwaivable rights investment advisory clients possess.

A. Investment Management

For investment management, clients typically engage GW & Wade to provide services on a discretionary basis. This means that we make investment decisions on behalf of the client. We have a limited number of non-discretionary relationships, where it is the client's decision whether to implement our recommendations.

As of December 31, 2022, GW & Wade managed approximately \$8.9 billion in discretionary assets and \$10.8 million in non-discretionary assets.

GW & Wade invests client assets in mutual funds exchange-traded funds ("ETFs") that track actively or passively-managed indices of securities as well as individual equities and fixed income securities, and, from time to time, options. We also use third-party separate account managers (which invest in individual equities and/or fixed income securities) that are selected through the due diligence process described in Item 8 below to manage certain assets for some of our clients. On a limited basis, when clients have expressed an interest and we believe that the investments are suitable and consistent with their investment objectives, we may recommend private investments to them. We have also approved an exchange-traded trust that tracks a basket of cryptocurrency futures for use upon client request. See Item 8, Methods of Analysis.

GW & Wade recommends that clients invest in 529 Plans based on a variety of factors, including tax implications, investment options and plan services and administration. We recommend that clients invest in plans outside their state of residence when we believe that the investment options available to us on behalf of our clients outweigh the benefits of a modest state tax deduction. We have a conflict because we are incentivized to recommend this plan, which enable us to be paid an investment advisory fee on those 529 Plan assets. See Item 5.C., 529 Plans, for a discussion of our receipt and retention (without crediting) of 12b-1 fees paid to GWWAMC from mutual fund shares held in a 529 Plan as our compensation for advisory services in some accounts.

See, generally, Item 5, Fees and Compensation and Item 12, Brokerage Practices, for a discussion of the fees, expenses, conflicts and mitigating factors applicable to clients' advisory arrangements with us including, without limitation, our receipt of indirect compensation for investment management services through GWWAMC's receipt of 12b-1 fees. Items 5.E, F and G, Item 12, and Item 14., Client Referrals and Other Compensation, describe benefits and payments received by GW & Wade from Fidelity and NFS in connection with brokerage/custodial services they provide to clients. See also Item 5.D., Other Assets Excluded from Asset-Based Management Fee. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC or Fidelity to execute transactions appears in Item 12.B. Brokerage Practices/ Directed Brokerage.

Item 5.H., Other Expenses Associated with Mutual Funds and ETFs, discusses mutual funds' expense ratios and share classes, and we describe that: mutual funds have internal costs; mutual funds offer different share classes; different share classes have different fees and expenses and therefore, different returns; share classes that pay a 12b-1 fee generally have a higher expense ratio than other share classes of the same fund that do not pay a 12b-1 fee by an amount at least equal to the amount of the 12b-1 fee; the share classes of a fund that have higher expense ratios have lower returns than the share classes of the same fund with lower expense ratios; and most mutual fund companies offer a class of shares that does not pay a 12b-1 fee that are available to GW & Wade's advisory clients.

#### B. Third-Party Advisory Services

GW & Wade sometimes recommends third-party investment advisers to manage separate accounts. In recommending third-party separate account managers, we generally consider the same factors as described in Item 8, Methods of Analysis, below, as well as the client's account size. Clients should refer to the third-party manager's disclosure documents for a full description of the services offered by that adviser. We monitor these third-party managers and remain responsible for overall asset allocation of the client's portfolio. The client determines whether to implement our advice concerning implementation of, and any change to, a third-party manager.

Our arrangements relating to these managers take different forms, with a limited number provided through unaffiliated "wrap fee" programs, which typically include the cost of brokerage in an overall fee. Clients in these portfolios are encouraged to refer to the respective program's wrap brochure. We do not sponsor or provide portfolio management services to wrap fee programs.

See Item 5. I., Fees and Compensation, Third-Party Management Services and our selection process is set forth in Item 8, Methods of Analysis. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC or Fidelity to execute transactions appears in Item 12.B. Brokerage Practices/ Directed Brokerage.

\*\*\*\*

Please refer to Item 8 for a description of Methods of Analysis, Investment Strategies and Risk of Loss associated with GW & Wade's investment strategies used in connection with each type of advisory arrangement that we offer.

C. ERISA Plans

GW & Wade is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to investment management services and investment advice provided to ERISA plans and ERISA plan participants. GW & Wade is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, and individual retirement accounts.

As such, GW & Wade is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice, the fiduciary must either avoid certain conflicts of interest or rely upon an applicable prohibited transaction exemption (a "PTE"). See also Item 5., Fees and Compensation.

D. Financial Planning Services

GW & Wade offers financial planning services to our clients. Substantive areas of planning include income tax, estate tax, asset allocation, casualty and life insurance, education funding, retirement analysis, cash flow, employee benefits, survivor income analysis and financial organization.

This service typically involves at least annual meetings between the GW & Wade representative and the client. The focus of this service is to formulate and propose a financial plan taking into account the client's objectives, planning horizons, and regulatory restrictions, if applicable.

E. Trustee and Estate Administration Services

For some clients, GW & Wade personnel serve as trustees or provide estate administration services. When we serve as a trustee of a client's account, we are deemed to have custody of the assets in that account under the SEC's "custody rule." Please also see Item 15, Custody.

F. Focus Treasury and Credit Solutions

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC



(“FTCS”), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. Please see Items 5 and 10 for a discussion of these services.

#### G. SCS

SCS Capital Management LLC (“SCS”) is, like GW & Wade, an indirect, wholly-owned subsidiary of Focus LLC and Focus Inc and is therefore our affiliate. Where suitable, GW & Wade’s clients have the option of investing in certain private investment vehicles managed by SCS. Please see Items 5.J., and 10 of this Brochure for further details about SCS.

\*\*\*\*

### **Item 5 - Fees and Compensation**

#### **Advisory Services**

GW & Wade’s compensation depends upon the type of advisory services we provide to the client.

Fees are negotiable based on various factors including, but not limited to, the requirements of the client, the length and extent of the relationship of the client with GW & Wade, whether the client is a DKBIM client, total assets under management, and the breadth and complexity of services provided as determined by the investment adviser representative negotiating the fee. Asset-based management fees are fees based on a percentage of the value of assets under management and those percentage rates differ among clients; some clients’ fees are higher or lower than those reflected in the current fee schedules. In most instances, GW & Wade has waived or reduced the asset-based management fee for employees and their family and friends of the firm.

GW & Wade calculates asset-based management fees quarterly in arrears following the end of each calendar quarter. Asset-based management fees generally are based upon the average daily balance of assets (including securities, cash, cash equivalents, accrued but unpaid interest on bonds, securities purchased on margin, borrowing balances, and options) under management in a client’s account during a calendar quarter. For example, if the advisory fee is 1%, we will apply 0.25% to each quarter’s average daily balance during that quarter.

For an account where the average daily balance is not available, GW & Wade calculates the asset-based management fee on quarter-end market values. Premier Clients are billed differently as described in Section B below.

Clients typically pay GW & Wade agreed-upon annual fixed fees (subject to periodic increases) for financial planning and tax services, and, if they hold their brokerage accounts at GWWAMC, pay GWWAMC transaction-based fees for GWWAMC’s brokerage services. These fees are not typically offset against GW & Wade’s asset-based investment management fees. See Item 5.K. for more information on the costs of financial planning services.

A client may elect to be billed for the asset-based management fee or to authorize GW & Wade to directly debit those fees from the client's account. Typically, clients authorize GW & Wade in their advisory agreement to debit all fees directly from their account(s), including asset-based management fee, financial planning and tax preparation fees. If a client account is terminated at a time other than the end of a quarter, the fee will be prorated accordingly and debited at that time. GW & Wade does not accept fees for investment management services in advance.

Client assets invested in mutual funds and ETFs are also subject to the fees and expenses charged by those funds. See Item 5.H., Other Expenses of Mutual Funds and ETFs. Client assets invested in separate accounts managed by a third-party manager are also subject to the fees and expenses charged by those managers. Fees and costs that a client pays to these managers are not offset against the asset-based management fee payable to us; the Third-Party Managers do not offset our advisory fee against their respective fees and costs. As a result, a client incurs separate expenses in retaining us and the Third-Party Manager. See Item 5.I. Third-Party Management Services. Clients also incur brokerage and other costs in connection with securities transactions and services and these costs reduce investment returns. See Item 12, Brokerage Practices.

**A. Discretionary Investment Management (other than Premier) and Non-Discretionary Investment Management Arrangements**

Our standard asset-based management fee schedule for discretionary and non-discretionary advisory services is as follows:

<b>Annualized Fee</b>	<b>Assets Under Management</b>
1.70 % of	first \$750,000 of assets under management
1.45 % of	next \$250,000 of assets under management
1.20 % of	next \$1.5 million of assets under management
1.00 % of	next \$2.5 million of assets under management
0.70% of	assets under management in excess of \$5.0 million

For clients who entered into agreements with GW & Wade prior to 2017 ("Legacy Relationships"), in addition to the asset-based management fee that GW & Wade bills or debits directly from a client account, the client agrees to GW & Wade's receipt of indirect compensation in the form of 12b-1 fees that a mutual fund or its affiliate pays to GW & Wade's broker-dealer affiliate, GWWAMC. If GW & Wade receives an asset-based management fee based on the value of shares of a mutual fund, we credit the client's account in the amount of any 12b-1 fee received by GWWAMC with respect to those shares.

DKBIM clients' fees are generally between 0.50% and 1.00% of assets under management.

Fees are negotiable, which may result in higher or lower effective advisory fee rate than the standard fee schedule.

Lower fees are charged by some other investment advisers.

12b-1 fee credits appear on a client's brokerage statements or are paid by check.

Receipt of a 12b-1 fee from mutual funds generates compensation for GW & Wade and its personnel and constitutes a conflict of interest because we have an incentive to purchase mutual fund shares based on our compensation rather than on a client's needs. Receipt of this compensation is a conflict because we could have chosen lower-cost share classes for our clients and foregone such compensation. GW & Wade mitigates this conflict because if GW & Wade receives an asset-based management fee based on the value of shares of a mutual fund, we credit the client account in the amount of any 12b-1 fee received by GWWAMC with respect to those shares. Clients also may elect to use broker-dealers other than GWWAMC to execute transactions on their behalf.

In connection with the appointment of Fidelity as the client's broker, GW & Wade will seek to convert holdings in a client's account of shares of mutual funds which pay 12b-1 fees to a share class which does not pay 12b-1 fees. Upon conversion, GWWAMC will no longer receive any 12b-1 fees as compensation on the converted shares, and therefore we will no longer credit the client's account for 12b-1 fees. If clients appoint Fidelity as their broker-dealer, the GWWAMC commission schedule set forth in Item 12 will not be applicable. Instead, Fidelity's commission schedule will apply to those clients' transactions. See Item 12., Brokerage Practices.

Please see Item 5.C., 529 Plans, for a discussion of our receipt and retention (without crediting) of 12b-1 fees paid to GWWAMC from mutual fund shares held in a 529 Plan as our indirect compensation for advisory services in some accounts. See also Item 5.D., Other Assets Excluded from Asset-Based Management Fee.

Item 5.H., Other Expenses Associated with Mutual Funds and ETFs, discusses mutual funds' expense ratios and share classes.

#### B. Premier Advisory Service

Premier Advisory Service is a form of discretionary investment management. Premier Service clients are billed for our advisory services quarterly in arrears based upon the client's total net worth as of the end of the prior calendar year. Our Premier Advisory Service fee generally is as set forth below:

Annual Fee (% of Net Worth)	Client's Net Worth
0.4%	\$0 to \$50,000,000
0.3%	\$50,000,001 to \$100,000,000
0.2%	\$100,000,001 to \$250,000,000
0.1%	\$250,000,001 and over

In determining the client's total net worth and related advisory fee, all tangible and intangible assets, less any applicable encumbrances, loans or liens, are included in the determination of net worth. In instances where valuations are not readily accessible, the value of the asset is determined by agreement; agreed-upon valuations are provided to Premier Advisory Service clients for review.

Examples of such agreed-upon assets include, but are not limited to, certain private fund investments, real estate, vehicles, and personal property. From time to time, upon the request of either party, the value of any agreed upon asset may be adjusted to account for significant fluctuation in the market value of any such asset.

In the event the client wishes to re-value the assets for purposes of calculating the management fee, all assets are re-assessed and any new valuation would become effective for the next quarterly billing cycle. This valuation process may or may not be beneficial to the client due to the value of the asset at the time of billing. Fees are negotiable based on the factors described in the preceding sections of this Item 5. GW & Wade has no minimum account size requirements.

For Premier clients, all 12b-1 fees received by GWWAMC attributable to that client's mutual fund investments are credited against the annual fee. In connection with the appointment of Fidelity as the client's broker, GW & Wade will seek to convert holdings in a client's account of shares of mutual funds which pay 12b-1 fees to a share class which does not pay 12b-1 fees. Upon conversion, GWWAMC will no longer receive any 12b-1 fees as compensation on the converted shares, and therefore we will no longer credit the client's account for 12b-1 fees. If clients appoint Fidelity as their broker-dealer, the GWWAMC commission schedule set forth in Item 12 will not be applicable. Instead, Fidelity's commission schedule will apply to those clients' transactions. See Item 12., Brokerage Practices.

Please refer to Item 5.A., Discretionary Investment Management, above for a discussion of the conflicts associated with receipt of 12b-1 fees in discretionary arrangements and relevant mitigating factors. See also Item 5.H., Other Expenses Associated with Mutual Funds and ETFs. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC and Fidelity appears in Item 12.B., Brokerage Practices / Directed Brokerage.

### C. 529 Plans

GW & Wade sometimes recommends that a client invest in mutual funds in a 529 Plan to save for educational expenses. GW & Wade typically recommends 529 Plan mutual fund investments which do not pay a 12b-1 fee and are subject to an asset-based management fee.

For GW & Wade's client relationships initiated before 2016, and Original DKBIM clients, 529 Plans recommended for client accounts typically were those which offered loaded Class A shares (which pay GWWAMC a 12b-1 fee of an annualized 0.25% and, typically, a front-end load of up to 5%), Class C shares (which pay GWWAMC 12b-1 fee of up to an annualized 1%) and, on a less frequent basis, other share classes with a 12b-1 fee of between 0.25%-1% (e.g., Class D shares). We do not charge an asset-based management fee on the value of mutual fund shares in a 529 Plan from which GWWAMC receives a 12b-1 fee. For GW & Wade's clients, the 12b-1 fees paid to GWWAMC serve as GW & Wade's indirect compensation for investment advice with respect to those 529 Plan investments and are therefore retained by GW & Wade and not credited to the client account.

We are currently working with our clients to convert shares held in 529 Plans that pay 12b-1 fees to those which do not pay a 12b-1 fee and are subject to an asset-based investment management fee. We have a conflict in advising regarding the conversion of fund share class in circumstances under which the conversion would result in an effective increase or decrease in our compensation. In the first case, we have an incentive to seek conversion from 12b-1 fee-paying shares even if that would not be in the best interest of the client because we would receive more compensation; and in the second case we would have a disincentive to recommend that additional assets be invested in the 529 plan account because we would receive less compensation than if the client invested outside of a 529 Plan. These conflicts are partially mitigated because the relevant 529 Plan sponsors require that the client approve the share class conversion in advance and the Counselor will communicate with the clients regarding these issues if they arise.

Receipt of a 12b-1 fee from mutual funds generates compensation for GW & Wade and/or its personnel and constitutes a conflict of interest because we have an incentive to purchase mutual fund shares based on our compensation rather than on a client's needs. Receipt of this compensation is a conflict because we could have chosen lower-cost share classes for our clients and foregone such compensation. GW & Wade mitigates this conflict by not charging an asset-based management fee with respect to mutual funds held in 529 Plans which pay GWWAMC a 12b-1 fee. GW & Wade further addresses this conflict of interest by disclosing it to clients in this Brochure.

Please see the discussion of 529 Plans in Item 4.

Item 5.H., Other Expenses Associated with Mutual Funds and ETFs, discusses mutual funds' expense ratios and share classes. Clients have the option to purchase securities that we recommend through other brokers or agents that are not affiliated with us.

#### D. Other Assets Excluded from Asset-Based Management Fee

As an accommodation to our clients, we sometimes agree to waive the asset-based management fee with respect to certain assets in a client's account. In most instances, GW & Wade waives the asset-based management fee for employees and their family and friends of the firm. In each of these cases, GW & Wade retains any 12b-1 fees it receives as indirect payment for its advisory services and does not credit them to the client account.

#### E. Client Payments to GW & Wade Broker-Dealer Affiliate, GWWAMC

Clients are required to direct the use of a specific broker-dealer to serve as custodian and to execute transactions. As we discuss in Item 4, we are currently recommending Fidelity as broker/dealer - custodian. We historically recommended, and clients typically directed, the use of our affiliated broker-dealer GWWAMC, but may appoint another broker/custodian. As described throughout this Brochure, we have begun recommending Fidelity to clients for brokerage/custodial services.

When a client executes transactions through an account at GWWAMC, a client pays GWWAMC for brokerage services. These charges include brokerage commissions, ticket charges, transaction fees, custodial fees, deferred sales charges, wire transfer and electronic fund fees, and other fees

and taxes related to brokerage accounts and securities transactions. See Item 12.A., Brokerage Practices – Brokerage Services Provided by GWWAMC.

These payment arrangements give rise to conflicts of interest including giving us and our representatives an incentive to recommend to clients that they direct the use of GWWAMC to serve as broker and execute transactions based on compensation received for our brokerage services rather than on a client's needs or based on the broker-dealer which can provide best execution. This conflict is partially mitigated because the client's advisory agreement and this Brochure set forth the terms of the client's use of GWWAMC for brokerage services and a client may elect to use another broker-dealer of its choosing. Additionally, we pass through the charges that NFS charges to us, rather than marking up these charges for profit. See Item 12. Brokerage Practices. As set forth below, there are disadvantages to a client to directing GW & Wade to use a particular broker-dealer to execute transactions. See Item 12.B. Brokerage Practices / Directed Brokerage. Please also see Items 5.A. through D. and H. for a discussion of the conflicts involved with our receipt of 12b-1 fees and mitigating factors.

#### F. Benefits to GW & Wade and Payments Provided by Fidelity

In connection with our decision to wind down GWWAMC, we expect that most GW & Wade clients will open brokerage/custodial accounts with Fidelity in 2023.

Fidelity is providing, and is likely to provide in the future, at no cost to us or at a discount, support services and/or products, some of which assist us to better monitor and service client brokerage accounts maintained with it. Support services include investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, consulting services, attendance at conferences, meetings and social events, marketing support, computer hardware, software and other products used by GW & Wade in furtherance of its investment advisory business operations. If Fidelity did not provide these services and products and we wished to use them, we would need to purchase them.

Fidelity provided GW & Wade with a credit of \$1,600,000 to be used toward costs as approved by Fidelity incurred in the process of transitioning client accounts from GWWAMC to Fidelity ("transition-related payments").

The benefits and transition-related payments Fidelity is providing to GW & Wade give rise to a conflict of interest because we have a financial incentive to recommend that clients retain Fidelity to serve as custodian and execute transactions and potentially to recommend switching investment products or services if a client's current holdings are not available through Fidelity. However, we have not identified any current client holding that is not available through Fidelity. This arrangement does not cause our clients to pay more for custody or transactions at Fidelity than such clients would pay at Fidelity absent the agreement to provide the benefits and payments described above. Additionally, this conflict is mitigated, in part, by the fact that there is no commitment made by GW & Wade to Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the arrangement described above. To the extent that the total client assets held at Fidelity are less than \$25 million after 12 months of when clients begin to transition assets, GW & Wade (not our clients) will be charged a quarterly fee of \$2,500. Benefits received by GW & Wade from

Fidelity do not depend on the specific amount of brokerage transactions directed to Fidelity. The benefits and payments, however, are an inducement to us to recommend the services of Fidelity and are provided based on an expectation by Fidelity that our recommendation that clients appoint Fidelity as their broker will generate enough business that it is financially advantageous for Fidelity to provide those benefits and payments.

Our affiliate Focus Transition Services, LLC (“FTS”) provided transition-related services to us in connection with transitioning our clients’ custodial/brokerage accounts to Fidelity. FTS charged us for those services. FTS’s charges assessed to GW & Wade for these services qualified for transition-related reimbursements by Fidelity as described above. FTS shared a substantial percentage of the reimbursement it received from Fidelity with GW & Wade’s management company. Clients and potential clients should be aware that the receipt of economic benefits by GW & Wade is an influence on GW & Wade’s recommendation to utilize Fidelity for brokerage/custodial services. See Item 12.B., Directed Brokerage for a discussion of disadvantages to clients in directing brokerage to a particular broker. See Item 12.D. Brokerage Services Provided by Fidelity, which discusses the factors we considered in recommending Fidelity, as well as the associated conflicts and mitigating factors. See also Item 14, client Referrals and Other Compensation for a further discussion of the benefits and payments we receive from Fidelity, the conflicts and mitigating factors.

Please see Items 5.F., 10, 12 and 14 for more information on the relationship between FTS and related conflicts.

#### G. Benefits to Original DKBIM clients from Fidelity

Fidelity provided a transaction fee credit of up to \$300,000 to Original DKBIM clients who transitioned to GW & Wade and Fidelity that expired in December 2022. The goal of providing this credit was to keep costs flat for clients who were in wrap-fee programs (i.e., where transaction fees were included in the fee) at Ms. Brede’s previous firm for a period of time post-transition. In January 2023, Original DKBIM clients began to bear increased costs associated with transactions in their accounts.

#### H. Other Expenses Associated with Mutual Funds and ETFs

Mutual funds and ETFs charge internal management fees and expenses. These internal expenses are reflected in a fund's expense ratio. Expenses reflected in that ratio include, among other expenses, fees paid to the adviser that manages the fund, operational expenses, and fees paid to the brokers that sell shares of, and provide services to, the fund. These generally are continuing fees and expenses and are charged as long as fund shares continue to be held. Internal fees and expenses reduce the performance of a fund. They are exclusive of and in addition to the asset-based management fee that GW & Wade charges.

A mutual fund frequently offers different share classes. Each class invests in the same portfolio of securities and other assets, but each class generally has different fees and expenses and, therefore, different returns. A share class of a mutual fund that pays a 12b-1 fee generally has a higher expense ratio than other share classes of the same fund that do not pay a 12b-1 fee by an amount at least equal to the amount of the 12b-1 fee. A single mutual fund often will have share classes with different expense ratios, with the share classes that have higher expense ratios generally

having lower returns than the share classes of the same fund with lower expense ratios. Some share classes have no associated transaction fees but have higher expense ratios while some share classes have transaction fees and lower expense ratios.

Most mutual fund companies offer a class of shares of each fund that does not pay a 12b-1 fee. These share classes are usually available to clients of GW & Wade. ETFs do not pay a 12b-1 fee.

In connection with the purchase of fund shares, a client receives a fund prospectus that describes, in greater detail, available classes of fund shares and associated fees (including 12b-1 fees) and costs.

Receipt of a 12b-1 fee from mutual funds generates compensation for GW & Wade and/or its personnel and constitutes a conflict of interest because we have an incentive to purchase mutual fund shares based on our compensation rather than on a client's needs. Receipt of this compensation is a conflict because we could have chosen lower-cost share classes for our clients and foregone such compensation. GW & Wade mitigates this conflict by not charging an asset-based management fee with respect to mutual funds held in 529 Plans which pay GWWAMC a 12b-1 fee. GW & Wade further addresses this conflict of interest by disclosing it to clients in this Brochure.

See, generally, this Item 5, Fees and Compensation, Item 12, Brokerage Practices, for a discussion of the fees, expenses, conflicts and mitigating factors applicable to clients' advisory arrangements with us including, without limitation, our receipt of indirect compensation for investment management services through GWWAMC's receipt of 12b-1 fees. Items 5.F. and G. and Item 14, client Referrals and Other Compensation, describe benefits and payments received by GW & Wade from Fidelity and NFS in connection with brokerage/custodial services they provide to clients. See Item 5.C., 529 Plans, for a discussion of our receipt and retention (without crediting) of 12b-1 fees paid to GWWAMC from mutual fund shares held in a 529 Plan as our compensation for advisory services in some accounts. See also Item 5.D., Other Assets Excluded from Asset-Based Management Fee. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC or Fidelity to execute transactions appears in Item 12.B. Brokerage Practices/ Directed Brokerage.

#### I. Third-Party Management and Advisory Services

Third-party managers we have recommended to manage client assets in separately managed accounts are described below. We do not use our discretionary authority to initially engage a third-party manager or to invest in a wrap fee program. A client must determine whether or not to follow our recommendation in this regard and sign the relevant paperwork themselves, after which we will use our discretionary authority to allocate assets.

Other than described in the individual wrap programs below, we charge the client an asset-based management fee with respect to assets that a client places with the Third-Party Managers. That fee is determined using the same fee schedule applicable to assets that we manage on a discretionary or current non-discretionary basis. Assets placed with the Third-Party Managers are treated in the same fashion as other client assets that we manage on a discretionary basis for purposes of fee breakpoints. Fees and costs that a client pays to the Third-Party Managers are not offset against



the asset-based management fee payable to us; the Third-Party Managers do not offset our advisory fee against their respective fees and costs. As a result, a client incurs separate expenses in retaining us and the Third-Party Manager.

A client pays a management fee to the Third-Party Managers on the value of assets that each manager manages as set forth in the investment management agreement by and between the investment manager and the client. Unless the client is invested in a wrap program where transaction costs are included, a client also incurs transaction costs such as brokerage commissions, described in Item 12.E., Brokerage Practices, Third-Party Managers. Additional information about fees and other costs associated with retaining the Third-Party Managers to manage assets are set forth in their respective filings on Form ADV, Part 2A. The fee arrangements of Third-Party Managers currently in use are set forth below.

#### *Scharf Investments, LLC*

A client pays a management fee to Scharf on the value of assets that each manager manages as set forth in the investment management agreement by and between the investment manager and the client. Fees and costs that a client pays to Scharf are not offset against the asset-based management fee payable to us; Scharf does not offset our advisory fee against their respective fees and costs. As a result, a client incurs separate expenses in retaining us and Scharf. Please see Item 12 for a description of Scharf's brokerage practices.

#### *GW & K, LLC*

A client pays a management fee to GW & K on the value of assets that each manager manages as set forth in the investment management agreement by and between the investment manager and the client. Fees and costs that a client pays to GW & K are not offset against the asset-based management fee payable to us; GW & K does not offset our advisory fee against their respective fees and costs. As a result, a client incurs separate expenses in retaining us and GW & K. Please see Item 12 for a description of GW & K's brokerage practices.

#### *CapTrust*

For a limited number of clients invested directly in equities, GW & Wade uses recommendations provided by CapTrust, an unaffiliated investment adviser pursuant to an agreement between GW & Wade and CapTrust. CapTrust charges GW & Wade a fee for this service which is a percentage of GW & Wade's clients' assets that are subject to the recommendations. GW & Wade typically passes on these fees directly to the client in proportion to the assets managed using those recommendations, as agreed with the client, and these fees are not offset against the asset-based management fee payable to us for managing these assets.

See, generally, Item 5, Fees and Compensation, Item 12, Brokerage Practices, for a discussion of the fees, expenses, conflicts and mitigating factors applicable to clients' advisory arrangements with us including, without limitation, our receipt of indirect compensation for investment management services through GWWAMC's receipt of 12b-1 fees. Items 5.F. and G. and Item 14, client Referrals and Other Compensation, describe benefits and payments received by GW & Wade from Fidelity and NFS in connection with brokerage/custodial services they provide to clients. See Item 5.C., 529 Plans, for a discussion of our receipt and retention (without crediting) of 12b-1 fees paid to GWWAMC from mutual fund shares held in a 529 Plan as our compensation for advisory

services in some accounts. See also Item 5.E., Other Assets Excluded from Asset-Based Management Fee. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC or Fidelity to execute transactions appears in Item 12.B. Brokerage Practices/ Directed Brokerage.

#### Separate Account Wrap Programs

Wrap programs are typically programs where an investment adviser provides investment management services in a separately managed account. Wrap programs typically charge a fee that is inclusive of the separate account manager's fee and brokerage costs related to transactions in the account. This arrangement gives the wrap fee manager an incentive not to trade because the trading costs reduce the investment management fee otherwise payable to them. GW & Wade recommends wrap programs infrequently and currently have only two clients invested in wrap programs: Envestnet and SEI.

The clients invested in the Envestnet and SEI separate account program pay a wrap fee to the sponsor. From that amount, we are paid an annual advisory fee. Please see Item 5.I. for a description of the conflicts and mitigating factors relating to receipt of advisory compensation from Envestnet.

See Item 8, Methods of Analysis, Investment Strategies and Risk of Loss

#### J. Private Funds

We do not use our discretionary authority to invest client assets in a private fund. Rather, a client must approve our recommendation and sign the fund's subscription paperwork themselves. Generally, we receive an asset-based management fee with respect to assets that a client places in private funds when we are advising on the allocation of those assets as part of the overall account. GW & Wade also typically handles administration of subscription documents and follow-on investments, and tracking and wiring capital calls from the fund. Our fee is determined using the same asset-based management fee schedule applicable to assets that we manage pursuant to the applicable investment management agreement. For investments in closed-end funds on which GW & Wade charges an advisory fee, the fee schedule is generally applied to a quarterly capital balance as reported by the private fund manager. For open end funds, our fee is generally applied to a trailing average of the net asset values reported (typically monthly) by the private fund manager during the quarter. Assets placed in private funds are treated in the same fashion as other client assets that we manage for purposes of fee schedule breakpoints. See Item 5.A for a discussion of our Fees and Compensation for discretionary investment management. Private funds usually also charge a performance-based fee (fees based on a share of capital gains on or capital appreciation of the assets of a client) in addition to an advisory fee and other expenses. Private funds-of-funds typically charge a management fee and performance fee on top of the management and performance fees (typically on returns over a stated return percentage) of the underlying funds. We do not receive any compensation from Private Funds or their managers in connection with assets that our clients place with them.

With respect to investments by clients in SCS's pooled vehicles, we do not receive any compensation from SCS in connection with assets that our clients place in SCS's pooled investment vehicles. GW & Wade's clients are not advisory clients of, and do not pay advisory fees, to SCS

other than the costs of SCS's investment vehicle or vehicles in which they are invested, including any management fees and performance fees payable to SCS.

The allocation of GW & Wade client assets to SCS's pooled investment vehicles, rather than to an unaffiliated investment manager, increases SCS's compensation and the revenue to Focus LLC relative to a situation in which our clients are excluded from SCS's pooled investment vehicles. As a consequence, Focus LLC has a financial incentive to cause us to recommend that our clients invest in SCS's pooled investment vehicles.

#### K. Financial Planning Services

Many clients are charged a financial planning fee. However, sometimes we waive that fee. Financial planning fees are negotiated based on the individual needs of the client and are negotiable. A client electing financial planning services agrees to pay an initial financial planning fee which is payable in advance. We do not accept financial planning payments for six or more months in advance in excess of \$1,200.

Refunds for this service are not provided. The client has a five day right of rescission, including a full refund, when entering into a financial planning relationship.

A client electing financial planning services may also agree to pay a recurring financial planning fee, calculated on an annual basis but typically billed and payable in arrears in four quarterly installments. The first billing date for the recurring fee varies depending on the timing associated with the initial plan fee.

At the conclusion of any given period, the fee may be increased. Any changes to the fee will be reflected in the next billing cycle. There is no minimum fee.

In most instances, the recurring financial planning fee is subject to modest annual cost of business increases not greater than 5% and is also subject to other periodic adjustments in the event of material changes in a client's financial circumstances. Financial planning fees typically are not offset against any investment management fee payable to us.

Some, but not all financial planning clients require investment advisory services for the specific implementation of general asset allocation recommendations. No client is required to use GW & Wade for investment advisory services.

#### L. Trustee and Estate Administration Services

For some clients, GW & Wade personnel serve as trustees or provide estate administration services. When we serve as a trustee of a client's account, we do not typically charge a separate fee for trustee services, although there are some exceptions. For some clients to whom we provide estate administration services we will agree with them on an hourly fee. These fees generally are not offset against future financial planning or asset-based management fees.

#### M. Focus Treasury & Credit Solutions

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC (“FTCS”). FTCS is compensated by sharing in the revenue earned by such third-party institutions for serving our clients. For non-mortgage loans, FTCS will receive up to 0.50% annually of outstanding loan balances. For mortgage loans, FTCS will receive a one-time payment of up to 1.00% of the mortgage loan amount, up to 0.50% annually of outstanding loan balances, or a combination of the two. FTCS’s earned revenue is indirectly paid by our clients through an increased interest rate charged by the financial institutions or, for cash balances, a lowered yield. The amount of revenue earned by FTCS for these financial solutions will vary over time in response to market conditions, including the interest rate environment, and other factors such as the volume and timing of loan closings. The amount of revenue earned by FTCS for a particular financial solution will also differ from the amount of revenue earned by FTCS for other types of financial solutions. Further information on this conflict of interest is available in Item 10 of this Brochure.

#### N. Compensation Related to ERISA Clients

When we receive compensation in the form of 12b-1 fees from shares of mutual funds held in ERISA accounts and individual retirement accounts and retirement plans that are not subject to ERISA but are subject to comparable provisions of the Internal Revenue Code of 1986, we will offset that compensation. The offsets of that compensation will be made in a manner consistent with DOL Advisory Opinions 9715A and 2005-10A.

We have a conflict when we recommend that a client move their assets from a company-sponsored 401(k) or from other retirement plan, including an IRA, (a “rollover”) if we plan to charge a fee to provide investment advisory services to those assets. When we make such a recommendation, we will follow the requirements of the Department of Labor’s (“DOL”) Prohibited Transaction Exemption 2020-02 and associated implementation guidance from the DOL which requires, among other things, a determination that the rollover recommendation is in the client’s best interest.

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

GW & Wade does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of a client's assets).

## **Item 7 - Types of Clients**

GW & Wade provides investment management services to high net worth and other individuals and families, trusts, some ERISA plans, charitable organizations, municipalities, companies and foundations. GW & Wade has no explicit minimum account size requirements.

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

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

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

GW & Wade has an Investment Committee that includes principals and employees of the firm. The Committee meets (including electronically) periodically to discuss existing and prospective investments.

Our investment selection process for mutual funds, third-party investment managers and ETFs begins by screening potential investment strategies using various industry sources. We use several criteria to determine the overall investment merit of a particular investment strategy and/or fund, including for example, expenses and statistics related to performance and risk. To the extent mutual funds, separate account managers and ETFs have been reviewed and approved by our Investment Committee, they are added to our approved list and are permitted to be recommended for purchase for our clients. We also review third-party managers and monitor their performance for adherence to their stated investment process. DKBIM has a legacy separate investment recommendation list that it uses for its clients, and we intend to integrate those lists and the processes for inclusion over time.

### **B. Investment Strategies.**

Our investment strategy depends on the specific needs, desires and investment objectives of each client. Most commonly, we are seeking to construct a diversified portfolio which seeks long-term growth using a suitable mix of investments to meet a client's needs. As discussed in Item 4, GW & Wade client assets in mutual funds ETFs that track actively or passively-managed indices of securities as well as individual equities and fixed income securities, and, from time to time, options. We also use third-party separate account managers (which invest in individual equities and/or fixed income securities). On a limited basis, when clients have expressed an interest and we believe that the investments are suitable and consistent with their investment objectives, we may recommend private investments to them. We have also approved an exchange-traded trust that tracks a basket of cryptocurrency futures for use upon client request. See Item 4.B. and 5.I. for a discussion of

our advisory services and compensation with respect to Third-Party Managers. See also Methods of Analysis above and Risk of Loss below.

For all strategies managed by GW & Wade, implementation and outcomes for clients vary depending on client-specific factors, including without limitation the client's particular tax situation, the bespoke portfolio created for the client that takes into account their objectives, risk tolerance and suitability, a security's holding period, purchase date and cost basis.

#### *Individual Security Portfolios*

For some clients, GW & Wade invests directly in equities and also uses specific strategies using individual securities as set forth below to satisfy that client's particular investment profile. Please see the risks set forth in Risk of Loss, below, with particular emphasis on Equity Securities Risk; Dividend-Paying Stock Risk; Interest Rate Risk; Domestic and/or Foreign Political Risk Event Risk; Market Risk Reliance on Third Party Analysis; Databases and Volatility Risk.

#### *DivPort*

GW & Wade's DivPort strategy seeks to hold the publicly-traded equity securities of 30-35 companies with a record of dividend growth, selected in a systematic, bottom-up style. For the strategy, GW & Wade identifies stocks using an initial screen that identifies stocks with a current dividend yield equal to or higher than the current yield on the Standard and Poor 500 Index™ and selects companies with a "Safety Rank" and "Financial Strength" that is average or better as measured by Value Line™. Once companies with dividend growth and quality characteristics are identified, we identify and select for the portfolio those we believe have relatively high 3-5 year appreciation potential.

#### *Scharf Investments, LLC*

Scharf principally invests in equity securities that are traded publicly in U.S. markets. Scharf's investment philosophy and practices are more fully described in the agreement it enters into with clients and its Form ADV, Part 2A. Scharf clients are subject to a distinct commission schedule for equities traded in a Block Order directly to NFS. Please refer Item 12, Brokerage Practices.

#### *GW & K Investment Management, LLC*

GW & K manages securities across equity and fixed income strategies, but we primarily recommend GW & K for municipal and taxable bond separate account strategies. GW & K's investment philosophy, investment and brokerage practices are more fully described in the agreement it enters into with clients and its Form ADV, Part 2A.

#### *Cap Trust*

For a limited number of clients invested, GW & Wade uses recommendations provided by CapTrust, an unaffiliated investment adviser, pursuant to an agreement between GW & Wade and CapTrust for their equity security recommendations. GW & Wade typically follows, but is under no obligation to follow the recommendations for a particular client portfolio.

### Wrap Fee Programs

Each of the wrap fee programs described below provides investment management by a third-party manager and transaction (execution) services for a unified fee based on assets under management and are used on a limited basis.

### Envestnet Asset Management, Inc.

Envestnet Asset Management, Inc. (“Envestnet”) is a registered investment adviser that provides a broad range of wrap fee programs that are intended to comply with Rule 3a-4 under the Investment Company Act of 1940. Envestnet acts as the investment manager with respect to client assets placed in these programs.

### SEI Managed Account Solutions

The SEI Managed Account Solutions (“MAS”) wrap program provides services that include advisory, brokerage and custody services. One client is invested in this program. SEI sponsors and is advisor to MAS, which is made available to independent advisors who may allocate their clients’ assets for investments into the programs. SEI enters into a tri-party investment management agreement with the independent advisor and its client. Under this program, SEI Investment Management Corporation (“SIMC”) makes available two broad categories of investment strategies: (i) individual investment strategies (or model investment portfolios) of third party investment managers selected and overseen by SEI covering a broad spectrum of investment styles; and (ii) SIMC designed and managed investment strategies (or model investment portfolios), including strategies that allocate to various portfolio managers, strategies managed directly by SEI or exchanged traded funds. Currently, only one client is invested in this wrap program.

### Private Funds

When a client has expressed an interest in making private investments, we may recommend such investments if we believe the investments are suitable for the client and consistent with their investment objectives, and provided the client is otherwise eligible to invest.

## C. Risk of Loss

Investing in securities, including investments in mutual funds, ETFs, directly in equities and fixed income securities, and private funds involves a risk of loss which clients should be prepared to bear, including the risk that the full investment will be lost. Additionally, there are risks in allowing GW & Wade to manage clients' investments. There is no guarantee that clients will not lose money or that clients will meet their investment objectives.

The mutual funds and ETFs in which we frequently invest client assets or recommend to clients generally own principally securities and therefore also involve the risk of loss that is inherent in investing in securities. The extent of the risk of ownership of fund shares generally depends on the type and number of securities held by the fund.

Mutual funds are subject to the same risks associated with the fund’s underlying holdings. General risks are described below and are described specifically in the particular mutual fund’s prospectus.

Risks also may be significantly increased if a mutual fund pursues an alternative investment strategy. An investment in an alternative mutual fund involves special risks such as risk associated

with short sales, leveraging the investment, potential adverse market forces, regulatory changes, and potential illiquidity. Investing in alternative strategies presents the opportunity for significant losses.

ETFs are subject to many of the same risks as the securities included in the index that the ETF tracks. Additionally, an ETF's risks include declining value of the securities held by the ETF, adverse developments in the securities the ETF tracks, capital loss in geographically focused funds because of unfavorable fluctuation in currency exchange rates, differences in generally accepted accounting principles, or economic or political instability, tracking error, which is the difference between the return of the ETF and the return of its benchmark and trading at a premium or discount, meaning the difference between the ETF's market price and net asset value (NAV).

Although many mutual funds and ETFs can provide diversification, risks can be significantly increased if a mutual fund or ETF is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage to a significant degree, or concentrates in a particular type of security.

One of the main advantages of mutual funds and ETFs is that they give individual investors access to professionally managed portfolios of equities, bonds and other securities. Although the goal of diversification is to combine investments with different characteristics so that the risks inherent in any one investment can be balanced by assets that move in different cycles or respond to different market factors, diversification does not eliminate the risk of loss. In some circumstances, price movements are highly correlated across securities and funds. A specific fund may not be diversified and a client portfolio may not be diversified. Additionally, when diversification is a client objective, there is risk that the strategies that we use are not successful in achieving the desired level of diversification.

There is also risk that the strategies, resources, and analytical methods that we use to identify mutual funds and ETFs will not identify successful investment opportunities.

The following risks describe events which also could cause mutual funds, ETFs, and other investments managed for clients by GW & Wade or a third-party manager to decrease in value. Please also refer to the mutual fund's prospectus, or Part 2A of Form ADV for third party managers, for that adviser's description of each investment strategy's risk.

*Adverse Geopolitical Event Risk:* Adverse events affecting a particular country or countries, including political and economic instability, including but not limited to war, could depress the value of investments in issuers headquartered or doing business in affected countries. An adverse event affecting a particular company or that company's industry could depress the price of a client's investments in that company's stocks and bonds or a government's bonds. The company, government or other entity that issued bonds in a client's portfolio could become less able to, or fail to, repay, service or refinance its debts, or the issuer's credit rating could be downgraded by a rating agency, which is likely to cause them to lose value. As of the date of this Brochure, Russia has invaded Ukraine. This invasion has caused a massive humanitarian crisis, disruption in markets, cast uncertainty on whether Russia will continue to be able to pay its debt and has placed pressure on global food and commodity supplies and prices.



### *Borrowing and Margin Risk*

If you borrow money on margin to purchase securities in your account and the value of the securities held your account declines, your broker-dealer may require you to deposit additional funds to avoid the forced sale of securities held in your account.

*Counterparty Risk:* The other party in a derivatives transaction might not be able to fulfill its contractual obligation.

*Credit Risk:* The issuer of a debt security (i.e., the borrower) might not be able to make payments of interest and principal when due. Changes in an issuer's credit rating or the market's perception of an issuer's creditworthiness can affect the value of an investment in that issuer. The degree of credit risk depends on both the financial condition of the issuer and the terms of the obligation.

### *Cybersecurity Risk:*

The computer systems, networks and devices used by GW & Wade and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

*Derivatives risk:* Derivatives can increase costs of an investment, reduce returns and/or increase volatility. Risks also include the risks of the underlying or reference security or portfolio and counterparty risk, described above.

*Dividend-Paying Stock Risk:* Emphasis on dividend-paying stocks involves the risk that such stocks fall out of favor with investors and underperform the broader market. There is no guarantee that issuers of the stocks held in a dividend-seeking strategy will declare dividends in the future or that, if declared, they will either remain at current levels or increase over time

*Domestic and/or Foreign Political Risk:* The events that occur in the U.S. relating to politics, government, and elections can affect the U.S. markets. Political events occurring in the home country of a foreign company such as revolutions, nationalization, and currency collapse can have

an impact on the security. Domestic and foreign events and can also affect the securities of multinational companies. Please see *Adverse Geopolitical Event Risk* above.

*Equity Securities Risk:* Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

*ETF Price Risk:* Shares of an ETF trade on exchanges at prices at, above or below their most recent net asset value. The trading prices of an ETF's shares can deviate significantly from net asset value during periods of market volatility. If a shareholder purchases at a time when the market price is at a premium to the net asset value or sells at a time when the market price is at a discount to the net asset value, the shareholder will sustain losses.

*Interest Rate Risk:* The market value of bonds and other fixed-income securities changes in response to interest rate changes and other factors. Interest rate risk is the risk that prices of bonds and other fixed-income securities will increase as interest rates fall and decrease as interest rates rise. The United States Federal Reserve has been increasing short term interest rates and has indicated that it will continue to do so in an effort to combat inflation.

*Hedging Risk:* Hedges are sometimes subject to imperfect matching between the derivative and the underlying security or reference portfolio. There can be no assurance that a hedging strategy will be effective.

*Inflation Risk:* Countries around the globe may be more, or less, prone to inflation than the US economy at any given time. Companies operating in countries with higher inflation rates may find it more difficult to post profits reflecting its underlying health. As noted above in "Interest Rate Risk" the Federal Reserve has been increasing short-term interest rates in an effort to combat inflation.

*Liquidity Risk:* Securities that are normally liquid can become difficult or impossible to sell at an acceptable price during periods of economic instability or other emergency conditions. Some securities (including but not limited to ETFs) can be infrequently or thinly traded even under normal market conditions.

*Market Risk:* A decline in the stock market could depress the prices of stocks and other equity securities in a client's portfolio. An increase in interest rates or a change in the relationship between different market interest rates could depress the prices of bonds and other fixed income securities in a client's portfolio.

*Outbreaks, Pandemics and Other Public Health Issues/COVID:* In general, unexpected local, regional or global events, such as the spread of infectious illnesses or other public health issues and their aftermaths, could have a significant adverse impact on GW & Wade's operations (including the ability of the GW & Wade to find and execute suitable investments) and a client's potential returns. In addition, such infectious illness outbreaks, as well as any restrictive measures implemented to control such outbreaks, could adversely affect the economies of many nations or the entire global economy, the financial condition of individual issuers or companies (including those that are held by, or are counterparties or service providers to our clients) and capital markets in ways that cannot necessarily be foreseen, and such impact could be significant and long term.

Moreover, the impact of infectious illnesses in emerging market countries may be greater due to generally less established healthcare systems. If such events occur, a client's portfolio's exposure to a number of other risks described elsewhere in this brochure can increase.

The transmission of COVID-19 and efforts to contain its spread have resulted in travel restrictions and disruptions, market volatility, disruptions to business operations, supply chains and customer activity and quarantines. With widespread availability of vaccines, the U.S. Centers for Disease Control and Prevention has revised its guidance, travel restrictions have started to lift, and businesses have reopened. However, the COVID pandemic continues to evolve and the extent to which our investment strategies will be impacted will depend on various factors beyond our control, including the extent and duration of the impact on economies around the world and on the global securities and commodities markets. Volatility in the U.S. and global financial markets caused by the COVID pandemic may continue and could impact our firm's investment strategies. Although currently there has been no significant impact, the COVID outbreak, and future pandemics, could negatively affect vendors on which our firm and clients rely and could disrupt the ability of such vendors to perform essential tasks.

Another COVID outbreak, or future pandemics, could negatively affect vendors on which our firm and clients rely and could disrupt the ability of such vendors to perform essential tasks.

*Performance and Expense Risk:*

- Past performance of a security or a fund is not necessarily indicative of future performance or risk of loss.
- Returns on mutual fund investments are reduced by management costs and expenses, including 12b-1 fees paid to GWWAMC. See Items 4, 5 and 12 for discussions related to the conflicts involved with our receipt of 12b-1 fees and relevant mitigating factors.

*Private Funds:* Investments in hedge funds and other private investment funds may underperform publicly offered and traded securities. Additionally, such investments:

- Typically require investors to lock-up their assets for a period of time and may be unable to meet redemption requests during adverse economic conditions;
- Have limited or no liquidity because of restrictions on the transfer of, and the absence of a market for, interests in these funds;
- Are more difficult for GW & Wade and third-party managers to monitor and value due to a lack of transparency and publicly available information about these funds;
- Typically have higher expense ratios, performance-based fees and involve more inherent conflicts of interest than publicly traded investments; and
- Involve different risks than investing in registered funds and other publicly offered and traded securities. These risks can include those associated with more concentrated, less diversified investment portfolios, investment leverage and investments in less liquid and non-traditional asset classes.

*Reliance on Third Party Analysis and Databases:* Some security analyses are dependent in part on the source database or other information provider. If there is an error in the third party's data, it could have an effect on the analysis to purchase or sell a security.

*Third-Party Management Services:* Clients participating in a third-party management program should refer to the applicable disclosure document for information regarding the methods of analysis, investment strategies, and risk of loss specific to such program.

*Volatility Risk:* The risk that a security, an index or a market fluctuates significantly in price within a short time period. For derivatives, the fluctuations in an instrument's value may not correlate with the overall securities markets.

## **Item 9 - Disciplinary Information**

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of GW & Wade or the integrity of our management. The information below is applicable to this Item.

### *Massachusetts Securities Division*

On October 4, 2018, GW & Wade settled an administrative proceeding with the Massachusetts Securities Division of the Office of the Secretary of the Commonwealth (the "Division"). Without admitting or denying the Division's allegations, GW & Wade consented to the entry of a Consent Order and paid a fine in the amount of \$50,000 consisting of back registration fees and an administrative fine. The Division alleged that GW & Wade violated Massachusetts General Laws, chapter 110A, § 201(c) and 201(d)(ii) by not ensuring that investment adviser representatives complied with Massachusetts registration requirements. The settled Consent Order ordered that GW & Wade permanently cease and desist from violations of the above referenced laws, and, with certain exceptions, not permit its Associates, or other supervised persons who have a place of business in Massachusetts, to participate or otherwise engage in any of the following activities with respect to six or more or clients who are natural persons: make any recommendations or otherwise render advice regarding securities; manage securities accounts or portfolios of clients; determine which recommendations or advice regarding securities should be given; solicit, offer, or negotiate for the sale of or sell investment advisory services; or supervise employees of GW & Wade who perform any of the foregoing, unless the person is registered with the Division as an investment advisory representative.

### *Securities and Exchange Commission*

On October 28, 2013, GW & Wade settled an enforcement proceeding with the SEC. The SEC alleged that the firm (i) had custody of some client assets but failed to obtain an examination of those assets by an independent public accountant (as the Advisers Act Custody Rule requires) and to identify those assets in its public disclosures; (ii) had not adopted policies and procedures concerning custody of client assets or kept required books and records; and (iii) had not adequately implemented its policies and procedures for calculating advisory fees in discretionary accounts, which resulted in billing overcharges to certain clients. GW & Wade consented to the entry of an administrative order without admitting or denying the SEC's allegations.

Under the terms of the settled action, GW & Wade (i) agreed to cease and desist from committing or causing any violations and any future violations of Sections 204, 206(4), and 207

of the Advisers Act, and Rules 204-2, 206(4)-2, and 206(4)-7 promulgated thereunder; (ii) was censured; and (iii) paid a civil money penalty of \$250,000. Also, in connection with the settlement, GW & Wade retained an independent compliance consultant to conduct a comprehensive review of GW & Wade's written compliance policies and procedures reasonably designed to ensure that the firm was meeting its custody and related books and records obligations, charging its advisory fee accurately, and otherwise safeguarding client assets in compliance with the Advisers Act. That consultant completed his work in 2014.

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

In addition to providing investment advisory services, GW & Wade also provides certain non-advisory services such as income tax preparation services and delivery of financial planning presentations for separate and customary compensation. We also provide customized advisory services for corporate clients to offer to their employees. Employees of those corporate clients are under no obligation to utilize GW & Wade for the advisory services offered through their employer. Each GW & Wade representative, and GW & Wade as a firm, spends approximately 30% of their time on activity not related to investment advice. Please see Item 4.

Certain GW & Wade principals and employees are separately licensed as registered representatives of GWWAMC, GW & Wade's affiliated broker-dealer. As such, these individuals are able to effect securities transactions and receive separate compensation for effecting such transactions.

GWWAMC executes transactions through National Financial Services, LLC ("NFS"), on a fully disclosed basis. NFS currently acts as a clearing broker and custodian and is not affiliated with GW & Wade.

See Item 4, Advisory Business; Item 5, Fees and Compensation, and Item 12, Brokerage Practices, for a discussion of the fees, expenses and related conflicts and mitigating factors applicable to clients' advisory arrangements with us including, without limitation, our receipt of compensation in the form of 12b-1 fees and for brokerage services of our affiliated broker-dealer, GWWAMC. See also Item 5 for reference to the Envestnet and SEI wrap programs, which is responsible for collecting and paying over our asset-based management fee.

## **Focus Treasury & Credit Solutions**

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC ("FTCS"), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. These third-party financial institutions are banks and non-banks (the "Network Institutions") that offer credit and cash management solutions to our clients. Certain other unaffiliated third parties provide administrative and settlement services to facilitate FTCS's cash management solutions. FTCS acts as an intermediary to facilitate our clients' access to these credit and cash management solutions.

FTCS receives a portion of the revenue earned by the Network Institutions for providing services to our clients. For non-mortgage loans, FTCS will receive up to 0.50% annually of outstanding loan balances. For mortgage loans, FTCS will receive a one-time payment of up to 1.00% of the mortgage loan amount, up to 0.50% annually of outstanding loan balances, or a combination of the

two. FTCS's earned revenue is indirectly paid by our clients through an increased interest rate charged by the Network Institutions for credit solutions or reduced yield paid by the Network Institutions for cash management solutions. For clients of certain affiliates of Focus Financial Partners, LLC, FTCS has agreed to waive the earned revenue that it receives, which results in a lower interest rate on lending solutions or a higher yield on cash management solutions for those clients. The amount of revenue earned by FTCS for these financial solutions will vary over time in response to market conditions, including the interest rate environment, and other factors such as the volume and timing of loan closings. The amount of revenue earned by FTCS for a particular financial solution will also differ from the amount of revenue earned by FTCS for other types of financial solutions. Such fees are also revenue for our common parent company, Focus Financial Partners, LLC. Accordingly, we have a conflict of interest when recommending FTCS's services to clients because of the compensation to our affiliates, FTCS and Focus. We mitigate this conflict by: (1) fully and fairly disclosing the material facts concerning the above arrangements to our clients, including in this Brochure; and (2) offering FTCS solutions to clients on a strictly nondiscretionary and fully disclosed basis, and not as part of any discretionary investment services. Additionally, we note that clients who use FTCS's services will receive product-specific disclosure from the Network Institutions and other unaffiliated third-party intermediaries that provide services to our clients.

We have an additional conflict of interest when we recommend FTCS to provide credit solutions to our clients because our interest in continuing to receive investment advisory fees from client accounts gives us a financial incentive to recommend that clients borrow money rather than liquidating some or all of the assets we manage.

### **Credit Solutions from FTCS**

For FTCS credit solutions, the interest rate of the loan is ultimately determined by the lender, although in some circumstances FTCS may have the ability to influence the lender to lower the interest rate of the loan. As noted above, FTCS's earned revenue is indirectly paid by the client receiving the loan through an increased interest rate charged by the lender. The final rate may be higher or lower than the prevailing market rate. We can offer no assurances that the rates offered to our clients by the lender are the lowest possible rates available in the marketplace.

Clients retain the right to pledge assets in accounts generally, subject to any restrictions imposed by clients' custodians. While the FTCS program facilitates secured loans through Network Institutions, clients are free instead to work directly with institutions outside the FTCS program. Because of the limited number of participating Network Institutions, clients may be limited in their ability to obtain as favorable loan terms as if the client were to work directly with other banks to negotiate loan terms or obtain other financial arrangements.

Clients should also understand that pledging assets in an account to secure a loan involves additional risk and restrictions. A Network Institution has the authority to liquidate all or part of the pledged securities at any time, without prior notice to clients and without their consent, to maintain required collateral levels. The Network Institution also has the right to call client loans and require repayment within a short period of time; if the client cannot repay the loan within the specified time period, the Network Institution will have the right to force the sale of pledged assets to repay those loans.

Selling assets to maintain collateral levels or calling loans may result in asset sales and realized losses in a declining market, leading to the permanent loss of capital. These sales also may have adverse tax consequences. Interest payments and any other loan-related fees are borne by clients and are in addition to the advisory fees that clients pay us for managing assets, including assets that are pledged as collateral. The returns on pledged assets may be less than the account fees and interest paid by the account. Clients should consider carefully and skeptically any recommendation to pursue a more aggressive investment strategy in order to support the cost of borrowing, particularly the risks and costs of any such strategy. More generally, before borrowing funds, a client should carefully review the loan agreement, loan application, and other forms and determine that the loan is consistent with the client's long-term financial goals and presents risks consistent with the client's financial circumstances and risk tolerance.

### **Cash Management Solutions from FTCS**

For FTCS cash management solutions, as stated above, certain third-party intermediaries provide administrative and settlement services in connection with the program. Those intermediaries each charge a fixed basis point fee on total deposits in the program. Before any interest is paid into client accounts, the Network Institutions and certain unaffiliated third-party service providers take their fees out, and the net interest is then credited to clients' accounts. The fees debited by the Network Institutions include FTCS's earned revenue. Engaging FTCS, the Network Institutions, and these other intermediaries to provide cash management solutions does not alter the manner in which we treat cash for billing purposes.

Clients should understand that in rare circumstances, depending on interest rates and other economic and market factors, the yields on cash management solutions could be lower than the aggregate fees and expenses charged by the Network Institutions, the intermediaries referenced above, and us. Consequently, in these rare circumstances, a client could experience a negative overall investment return with respect to those cash investments. Nonetheless, it might still be reasonable for a client to participate in the FTCS cash management program if the client prefers to hold cash at the Network Institutions rather than at other financial institutions (e.g., to take advantage of FDIC insurance).

### **SCS**

We do not believe the Focus Partnership presents a material conflict of interest with our clients. GW & Wade has no business relationship with other Focus firms that is material to our advisory business or to our clients, but we have recommended and expect that we will recommend SCS pooled vehicles to certain clients. As stated earlier in Items 4 and 5 of this Brochure, under certain circumstances we offer our clients the opportunity to invest in pooled investment vehicles managed by SCS. SCS makes these products available for investment by those clients pursuant to limited partnership agreement documents and in exchange for a fund-level management fee and performance fee paid by our clients and not by us. SCS, like GW & Wade, is an indirect wholly owned subsidiary of Focus LLC and is therefore under common control with GW & Wade. The allocation of our clients' assets to SCS's pooled investment vehicles, rather than to an unaffiliated investment manager, increases SCS's compensation and the revenue to Focus LLC relative to a situation in which our clients are excluded from SCS's pooled investment vehicles. As a consequence, Focus LLC has a financial incentive to cause GW & Wade to recommend that our clients invest in SCS's pooled investment vehicles, which creates a conflict of interest with those

GW & Wade clients who invest in SCS's pooled investment vehicles. More information about Focus LLC can be found at [www.focusfinancialpartners.com](http://www.focusfinancialpartners.com).

We believe this conflict is mitigated because of the following factors: (1) this arrangement is based on our judgment that investing a portion of GW & Wade's clients' assets in SCS's investment vehicles is in the best interests of the relevant clients; (2) SCS and its investment vehicles have met the due diligence and performance standards that we apply to outside, unaffiliated investment managers; (3) subject to redemption restrictions on the pooled vehicles, we are willing to recommend reallocation of GW & Wade client assets to other unaffiliated investment vehicles, in part or in whole, if SCS's services become unsatisfactory in our judgment; and (4) we have fully and fairly disclosed the material facts regarding this relationship in this Brochure, and GW & Wade clients who invest in SCS's pooled investment vehicles have given their informed consent to those investments.

### **Focus Transition Services, LLC**

Focus Transition Services, LLC ("FTS"), an indirect wholly owned subsidiary of our parent company, Focus Financial Partners, LLC ("Focus LLC"), provided operational, compliance, and marketing services and support to us in connection with the transition of our clients' brokerage and custodial accounts to Fidelity. Among other things, FTS provided us with recommendations on the selection of technology and other service providers and assistance establishing client accounts with Fidelity. FTS charged us for those services. The charges from FTS qualified for reimbursement from Fidelity as described in Item 5.F and are paid directly to FTS by Fidelity.

Our common parent company, Focus LLC, has a financial incentive to recommend that we use FTS instead of other service providers who could provide similar qualifying services. In addition, the receipt of economic benefits by FTS creates a financial incentive for FTS to recommend that our clients utilize Fidelity for custodial and brokerage services.

FTS shared a substantial percentage of the reimbursement it receives from Fidelity with GW & Wade's management company, which is owned by principals of the Firm. This sharing creates an additional conflict of interest in that the management company principals had a direct and substantial financial incentive to recommend or even require that we use FTS instead of using other service providers who could provide similar qualifying services but who would not share any payment received from the Custodian with the Firm's management company or its principals.

Current and future clients should evaluate those conflicts of interest when considering our services and the recommendation to utilize Fidelity for custodial and brokerage services.

### **Item 11 - Code of Ethics**

GW & Wade has adopted a Code of Ethics that applies to all persons supervised by GW & Wade, including principals and employees. All such persons are included as "access persons" for purposes of the Code of Ethics. The Code of Ethics sets forth a standard of business conduct which reflects GW & Wade's fiduciary obligations to its clients; requires that all supervised persons comply with applicable federal securities laws; establishes policies and procedures designed to mitigate conflicts of interest between personal securities transactions of supervised persons and clients including requiring all access persons to report for GW & Wade to review all personal securities transactions; requiring reporting of any violations of the Code of Ethics to our Chief



Compliance Officer; and that we deliver to each of supervised persons a copy of our Code of Ethics and any amendments and receive an acknowledgment from them regarding their receipt.

A copy of the Code of Ethics will be provided to any client or prospective client upon request. The Code of Ethics prohibits access persons who know of a pending purchase or sale of a security on behalf of a client from purchasing or selling the security before the client's purchase or sale has been made. No access person may purchase a security in an initial public offering without approval of the CCO, and no access person may engage in short-term trading (defined as a purchase and sale, or sale and purchase, within a period of 30 days) of a reportable security (as defined below) unless approved by the Chief Compliance Officer. Each access person must obtain preapproval from GW & Wade's Chief Compliance Officer before acquiring a security in a private placement or giving or receiving any gift or other item with a value of more than \$100 from any person or entity doing business with GW & Wade that might create a conflict of interest. The Code of Ethics also prohibits access persons from trading, either personally or on behalf of others, in securities while in possession of material, nonpublic information regarding such securities or communicating material, non-public information to others.

GW & Wade has implemented a Restricted List which includes all publicly-traded companies where clients serve as officers, directors, or outside directors, that are either the head of a business unit, serve in a policy-making function for the company or are otherwise subject to SEC filings. Employees are generally prohibited from trading in Restricted List securities for their personal account and from recommending Restricted List securities to clients without the review and approval of the CCO or designated Compliance reviewer. Restricted List transactions are reviewed to mitigate the risk of employees or clients trading securities while in possession of material, nonpublic information.

Under the Code of Ethics, access persons are required to file a quarterly report of all securities transactions involving the purchase or sale of "reportable securities" (generally any securities other than U.S. government securities, shares of money market funds, shares of open-end mutual funds, or units of a unit investment trust). Each quarterly report is reviewed for compliance with the Code of Ethics.

Employees are prohibited from frontrunning, which is a practice whereby firm representatives place personal trades ahead of client trades. Counselors are expected to avoid situations where their personal trades are placed ahead of their discretionary client trades on the same day. If placing a personal trade on the same day for clients on a discretionary basis, and the client receives a worse price, then the client's trade is generally aggregated with the personal trade, and an average price is assigned. If the client receives a better price, the personal trade retains the original, worse price.

## **Item 12 - Brokerage Practices**

GW & Wade's investment management agreements typically authorize us to make trades in a client's account but do not authorize us to select the broker-dealer to execute trades. Clients are required to direct a broker-dealer to execute trades. Not all advisers require clients to designate a broker/dealer. See Item 12.B. below for a discussion of implications of directing brokerage to a particular broker/dealer. Also, as noted in Item 4, we expect to recommend that clients appoint Fidelity Brokerage Services LLC as the introducing broker, which uses NFS as clearing broker/qualified custodian.

### **A. Brokerage Services Provided by GWWAMC**

We are no longer recommending GWWAMC for new clients' accounts because we intend to wind it down. Historically, we recommended GWWAMC primarily because clients use of the same broker facilitates account administration by GW & Wade and because of the reputation and quality of service of NFS, which executes trades and clears for GWWAMC and allows our receipt of 12b-1 fees as an element of our compensation, including for our advisory services. In evaluating NFS's services, other factors we have considered in making our recommendation and determining the reasonableness and competitiveness of commissions and other transaction costs include: favorable trade order execution and the ability to provide accurate and timely execution of trades; access to a broad range of investment products; access to trading desks; technology that integrates within GW & Wade's technology environment; access to research; ability to provide a full range of options for account registrations for our clients; a dedicated service team and its ability to accurately and timely process requests on behalf of our clients; ability to provide GW & Wade with access to client account information through ad hoc and custom reporting and through its website and integrations; and ability to provide clients with electronic access to account information;.

The commissions, charges and expenses that a client pays to GWWAMC are set forth below under "GWWAMC Commission Schedule." Commissions, charges and other expenses reduce investment returns.

Some of GW & Wade principals and employees are separately licensed as registered representatives of GWWAMC. As such, these individuals are able to effect securities transactions and receive compensation for effecting such transactions.

See, generally, Item 5, Fees and Compensation, including Items 5.F and G and Item 14., client Referrals and Other Compensation, describe benefits and payments received by GW & Wade from Fidelity and NFS in connection with brokerage/custodial services they provide to clients. See Item 5.C, 529 Plans, for a discussion of our receipt and retention (without crediting) of 12b-1 fees paid to GWWAMC from mutual fund shares held in a 529 Plan as our compensation for advisory services in some accounts. See also Item 5.D., Other Assets Excluded from Asset-Based Management Fee. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC or Fidelity to execute transactions appears in Item 12.B. below, Directed Brokerage.

As a result of client payments to GWWAMC for brokerage services, we and our personnel have a conflict of interest when recommending GWWAMC. Our recommendation of GWW is not disinterested and could be contrary to a client's best interests because another broker-dealer, including Fidelity, would be cheaper and, except in the case of open-end mutual fund shares, could provide better quality execution. We seek to address this conflict of interest in part by bringing it to the attention of clients and allowing clients the choice of using another broker-dealer to implement our investment advice. Additionally, GWWAMC passes on transaction costs to clients at the same rate as it is charged by NFS; it does not mark up any charges. In addition, as set forth below in Section C, Directed Brokerage, below, there are disadvantages to a client to directing that execution occur through a particular broker-dealer.

#### GWWAMC COMMISSION SCHEDULE

##### MUTUAL FUNDS:

Buys, Sells and exchanges: \$13

Surcharge (additional) for share classes on NFS's list of funds that do not pay NFS a platform or other fee: \$10

No Transaction Fee Funds - \$0

##### Stocks, ETFs and Closed-end Mutual Funds:

<u>Listed Equities</u>	<u>Commission Rate</u>
All orders up to 10,000 shares	\$7.95
All orders, 10,001 shares or greater	\$7.95 plus \$.01 per share applied to entire order

<u>Over the Counter ("OTC") Equities</u> <u>American Depository Receipts</u> <u>Canadian Securities</u>	<u>Commission Rate</u>
All orders	\$7.95

EQUITY and ETF BLOCK ORDERS. See also "Order Aggregation" at the end of this section.

##### Listed Equities

For Block Orders in listed equities: \$7.95 per transaction plus \$0.01 per share on block orders greater than 10,000 shares, applied to the entire order. Block Orders are filled in the firm's average price account through one or more trade executions. Each execution in the average price account carries an additional cost of \$5.00. This additional cost is passed on to each client account participating in the Block Order by multiplying \$5.00 by the number of total executions and dividing such cost equally among participating client accounts.

### OTC Equities

For block trades in OTC equities: \$7.95 per transaction \$5.00 charge per block trade execution which shall be charged pro rata to each client participating in the block trade. Block Orders are filled in the firm's average price account through one or more trade executions. Each execution in the average price account carries an additional cost of \$5.00. This additional cost is passed on to each client account participating in the Block Order by multiplying \$5.00 by the number of total executions and dividing such cost equally among participating client accounts

### Scharf clients

Scharf clients pay \$12.95 per block trade which incorporates both the \$7.95 commission and the \$5.00 block fee because we cannot estimate the number of participants or executions within the block in advance. Within 15 business days of each quarter end, GWWAMC will reconcile actual activity and credit back any overage to be consistent with the schedule for Block Orders in Listed Equities and OTC Equities above.

### INTERNATIONAL SECURITIES (Excluding ADRs & Canadian Securities):

<u>Security</u>	<u>Commission Rate</u>
Eurobond Clearance	\$61.50
All Other Foreign Securities	\$86.50

### OPTIONS:

<u>Transaction Amount</u>	<u>Commission Rate</u>
Contracts less than \$1.00	\$20.00 plus \$1.00 per contract
Contracts \$1.00 and above	\$20.00 plus \$1.50 per contract

### MUNICIPAL/CORPORATE BONDS & US TREASURY OBLIGATIONS:

Corporate Bonds	\$15.00
Municipal Bonds	\$15.00
Government Bonds	\$20.00

In limited circumstances, we may waive commission charges of GWWAMC for some clients.

\*\*\*\*

These brokerage commissions and fees are in addition to the applicable asset-based management fee paid to GW & Wade and in addition to the 12b-1 fees that are paid to GWWAMC by mutual funds or their affiliates depending on the particular share class of mutual fund shares that a client purchases. See Item 4, Advisory Business; Item 5, Fees and Compensation, including Items 5.F.

and G. and Item 14., client Referrals and Other Compensation, describe benefits and payments received by GW & Wade from Fidelity and NFS in connection with brokerage/custodial services they provide to clients. See Item 5.C., 529 Plans, for a discussion of our receipt and retention (without crediting) of 12b-1 fees paid to GWWAMC from mutual fund shares held in a 529 Plan as our compensation for advisory services in some accounts. See also Item 5.D, Other Assets Excluded from Asset-Based Management Fee. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC or Fidelity to execute transactions appears in Item 12.B. Directed Brokerage, immediately below.

#### B. Directed Brokerage

We do not select the broker-dealer to execute transactions and do not negotiate brokerage commissions or transaction costs. Rather, we require that a client select a broker-dealer to execute transactions at the time the client enters an investment management agreement. Historically, we recommended use of GWWAMC and we are now recommending Fidelity. A client who elects to designate a different broker-dealer to execute transactions is disadvantaged with respect to transactions in individual securities (rather than open-end mutual funds) because the client will not receive the potential benefit of aggregating transactions with those of other clients and because the client's transactions generally will be executed after transactions executed by GWWAMC and/or Fidelity. See Item 12.E., Order Aggregation, below.

GW & Wade requires clients to select a broker and does not select among broker-dealers whom it believes can provide best execution of particular transactions. This is disadvantageous to clients because they do not have the opportunity to benefit from a better-quality execution or the negotiation of lower transaction costs, both of which could be attained if GW & Wade sought to execute through the broker-dealers whom it believes could provide best execution of particular transactions. As a result, clients may receive less favorable prices with respect to individual securities (other than open-end mutual funds), and may pay higher transaction costs, each of which reduce returns.

We implement investment advice on behalf of certain clients in accounts that are maintained at independent custodians other than our clients' primary custodians GWWAMC and Fidelity and are typically 401(k) accounts and 529 plans.

Not all advisers have a broker-dealer affiliate such as GWWAMC or require their clients to direct the broker-dealer to execute transactions. Many advisers use their discretion to select the broker-dealer that they believe can provide best execution (most favorable terms) in connection with particular transactions. Since such advisers generally can choose from among multiple broker-dealers, they may be able to negotiate execution fees, achieve lower transaction costs, and provide superior execution quality relative to GWWAMC.

#### C. Benefits provided by NFS

We receive from NFS, which provides execution and custodial services to clients through our brokerage affiliate GWWAMC, certain benefits. In particular, NFS provides to us on an unsolicited basis some research in the form of market reports and analysis. GWWAMC's

commissions, charges and expenses paid by clients are not affected by our receipt of the market reports. The market reports and analysis are a benefit to us because if NFS did not provide them without charge and we wished to obtain them, we would need to spend our own resources. In addition, GW & Wade has negotiated with NFS to waive certain fees for clients with IRA accounts at GWWAMC which, if GW & Wade or GWWAMC were to waive for clients and bear the costs ourselves, would cost GW & Wade money. These benefits create an incentive for us to cause GWWAMC to continue to use the services of NFS, but GWWAMC is in the process of winding down. We expect that Fidelity, which is affiliated with NFS, will continue to provide us with market reports and analysis as discussed below.

#### D. Brokerage/Custodial Services Provided by Fidelity

We have started the process to wind down GWWAMC. As discussed throughout this Brochure, we are recommending that new clients direct the use of Fidelity to provide their brokerage/custodial services. Use of the same broker facilitates our account administration. We expect that most clients will select Fidelity to provide these services. The considerations in our recommending Fidelity are that, in general, the commissions and other fees, expenses, and margin rates that we have negotiated with Fidelity on behalf of our clients are either the same or more advantageous than those of GWWAMC set forth above. For example, transaction fees for mutual funds are \$3 cheaper at Fidelity. Additionally, for clients who elect electronic delivery of their brokerage statements or who have greater than \$1 million under management with GW & Wade at Fidelity, ETF and most equity trades will be at no charge. Further, Fidelity is generally expected to be able to provide as good execution for the types of transactions that we undertake for clients as those executed at GWWAMC (NFS is also the clearing broker for GWWAMC); Fidelity's commission, transaction and other charges are competitively priced; and we have an established working relationship with operations personnel at Fidelity because NFS already clears for GWWAMC. Additionally, we considered Fidelity's ability to provide accurate and timely execution of trades; access to a broad range of investment products; access to trading desks; technology that integrates within GW & Wade's own technology environment; access to research; ability to provide a full range of options for account registrations for our clients; a dedicated service team and its ability to accurately and timely process requests on behalf of our clients; ability to provide GW & Wade with access to client account information through ad hoc and custom reporting and through its website and integrations; ability to provide clients with electronic access to account information, investment and research tools; transition payment assistance (described in Items 5.F., 5.G., and 14) and practice management tools and services.

Clients who use the brokerage/custodial services of Fidelity will pay fees, commissions and other expenses for execution and related services. These fees, commissions and expenses are as set forth in Fidelity's transaction fee schedule, which will be provided to clients when we provide account opening paperwork (described below). None of these fees, commissions or expenses are received by GW & Wade.

Clients are free to direct GW & Wade to execute trades through a broker-dealer other than Fidelity. As described in Item 12.B., Directed Brokerage, there are disadvantages to directing that transactions be executed through a particular broker-dealer.

If a client would like to transition their accounts and have not yet received transition materials please contact your GW & Wade Counselor to do so. Some clients, including GW & Wade's personnel and related accounts described above, will have access to and benefit from Fidelity's more favorable rates before other clients. This conflict will be mitigated in part because, when we begin the transition of consenting clients, we will seek to use a methodology that does not seek to systematically advantage or disadvantage any particular group of clients to determine the order in which our clients receive the transition documents. This conflict is also mitigated, in part, because the purpose of transitioning employees and related accounts first is so that we can identify and resolve service issues prior to recommending the transition to the remainder of our clients. GW & Wade also seeks to mitigate this conflict by disclosing the conflict to clients and giving them the opportunity to elect to transition to Fidelity upon request.

Once we receive the completed transition paperwork from the client, we currently expect that, in most cases, the transition should take no more than two weeks after receipt of paperwork. In some instances, a client's transition may take longer as the result of a client's account features.

GW & Wade benefits from a client's use of Fidelity for execution and brokerage/custodial services because of economic benefits we receive from Fidelity described in Item 5.F., Fees and Compensation/ Benefits to GW & Wade and Payments Provided by Fidelity. As a result of the benefit to us of a client choosing to use Fidelity for brokerage/custodial services, we have a conflict of interest when recommending Fidelity. Another broker-dealer could be cheaper and, except in the case of open-end mutual fund shares, could provide better quality execution. We seek to address this conflict of interest by bringing it to the attention of clients and allowing clients the choice of using another broker-dealer to implement our investment advice. As set forth above in Item B, Directed Brokerage, we do not offer the service of selecting for each trade the broker-dealer that we believe can provide best execution or the service of negotiating commissions and transactions costs. This is disadvantageous to clients because they do not have the opportunity to benefit from a better-quality execution or negotiation of lower transaction costs that could be obtained if we did attempt to select for each trade the broker-dealer that we believe can provide best execution or negotiate commissions and transaction costs.

Additionally, please also see Items 5.F, 10 and 14 regarding the conflicts involving GW & Wade's use of our affiliate FTS for transition services related to our transition of clients' custodial/brokerage accounts to Fidelity. FTS received reimbursements from Fidelity for its transition-related services and out-of-pocket expenses and FTS shared a substantial part of that reimbursement with GW & Wade's management company.

#### E. Order Aggregation

Order aggregation is the process of adding together or "bunching" orders from multiple accounts or clients to purchase or sell the same security as one large order ("Block Order"). The firm has instituted an order aggregation policy taking into account its obligation to avoid conflicts of interest and ensure fair and equitable treatment of its clients.

GW & Wade's order aggregation practices for equities and ETFs for its main business line are as follows:

- If a Counselor makes a discretionary decision to buy or sell an equity security/ETF across multiple client accounts such orders will be aggregated into a Block Order, executed in an average price account and each client account will be allocated securities at the average execution price.
- Orders are generally not aggregated across multiple investment adviser representatives' client accounts unless: 1) one or more investment adviser representatives simultaneously places an equity security/ETF buy or sell order with traders across multiple client accounts at the firm; or 2) the firm places an equity security/ETF buy or sell order with traders across multiple accounts pursuant to a proprietary investment strategy.
- If a Block Order is partially filled, it will be divided proportionally across participating client accounts. For example, if 50% of the total Block Order is filled, each participating client account receives a fill for 50% of the account's respective order.

Although uncommon, there are instances where a Counselor believes that buying or selling a particular security is suitable for multiple advisory clients and those clients expect the counselor to confirm the trade in advance, irrespective of whether the relationship is discretionary or non-discretionary. In such instances, the Counselor strives to call each applicable client on the same day and either provide the planned execution time (e.g., "you will receive the closing price of the day") or (place trades in the average price account throughout the day and notify clients they will receive an average execution price of trades placed throughout the day. Clients who were not reached until the following day will get an execution price of that day. .

This means that, if all trades are not done on one day, trades in the same security for some clients will be made before the accounts of other clients, resulting in worse or better prices for the securities. GW & Wade mitigates this conflict by providing each applicable client the opportunity to confirm the trade and assigning each client the same average price, if contact is made on the same day.

Clients participating in Block Orders at GWWAMC pay an additional trading cost. There is no separate charge for block orders at Fidelity. There is risk that clients participating in Block Orders do not receive more favorable execution terms than if the orders were not aggregated. Block Orders are filled in the firm's average price account through one or more trade executions. GW & Wade has discretion to permit exceptions from the above practices taking into account its obligation to act in the best interest of its clients, avoid conflicts of interest and ensure fair and equitable treatment of its clients.

When orders for purchase or sale of securities other than open-end mutual funds are being aggregated for trading purposes, if we trade accounts held at Fidelity first for one trade we will trade those at GWWAMC first the next time and vice versa. A client with a broker other than GWWAMC or Fidelity will typically trade after those clients who trade with GWWAMC and Fidelity. A client's selection of a broker-dealer other than GWWAMC or Fidelity likely would result in different execution terms when purchasing or selling individual securities than GW & Wade was able to achieve in a Block Order. Transaction costs and execution quality through a broker-dealer other than GWWAMC could be better or worse than GW & Wade was able to achieve, though it generally is disadvantageous to trade after other investors make the same trade.



There is not typically an opportunity to aggregate bond orders because ordinarily these are purchased either at the direction of a client or as part of a bespoke portfolio. If such an opportunity arises, we will aggregate the order and allocate to clients in a fair and equitable manner.

Third-Party Managers do not coordinate their trades with GWWAMC so their trades are not aggregated with client trades GWWAMC was making in the same security.

#### F. Third-Party Managers

When GW & K manages client assets, pursuant to the client's agreement with GW & K, GW & K typically selects the counterparties with which to trade the municipal and corporate bonds used in its strategy rather than trading at GWWAMC or Fidelity (called "trading away") unless the client directs it otherwise. At GWWAMC, the same transaction fee for trading in these fixed income securities is charged regardless of whether the security is traded at the broker/custodian or not. (At Fidelity, there will be a charge for trading away these fixed income securities from Fidelity, but it is the same as the fee that GWWAMC currently charges on all fixed income securities transactions.)

When Scharf manages our client's assets, it typically places trades via GWWAMC and its clearing broker NFS and Fidelity. This may mean that our client's account is traded before or after other of Scharf's client accounts which trade at other broker-dealers, and could result in different, including worse, prices or execution for our clients than Scharf's other clients.

These third-party arrangements give rise to certain conflicts of interest including giving us an incentive to recommend GWWAMC to trade based on compensation and other economic benefits we receive from them rather than on a client's needs. This conflict is mitigated because the client selects the broker-dealer and we disclose these conflicts, the brokerage practices, fees and other costs in this Section 12.

Clients should refer to the individual third-party manager's filing on Form ADV, Part 2A for more information concerning the respective third-party investment adviser's brokerage practices.

Please see section B above for a discussion of the implications of directed brokerage arrangements

#### G. Financial Planning Services

Financial planning services do not involve investment management of assets or the execution of transactions on behalf of the financial planning client. We frequently recommend that a new financial planning client enter into an investment management agreement with GW & Wade, which typically results in the use of Fidelity as broker-dealer and historically, GWWAMC. Because GW & Wade and GWWAMC are compensated for those services, we have an incentive to recommend them. See Sections A, Discretionary and Non-Discretionary Investment Management Services and C, Directed Brokerage.

#### H. Correction of Trade Order Errors

GW & Wade's procedures generally provide that if GW & Wade makes an error while placing a trade order for a client account (whether that error results in a gain or a loss), GW & Wade corrects the error as quickly as possible and GW & Wade then places the correct trade in the client's account. This generally includes moving the incorrect trade to an "error account" held by GW & Wade. GW & Wade bears all costs associated with the trade and nets all losses with gains. GW & Wade reviews the account no less frequently than annually and, to the extent that there is a net gain at the end of a review period, the gains will be contributed to a charity, excluding trade errors in accounts subject to ERISA.

### **Item 13 - Review of Accounts**

GW & Wade representatives periodically monitor the composition and portfolio characteristics of accounts they manage on behalf of clients. Client accounts also are typically reviewed at least annually by the GW & Wade representative responsible for the client account. Account reviews are intended to confirm that the account is consistent with the client's investment objectives and any agreed upon guidelines, the investment strategy remains suitable for the client, and any material changes with respect to the account or client have been implemented. GW & Wade's Chief Compliance Officer or his/her delegate also reviews accounts periodically to, among other items, assess compliance with a client's investment objectives and applicable advisory agreement and to confirm investment advisory billing rates and related fees. Accounts may be reviewed more frequently in the event of a material change in the client's financial condition or adverse market conditions.

Clients receive brokerage account statements at least quarterly from their qualified custodian. If a client directs the use of GWWAMC, statements are provided by NFS. If a client selects Fidelity or another custodian, that custodian will provide those statements.

Some clients receive from us written portfolio appraisals and other reports that are generated using a portfolio accounting reporting system. These reports typically include a breakdown of the client's portfolio by asset class, performance information, and realized and unrealized gains/losses over the reporting period. GW & Wade urges our clients to carefully review such reports and to compare them to the statements provided by the firm(s) that they have selected for brokerage/custodial services. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Clients who use a third-party manager should refer to the individual manager's Form ADV, Part 2A or relevant offering or subscription documents for information on the nature and frequency of reports they are to receive as a participant in such program.

Financial Planning clients do not receive regular reporting from GW & Wade.

## Item 14 - Client Referrals and Other Compensation

### *Benefits from others*

*NFS.* We receive from NFS, which provides execution and custodial services to clients through our brokerage affiliate GWWAMC, certain benefits. In particular, NFS provides to us on an unsolicited basis some research in the form of market reports and analysis. GWWAMC's commissions, charges and expenses paid by clients are not affected by our receipt of the market reports. The market reports and analysis are a benefit to us because if NFS did not provide them without charge and we wished to obtain them, we would need so spend our own resources. In addition, GW & Wade has negotiated with NFS to waive certain fees for clients with IRA accounts at GWWAMC which, if GW & Wade or GWWAMC were to waive for clients and bear the costs ourselves, would cost GW & Wade money. This conflict is mitigated because GWWAMC is in the process of winding down.

*Fidelity.* We receive benefits in connection with clients using Fidelity's custodial and brokerage/custodial services, including an arrangement with Fidelity where Fidelity has agreed to pay certain transition-related expenses in connection with our recommendation of Fidelity as our clients' broker/custodian. If Fidelity did not provide these benefits and we wished to use them, we would need to use our resources to pay for these products and services. Our receipt of those benefits and payments give rise to a conflict of interest because they create an incentive for us to recommend that clients use Fidelity's brokerage/custodial services. See Items 5.G., Benefits to GW & Wade and Payments Provided by Fidelity. To help mitigate this conflict, in part, we call it to the attention of clients in this Brochure and we allow clients to contract to receive our advisory services, but select another broker-dealer for custodial and execution services if they so choose.

*FTS.* We use our affiliate FTS for transition-related services related to the transition of our clients' custodial/brokerage accounts to Fidelity. FTS received transition-related payments from Fidelity. FTS shared a substantial part of that reimbursement with GW & Wade's management company, which is owned by principals of the Firm. This sharing creates a conflict of interest in that the management company principals have a direct and substantial financial incentive to recommend or even require that we use FTS instead of using other service providers who could have provided similar qualifying services but who would not share any payment received from Fidelity with the Firm's management company or its principals. See Items 5 F., 10 and 12 D.

### *Conference sponsorship fees*

GW & Wade's parent company is Focus Financial Partners, LLC ("Focus"). From time to time, Focus holds partnership meetings and other industry and best-practices conferences, which typically include GW & Wade, other Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including GW & Wade. However, the meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third-party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including GW & Wade. Although the participation of Focus firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at

such meetings and conferences could cause GW & Wade to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including GW & Wade. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement.

The following entities have provided conference sponsorship to Focus from January 1, 2022 to March 1, 2023:

*Orion Advisor Technology, LLC*  
*TriState Capital Bank*  
*StoneCastle Network, LLC*  
*Charles Schwab & Co., Inc.*  
*BlackRock, Inc.*  
*Fidelity Brokerage Services LLC*  
*Fidelity Institutional Asset Management LLC*

You can access a more recently updated list of recent conference sponsors on Focus' website through the following link:

<https://focusfinancialpartners.com/conference-sponsors/>

#### *Other compensation*

*Mutual Funds and Their Affiliates.* GWWAMC receives 12b-1 fees from mutual funds or their affiliates as a result of clients purchasing certain share classes of those mutual funds. Receipt of 12b-1 fees from mutual funds generates compensation for GW & Wade and/or its personnel. Our affiliated broker-dealer GWWAMC also receives compensation from clients for brokerage services. See Item 4, Advisory Business; Item 5, Fees and Compensation, and Item 12, Brokerage Practices, for a discussion of the fees, expenses, conflicts and mitigating factors applicable to clients' advisory arrangements with us. A discussion of the implications of entering into directed brokerage arrangements including using GWWAMC to execute transactions appears in Item 12.B., Directed Brokerage.

GW & Wade and its employees also receive benefits from mutual fund companies or other vendors such as: provision of their employees to speak at events for GW & Wade clients, prospective clients and firm employees; provision of training and educational meetings and associated meals, lodging and transportation; and provision of meals at in-office meetings with company representatives shared among attendees. A conflict exists in these circumstances because they create an incentive for GW & Wade to recommend securities or services based on benefits received rather than a client's needs. These conflicts are mitigated by the procedures set forth in GW & Wade's Code of Ethics that place restrictions on gifts and entertainment our employees are permitted to receive and by our Investment Committee's mutual fund and advisor selection process.

GW & Wade has a client who is also a sales and service representative of a mutual fund company. The investment adviser representative responsible for that client's assets does not evaluate funds of that mutual fund on GW & Wade's investment committee. Additionally, the revenue received from the client is not material to GW & Wade's or the investment adviser representative's business.

Please see Item 8.A. Methods of Analysis and Item 11, Code of Ethics.

The Client invested in the Envestnet separate account program pays a wrap fee to Envestnet as more fully described in the applicable Envestnet wrap fee program brochure. From that amount, we are paid by Envestnet our annual asset-based advisory fee of 0.50% of assets under management. We do not charge an additional advisory fee on these assets. GW & Wade is paid its advisory fee of 1% directly by SEI for its one client's investment in the SEI wrap program. Please see Item 5.I. for a description of the conflicts and mitigating factors relating to receipt of advisory compensation from Envestnet.

### *Referrals*

Certain principals and employees of GW & Wade are compensated for client referrals. Additionally, we sometimes provide gifts valued equal to, or less than \$100 to clients or other referral sources as thanks for referring new clients to us.

### *DKBIM/Forbes*

Debra Brede was solicited by Forbes, Inc. to author a book on retirement financial literacy. Ms. Brede receives payments from Forbes, Inc. in connection with sales of the book. Ms. Brede also received and will likely continue to receive client referrals from a website that Forbes sponsors which promotes Ms. Brede and her book.

## **Item 15 – Custody**

Client assets are held at unaffiliated qualified custodians. Although GW & Wade does not hold these assets, it is deemed to have "custody" of some accounts by operation of the SEC's Custody Rule, Rule 206(4)-2 under the Investment Advisers Act of 1940. In some cases when GW & Wade has custody over client accounts, including but not limited to when GW & Wade personnel serve as trustee to a client's account, the relevant client account will be subject to selection for a surprise examination by an independent accountant.

A client receives a brokerage account statement at least quarterly through the firm(s) that the client selected to provide custody services. If a client elects the use of GWWAMC, account statements are provided by National Financial Services, LLC, which serves as the clearing broker for GWWAMC. If a client elects the use of Fidelity or another broker-dealer, the client will receive that statement from Fidelity or that other broker-dealer. GW & Wade urges you to carefully review brokerage account statements and compare them with any account statements and related reporting that we provide to you. Reports provided by GW & Wade may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

**Item 16 - Investment Discretion**

GW & Wade provides both discretionary and non-discretionary advisory services to our clients, in each instance under a written advisory agreement. Please see Item 4, Advisory Business.

Clients may impose reasonable restrictions or limitations on the management of their accounts. Any such restrictions or limitations typically are provided to GW & Wade in writing.

**Item 17 - Voting Client Securities**

GW & Wade does not have, and will not accept, any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for voting proxies for all securities maintained in their accounts. Clients receive proxies and other solicitations directly from the custodian.

**Item 18 - Financial Information**

GW & Wade has no financial condition that impairs its ability to meet contractual commitments to clients and has not been the subject of a bankruptcy proceeding.