



**BURNS & LEVINSON ASSET MANAGEMENT**

**125 High Street**

**Boston, MA 02110**

**(617)-345-3400**

**[www.BLASSET.com](http://www.BLASSET.com)**

**March 28, 2023**

This brochure provides information about the qualifications and business practices of B&L Asset Management, LLC (d/b/a Burns & Levinson Asset Management). If you have any questions about the contents of this brochure, please contact us at (617) 345-3400. The information contained in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority.

Additional information about Burns & Levinson Asset Management (the "Company") is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number.

The CRD number for the Company is 108191.

The Company does not render investment or financial planning advice through this brochure. The information contained in this brochure is limited to providing you an overview of the firm and its services. Once an advisory relationship is established, investment advice can only be given or services performed after all of the following conditions have been met: (i) delivery of the Company's Form ADV Part 2 and Form CRS to you; (ii) delivery of the Company's Privacy Policy to you; and (iii) execution of an Agreement for Investment Advisory

## **ITEM 2: MATERIAL CHANGES**

Item 4 - Assets Under Management have been updated as of December 31, 2022

Item 5 – Fees and Compensation has been updated to reflect changes to the annual fee schedule.

Item 10 – Other Financial Industry Activities and Affiliations. The Company has entered into a Sub-Advisory agreement with Shorepoint Capital Partners, LLC (herein referred to “SPCP”) effective January 1, 2023. The Company has also entered in to a Sub-Advisory agreement with Thayer Partners. B. Riley Financial is no longer providing Sub-Advisory services for the Company. Custody clearing for Shorepoint accounts is now with Fidelity Investments.

Item 12 - Brokerage Practices. The Company no longer recommends NAM for mutual fund and equity trades. The company recommends Fidelity Investments (one of our custodians) to place all mutual fund and equity trades thru SPCP unless managed by one of our other subadvisors. Brokerage fees have changed.

Item 13 – Review of Accounts. Rand Folta is no longer an Investment Officer with the Company. Effective January 1, 2023, Rand Folta is an employee of sub-advisor SPCP.

Item 15 – Custody. Clients will receive monthly statements from Fidelity Investments or one of our other qualified custodians

## TABLE OF CONTENTS

ITEM 2: MATERIAL CHANGES .....	3
TABLE OF CONTENTS.....	4
ITEM 4: ADVISORY BUSINESS .....	5
ITEM 5: FEES AND COMPENSATION .....	7
ITEM 6: PERFORMANCE BASED FEES.....	8
ITEM 7: TYPES OF CLIENTS .....	8
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .....	9
CONSULTING .....	11
ITEM 9: DISCIPLINARY INFORMATION .....	11
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	12
ITEM 11. CODE OF ETHICS,.....	14
PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS .....	15
PERSONAL TRADING .....	15
ITEM 12: BROKERAGE PRACTICES.....	17
ITEM 13: REVIEW OF ACCOUNTS.....	19
ITEM 14: CLIENT REFERRAL AND OTHER COMPENSATION .....	20
ITEM 15: CUSTODY .....	20
ITEM 16: INVESTMENT DISCRETION .....	21
ITEM 17: VOTING CLIENT SECURITIES.....	21
ITEM 18: FINANCIAL INFORMATION .....	22
ITEM 19: REQUIREMENT FOR STATE-REGISTERED ADVISERS.....	22

#### **ITEM 4: ADVISORY BUSINESS**

Burns & Levinson Asset Management was formed in 1997 and specializes in long term, tax conscious, investment management of equity and fixed income portfolios. Our portfolios are comprised primarily of individual assets for individuals, trusts, estates, charitable organizations and corporations. We recognize that each client we serve is unique, therefore we customize our services per client. In conjunction with our investment advisory services, we provide personalized services such as financial reporting, bill paying, funds and asset transfers, tax preparation, escheated property and securities litigations claims.

The firm is a wholly-owned subsidiary of Burns & Levinson LLP, a Boston-based leading law firm with over 125 attorneys. We frequently collaborate with the attorneys of Burns & Levinson integrating legal, tax, estate planning and financial services. Through this collaboration the Investment Policy Committee was developed, which reviews clients' portfolios on a regular basis to make sure that each client's investment needs and goals are met. The legal expertise of the attorneys at Burns & Levinson enables us to be aware of the ever-changing laws as soon as they occur and what those laws mean to our clients. Ultimately, we strive to provide a complete investment management package combining estate planning and financial advice specifically customized to meet each client's needs and goals. See also Item 10 — Other Financial Industry Activities and Affiliations.

The Company provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions and the completion of a Client Investment Profile in which goals and objectives based on a client's particular circumstances are established, the Company develops a client's personal investment policy and creates and manages a portfolio based on that policy. The Company will manage advisory accounts on both a discretionary and non-discretionary basis. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income).

The Investment Advisers Act of 1940 (the “Advisers Act”) establishes a federal fiduciary duty for investment advisors such as the Company. The Company’s fiduciary

duty under the Advisers Act comprises a duty of care and a duty of loyalty. The duty of care includes, among other things, the duty to provide investment advice that is in the best interests of the client and includes a duty to provide advice suitable for each client, a duty of best execution where the Company has the responsibility to select broker-dealers to execute client trades (See Item 12), and the duty to provide advice and monitoring at a frequency that is in the best interests of the client.

The duty of loyalty requires that the Company not subordinate its clients' interests to its own and requires the Company to make full and fair disclosure to all clients of material facts relating to the advisory relationship, including any possible conflicts of interest.

As of December 31, 2022, the Company managed, \$256,196,055 of client assets on a discretionary basis, and \$27,254,751 on a non-discretionary basis.

## ITEM 5: FEES AND COMPENSATION

The annual fee charged by the Company for Investment Supervisory Services is charged as a percentage of assets under management, according to the schedule below:

<u>Assets under management</u>	<u>Annual Fee (%)</u>
Up to \$1 Million	1.10 %
\$1 Million to \$3 Million	.95 %
\$3 Million to \$5 Million	.85 %
\$5 Million to \$10 Million	.75 %
\$10 Million to \$15 Million	.65 %
\$15 Million and above	.55 %

Clients are invoiced every three months in arrears (payment will be made after the quarter has ended), on the first day of March, June, September and December, based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous three months. Fees are deducted directly from a client's account.

The Company requires a minimum annual fee of \$2,000 for its Investment Supervisory Services. Accounts comprised solely of mutual funds are subject to a minimum annual fee of \$1,250. However, the Company will ensure that this minimum never exceeds 3% of a client's managed assets.

Consulting fees are charged on an hourly basis, ranging from \$125 to \$300 per hour, depending on the nature and complexity of each client's circumstances. An estimate for total hours will be determined at the start of the advisory relationship. All consulting fees are due and payable upon completion of the work.

In certain circumstances, the Company's fees and account minimums may be negotiable.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 10 days prior written notice. Upon termination of an account any earned,

unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

**Mutual Fund Fees and Expenses:** All fees paid to the Company for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and possibly a distribution fee. A client could invest in a mutual fund directly, without the services of the Company. In that case, the client would not receive the services provided by the Company which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives.

Accordingly, the client should review both the fees charged by the funds and the fees charged by the Company to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

Clients are also responsible for all brokerage fees and related costs. See Item 12 — Brokerage Practices.

## **ITEM 6: PERFORMANCE BASED FEES**

Not applicable.

## **ITEM 7: TYPES OF CLIENTS**

The Company typically provides investment advisory services to individuals, trusts, estates, charitable organizations, and corporations.

The Company requires a minimum annual fee of \$2,000 for its Investment Supervisory Services. Accounts comprised solely of mutual funds are subject to a minimum annual

fee of \$1,250. However, the Company will ensure that this minimum never exceeds 3% of a client's managed assets. See Item 5 — Fees and Compensation

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Using fundamental and technical analysis based on research sources including research reports prepared by others, financial data purchased from proprietary databases, corporate rating services, company SEC filings and press releases, the Company offers advice with respect to short and long term investments in exchange listed and over-the-counter equity securities, corporate debt, CDs, municipal securities, mutual fund shares and U.S. government securities. Holdings are reviewed continuously by asset (versus by account) and changes are made as warranted by our investment process. For equities, this includes monitoring of news and research publications daily, earnings releases quarterly, and analyzing annual reports and SEC filings as they are made available. For bonds, this includes monitoring credit research. Investing in securities involves risk of loss that the clients should be prepared to bear.

While the underlying securities within Investment Supervisory Service accounts are continuously monitored, these accounts will be formally reviewed at least quarterly by Rand Folta. More frequent review may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. In addition, the Company's Investment Policy Committee (whose members are listed in Item 13 below) monitors and periodically reviews the Company's investment policies in general and also reviews each client account at least annually with respect to conformity to client investment restrictions, investment performance, portfolio composition and transactions.

### **SECURITY SPECIFIC MATERIAL RISKS**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

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

good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

In addition to the monthly statements and confirmations of transactions that Investment Supervisory Service clients receive from their broker dealer, the Company will provide a quarterly account appraisal, performance report and market commentary.

Fees for Investment Supervisory Services are described above in Item 5 — Fees and Compensation.

## **CONSULTING**

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as retirement planning or any other specific topic. The Company also provides specific consultation and administrative services regarding investment and financial concerns of the client. Additionally, the Company provides advice on non-securities matters including, among others, executive compensation evaluation. Generally, this is in connection with the rendering of insurance and/or annuity advice. Consulting recommendations are not limited to any specific product or service offered by a broker dealer or insurance company. All recommendations are of a generic nature.

Consulting fees will be on an hourly basis, ranging from \$125 - \$300 per hour, depending on the nature and complexity of each client's circumstances. An estimate for total hours will be determined at the start of the advisory relationship. All consulting fees are due and payable upon completion of the work. See Item 5 — Fees and Compensation.

## **ITEM 9: DISCIPLINARY INFORMATION**

Neither the Company nor any Company personnel have been involved in any disciplinary events.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

The Company is a wholly-owned subsidiary of Burns & Levinson LLP, a law firm. The Company does not provide legal services. An attorney-client relationship with Burns & Levinson LLP may be established only by an engagement letter signed by a Burns & Levinson LLP lawyer.

The members of the Investment Policy Committee of the Company are also licensed, practicing attorneys of Burns & Levinson LLP, a law firm that is the Company's parent company. In their separate capacities as attorneys these individuals may provide advice about securities which is incidental to their law practice. The Company may refer clients to this entity and vice versa. Furthermore, clients of the Company are under no obligation to use Burns & Levinson LLP for legal services. See Item 14 — Client Referral and Other Compensation.

Raymond Baxter, Chief Compliance Officer and Chief Investment Officer, spends a substantial portion of his time on Company activities with the balance of his time spent as an attorney at Burns & Levinson LLP. Other Managers and/or Investment Committee Members spend at least 90% of their time as attorneys of Burns & Levinson LLP.

The Company has entered into an agreement with Shorepoint Capital Partners LLC (“SPCP”) effective January 1, 2023. As sub-adviser, SPCP will develop and implement an appropriate investment program for each account, provide, on an on-going basis, such investment advice and recommendations as, in SPCP's judgment are most appropriate and beneficial to the respective account and effect those transactions, subject always, however, to (1) all investment objectives, guidelines, restrictions, liquidity requirements and operational procedures for such account as stated in the respective client's Investment Advisory Agreement with the Company; (2) changes in such policies or amendment to such contract, (3) directions which the Company on behalf of the account may issue to SPCP from time to time, and (4) all applicable federal and state laws. For such services, SPCP receives a portion of the fees payable to the Company.

Additional information about SPCP is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for SPCP is 152087.

The Company also requests that clients direct the Company to place all mutual fund and equity securities transactions through SPCP. See Item 12 below.

The Company has also entered into a Sub-Advisory Agreement with Peak Financial Management (“PEAK”), pursuant to which the Company may engage PEAK to provide investment advice for some of the Company's clients by providing portfolio management services to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal. For such services, PEAK receives a portion of the fees payable to the Company. Additional information about PEAK is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for PEAK is 110559.

The Company has also entered into a Sub-Advisory Agreement with Timberpoint Capital Management (“TCM”), pursuant to which the Company may engage TCM to provide investment advice for some of the Company's clients by providing portfolio management services using a disciplined approach to global investment management using both qualitative and quantitative research an investment process. TCM provides investment management services to institutions and individuals through a family of 7 mutual funds and separate account mandates. Each model portfolio is designed to meet a particular investment goal. For such services, TCM receives a portion of the fees payable to the Company. Additional information about TCM is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for TCM is 307366.

The Company has also entered into a Sub-Advisory agreement with Thayer Partners (“THAYER”), pursuant to which the Company may engage THAYER to provide investment advice for some of the Company's clients by providing portfolio management services to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal. For such services, THAYER receives a portion of the fees payable to the Company. Additional information about THAYER is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can

search this site by a unique identifying number, known as a CRD number. The CRD number for 290734.

**ITEM 11. CODE OF ETHICS**  
**PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**  
**PERSONAL TRADING**

Employees, officers, and managers of the Company, including the Investment Officer and all members of the Investment Policy Committee (collectively, "Reporting Persons") may from time to time buy or sell for their personal accounts, controlled accounts, or accounts in which they have a direct or indirect beneficial interest the same securities as those securities held in clients' accounts. The Company's Code of Ethics (described below) restricts such trading in certain circumstances and provides procedures for monitoring compliance with such restrictions.

The Company has adopted a Code of Ethics for all its personnel which contains standards of conduct and policies and procedures to promote honest and ethical conduct and compliance with applicable governmental laws, rules and regulations. The Code of Ethics is intended as a code of ethics under Rule 204A-1 of the Investment Advisers Act of 1940 and may be amended by the Company at any time. Material changes will be reported in this brochure. The Company will provide a copy of the complete Code of Ethics to clients or prospective clients upon request.

In general, the Code of Ethics requires all personnel to act with honesty and integrity, avoid actual or apparent conflicts of interest in personal and professional relationships, report to the Chief Compliance Officer any transaction that reasonably could be expected to give rise to a conflict of interest or any possible violation of the Code of Ethics, to comply with the obligations of a fiduciary, maintain confidentiality of client information, comply with applicable governmental laws, rules and regulations, and the policies and procedures of the Company, and to proactively promote ethical behavior by other Company personnel.

The Code of Ethics contains a Whistleblower Policy outlining procedures for reporting by Company personnel of suspected illegal activity or potential violations of Company policy and prohibiting retaliation for complaints made in good faith.

The Code of Ethics contains trading restrictions that attempt to prevent a Reporting Person from taking any action in their personal accounts, controlled accounts, or accounts in which they have a direct or indirect beneficial interest, that would be in conflict with or otherwise adversely affect the interests of a client. Reporting Persons are required to report their holdings of and transactions in all securities except for: (a) shares of open end mutual funds or money market funds or units of investment trusts invested exclusively in open end mutual funds; (b) direct obligations of the United States government; and (c) money market instruments such as bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements. From time to time, the Company or its sub-advisers may engage in an "agency cross transaction" for a client. An "agency cross transaction" is a transaction in which the Company or any sub-adviser acts as an investment adviser in relation to a transaction in which the Company or any sub-adviser, acts as broker for both such client and for another person on the other side of the transaction. No such transaction will be effected in which the Company, any sub-adviser, or any person controlling, controlled by or under common control with the Company or a sub-adviser recommended the transaction to both any seller and any purchaser. All such transactions are reviewed in advance to determine that they are in the best interests of the Client.

If agency cross transactions for clients are to be effected, pursuant to SEC Rule 206(3)-2, the Company will:

- (a) Obtain an executed written consent prospectively authorizing the Company (and/or any sub-adviser) to effect agency cross transactions for such client, which consent will include: (i) an acknowledgement of receipt of written disclosure that with respect to agency cross transactions the Company or any sub-adviser will act as broker for, receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to such transactions, (ii) a conspicuous statement that the written consent may be revoked at any time by written notice to the Company from client;
- (b) Send to each such client a written confirmation at or before the completion of each such transaction, which confirmation includes (i) a statement of the nature of such transaction, (ii) the date such transaction took place, (iii) an offer to furnish upon

request, the time when such transaction took place, and (iv) the source and amount of any other remuneration received or to be received by the investment adviser and/or any sub-adviser in connection with the transaction. If, in the case of a purchase, neither the Company nor any sub-adviser was participating in a distribution, or in the case of a sale, neither the Company nor any sub-adviser was participating in a tender offer, the written confirmation may state whether any other remuneration has been or will be received and that the source and amount of such other remuneration will be furnished upon written request of such client;

(c) Send, or cause to be sent, to each such client, at least annually, and with or as part of any written statement or summary of such account, a written disclosure statement identifying the total number of such transactions during the period since the date of the last such statement or summary, and the total amount of all commissions or other remuneration received or to be received by the Company or any sub-adviser in connection with such transactions during such period.

The Company has no proprietary accounts. However, in a transaction in which a sub-adviser to the Company, on behalf of a client of the Company, buys or sells a security from its own account, such sub-adviser, if acting as a Broker Dealer, will receive compensation in the form of a mark-up or mark-down to the price the client receives on the transaction, in addition to other fees based on the amount of assets under management and other fees pursuant to the Advisory Agreement with the client.

The Company has the authority in certain cases to determine, without obtaining specific client consent, the type and amount of securities to be bought or sold, what broker or dealer to be used, and the related commissions paid, subject to the following limitations:

Restrictions on equities purchased: Must be approved by Investment Officer or as directed by the client.

Restrictions on equities sold: None

Restrictions on fixed income securities purchased: Must be investment grade or judged equivalent to investment grade or as directed by the Client. Restrictions on fixed income securities sold: None

Restrictions on mutual funds purchased or sold: None

Limitations on amount of securities (excluding mutual funds) to be bought or sold: Cannot exceed 10% of the value of the total portfolio at time of purchase

for equity securities or 20% for corporate bonds or municipal securities. There are no limits on US Treasury or Agency securities.

Any broker/dealer must be: (1) a member of SIPC, (2) generally known to have resources to effect timely execution and settlement of trades, (3) willing to execute trades at a competitive commission level. See Item 12 — Brokerage Practices.

## **ITEM 12: BROKERAGE PRACTICES**

For equity transactions, as the Company does not have the discretion to choose the broker dealer or the commission rates to be paid, clients must direct the use of a particular broker dealer. The Company recommends Fidelity Investments, LLC, one of our custodians (“Fidelity”) and requests that clients direct the Company to place all mutual fund and equity securities transactions through Fidelity. The Company has evaluated Fidelity and believes that Fidelity will provide the Company's clients with a blend of execution services, commission costs and professionalism that will assist the Company in obtaining best execution for these transactions. While the Company has a reasonable belief that Fidelity is able to obtain best execution and competitive prices, the Company will not be independently seeking best execution price capability through other broker dealers. Clients may request that brokerage transactions be directed to a particular broker or dealer. However, if the Company or any sub-adviser believes that the use of that broker dealer would hinder them in meeting their supervisory obligations, such sub-advisor will not be able to accept the account. Furthermore, brokers or dealers may from time to time refer clients to the Company. The Company will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best price and execution and the Company's interest in receiving future referrals. Under such circumstances, clients should be aware of their various brokerage options, including utilizing the services of the referring broker, choosing another broker, or utilizing a firm recommended by the Company to provide custody and execution services.

In directing the use of a particular broker or dealer, it should be understood that the Company does not generally have authority to negotiate commissions or obtain volume discounts and best execution may not be achieved. In addition, a disparity in

commission charges may exist between the commissions charged to other clients. Not all investment advisers require clients to direct the use of specific brokers like the Company.

The commission and transaction charge schedule that the Company has arranged through Fidelity is as follows:

**Domestic Equity Orders**

- For householded accounts under \$1M which are enrolled for d-Delivery or are over \$1M \$0.00
- For householded accounts under \$1M that are not enrolled in e-delivery \$4.95
- Orders and allocations to any individual account over 10,000 Shares .01 Per Share

**Online ETF and ETN Orders:**

- For householded accounts under \$1M which are enrolled for d-Delivery or are over \$1M \$0.00
- For householded accounts under \$1M that are not enrolled in eDelivery \$4.95
- Orders and allocations to any individual account over 10,000 Shares .01 Per Share

**No Transaction Fee ("NTF") Funds:**

- Fidelity retail funds No transaction fee
- Fidelity advisor funds No transaction fee
- Fidelity money market funds No transaction fee
- Non-Fidelity funds that participate in NTF program No transaction fee

**Transaction Fee ("TF") Funds:**

- A surcharge above TF rates will apply on certain transactions for Non-Participating CUSIPS \$20.00 Surcharge
- Non-Fidelity funds that do not participate in NTF program (no \$30.00 flat ticket
- Non-Fidelity load funds with a front-end or back-end sales No transaction fee
- Non-Fidelity load funds with a front-end or back-end sales \$30.00 flat ticket

**Principal Business:**

- Municipal bonds, corporate bonds, certificates of deposit, government bonds (including agencies), Competitive basis asset-backed securities and U.S. treasury and related securities, commercial paper and structured notes
- Government auction orders (not-as and bonds) \$0.00
- Government treasury bills auction orders \$0.00

The Company does not receive any portion of the transactional fees paid by clients to Fidelity.

For fixed income portfolios transactions, the Company typically requests that it be provided with written authority to determine the broker dealer to use for client transactions and the commissions costs that will be charged to clients for these transactions. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. In this situation, the Company will review the quality of broker dealer services and client fixed income transactions and utilize those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of brokerage costs, commissions and markup/mark downs is based on the broker dealer's ability to provide professional services, competitive execution, and other services that will help the Company in providing investment management services to clients.

The Company will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple clients' accounts so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading allows the Company to execute equity trades in a more timely, equitable manner and to reduce overall commission charges to clients. However, no personal trades will ever be included with any client blocks.

The Company may from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for client referrals. The Company is aware of its obligations under Rule 206(4)-1 (the "Marketing Rule") under the Investment Advisers Act of 1940. As such, appropriate disclosures shall be made, all written instruments and all other required records will be maintained by the Company and all applicable Federal and/or State laws will be observed.

### **ITEM 13: REVIEW OF ACCOUNTS**

Buy and sell recommendations are made by the Investment Officer. An Investment Policy Committee ("IPC") consisting of individuals selected by the managers of the

Company monitors and reviews from time to time the Company's investment policies in general and also reviews each of the Company's client accounts periodically (but not

less than once per year) with respect to conformity to client investment objections, investment performance, and portfolio composition, transactions, income and expenses. Current members of the IPC include Clifford R. Cohen, Steven C. Goodwin, Evelyn A. Haralampu, Mark A. Nowak, Donald E. Vaughan, Francine Gardikas, and Raymond E. Baxter, Chief Compliance Officer and Chief Investment Officer, and Rand G. Folta.

In addition to the monthly statements and confirmations of transactions that Investment Supervisory Service clients receive from the broker dealer/qualified custodian, the Company will provide a quarterly account appraisal, performance report and market commentary. Clients are urged to compare account statements received from the qualified custodian with those received from the Company.

#### **ITEM 14: CLIENT REFERRAL AND OTHER COMPENSATION**

The Company is a wholly-owned subsidiary of Burns & Levinson LLP, a law firm. The members of the Investment Policy Committee of the Company are also licensed, practicing attorneys of Burns & Levinson LLP. The Company may refer clients to this entity and vice versa. While no referral fees of any kind are paid for said referrals, partners, or others who share in the income of Burns & Levinson LLP may receive an indirect benefit from referrals to the Company to the extent that income from the Company is paid to Burns & Levinson LLP, its sole owner. Clients of the Company are under no obligation to use Burns & Levinson LLP for legal services and clients of Burns & Levinson LLP are under no obligation to use the services of the Company for investment advisory services.

#### **ITEM 15: CUSTODY**

Clients will receive account statements monthly directly from Fidelity Investments, LLC or one of our other qualified custodians including Fidelity. The Company also provides account reports to clients. Clients are urged to compare account statements received from the qualified custodian with those received from the Company.

Occasionally, the Company may receive checks, securities or other assets belonging to clients from third parties. Upon receipt of such assets from third parties, the Company will: (a) promptly identify the client assets and the client to whom such client assets are

attributable; (b) promptly forward client assets to the client or a qualified custodian within three (3) business days of receipt; (c) promptly return to the appropriate third party any inadvertently received client assets that the Company does not forward to its client or a qualified custodian within three (3) business days following the Company's receipt of such assets. The Company maintains appropriate records of all client assets inadvertently received, including a written explanation of whether (and, if so, when) the client assets were forwarded to the client or a qualified custodian, or returned to third parties.

## **ITEM 16: INVESTMENT DISCRETION**

The Company accepts discretionary authority to manage securities accounts on behalf of clients pursuant to authority granted in the Agreement for Investment Advisory Services, and the related Client Investment Profile of the client.

The Advisers Act establishes a federal fiduciary duty for investment advisors such as the Company. The Company's fiduciary duty under the Advisers Act comprises a duty of care and a duty of loyalty. The duty of care includes, among other things, the duty to provide investment advice that is in the best interests of the client and includes a duty to provide advice suitable for each client. The duty of loyalty requires that the Company not subordinate its clients' interests to its own and requires the Company to make full and fair disclosure to all clients of material facts relating to the advisory relationship, including any possible conflicts of interest.

## **ITEM 17: VOTING CLIENT SECURITIES**

Effective February 1, 2022 the Company has engaged Egan-Jones Proxy Services. Egan-Jones will vote the shares which are held in a fiduciary capacity in the client's account. Their recommendations are based on proxy voting guidelines chosen by the client and are adjusted for company-specific Advisory clients who have delegated their proxy voting authority to the Company, will now have the proxy votes elected by Egan-

Jones. Alternatively, clients may, at their election, choose to receive proxies related to their own accounts, in which case the Company may consult with clients as requested. When the Company has discretion to vote proxies of its clients, it will vote those proxies in the best interests of its clients and in accordance with the Company's established policies and procedures.

Clients may obtain a copy of the Company's complete proxy voting policies and procedures by contacting Raymond Baxter, the Company's Chief Compliance Officer, at the Company's offices directly. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of the Company's complete proxy policies and procedures or how the Company voted proxies for his/her account(s), the Company will promptly provide such information to the client.

#### **ITEM 18: FINANCIAL INFORMATION**

Not applicable.

#### **ITEM 19: REQUIREMENT FOR STATE-REGISTERED ADVISERS**

Not applicable.