



**ENRICH FINANCIAL PARTNERS LLC  
FORM ADV – PART 2A BROCHURE**

EnRich Financial Partners LLC  
6502 Grand Teton Plaza, Suite 201  
Madison, WI 53719

Phone (608) 275-3442 / Fax (608) 275-3445  
[www.enrichpartners.com](http://www.enrichpartners.com)

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This Brochure provides information about the qualifications and business practices of EnRich Financial Partners LLC ("EnRich"). If you have any questions about the contents of this Brochure, please contact us at (608) 275-3442. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

EnRich is a registered investment adviser. Registration of an investment adviser does not imply any certain level of skill or training.

Additional information about EnRich (CRD No. 111234), including a copy of its Form ADV Part 1, is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2 – MATERIAL CHANGES**

In this section, we discuss only material changes since the last annual update of our Brochure. Each year, pursuant to SEC rules, we will ensure that you receive a summary of all material changes, if any, to this and subsequent Brochures within 120 days of the close of our fiscal year. We may also provide other ongoing disclosure information about material changes as necessary. We will provide you our brochure, at any time, without charge.

### **Additional Information**

Our Brochure is available free of charge by contacting us at (608) 275-3442.

Additional information about us is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with us who are registered, or are required to be registered, as one of our investment adviser representatives of our firm.

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## **ITEM 4 – ADVISORY BUSINESS**

EnRich Financial Partners LLC ("EnRich") is a federally registered investment adviser which offers comprehensive financial consulting and analysis, portfolio management, financial coaching and manager search and monitoring services. EnRich has been in business since 2003 and is owned by Elaine Beckett Rich and Christopher D. Rich. EnRich is not under common control with any other firm, nor does it control any other firm.

As of February 28, 2023, EnRich has \$336,672,627 in assets under management on a discretionary basis and \$10,427,944 in assets under management on a non-discretionary basis.

**The following paragraphs describe the services offered by EnRich.**

### **PARTNERSHIP ADVISORY SERVICES**

Partnership Advisory Services include: "Strategic Partnership Services," which are financial planning and investment consulting in nature; "Portfolio Management Services," which include investment management; and "Full Partnership Services," which is a combination of Strategic Partnership Services and Portfolio Management Services. Clients may choose the level of services to be provided by EnRich through the client's applicable investment advisory agreement.

All services start with EnRich obtaining client information and determining which services will best suit client's needs and objectives.

#### ***Strategic Partnership Services***

Strategic Partnership Services offered by EnRich can include any combination of the following topics, as agreed on between EnRich and the client:

1. Investment Consulting - analysis of current investments and expected new ownership or sale of investments and recommendations of an investment allocation designed to meet the client's goals.
2. Retirement Funding and Income Analysis - analysis of retirement needs of the client, and assistance with investment budgets designed to meet retirement goals.
3. Education Funding Analysis - analysis of the projected amount needed to fund education of children or grandchildren, and assistance with budgeting for the same.
4. Life Insurance Needs Analysis - analysis to determine recommended coverage amounts and benefits and costs of existing policies.
5. Disability Insurance Needs Analysis - analysis to review existing or proposed disability insurance coverage with the client in relation to the client's expected wage and income needs during disability.

EnRich may offer other Strategic Partnership Services as agreed upon by the client and EnRich.

### ***Financial Coaching Services***

EnRich also offers Financial Coaching Services which is designed to assist the client in making financial decisions and achieving peace of mind. The scope of the engagement is defined individually based upon client needs. This service may or may not include a written analysis and may not be comprehensive. "Specific Analysis" entails performing a specific analysis of individual assets such as stocks, bonds, mutual funds, annuities, life insurance and health insurance policies. The service may also include assisting employers and/or employees in providing advice on the types of investment plans and the selection of various types of investments within a plan. Advice may also be provided concerning the management of death proceeds from life insurance policies and the distribution from profit sharing plans and/or retirement plans or any other analysis requested by the client.

### ***Portfolio Management Services***

Portfolio Management Services are investment advisory services offered by EnRich allowing clients to maintain an account consisting generally of mutual funds and exchange-traded funds ("ETFs").

EnRich will obtain financial data from the client and assist the client in determining investment objectives and restrictions. EnRich's advisors will regularly monitor the account and make investment strategy recommendations based on the specific needs and investment goals of the client. The client shall have reasonable access to one of EnRich's investment professionals to discuss their account.

EnRich shall be provided with written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in the written agreement between each client and EnRich. Clients may change/amend these limitations, in writing, at anytime.

The advisory Portfolio Management Services generally include the following:

1. Establishment of investment objectives consistent with the client's risk tolerance, financial needs, and goals;
2. Establishment of asset allocation mix based on the client's financial position, cash flow, risk preferences, and time horizon;
3. Assistance with setting up of accounts at the custodial level;
4. Implementation of all trades and account management;

5. Preparation of quarterly performance reports on all accounts; and
6. Periodic review meetings to update the client's ongoing financial planning and investment progress.

In some cases, EnRich may contract with third parties to provide certain reports or use those provided by the funds and other securities.

### ***Full Partnership Services***

EnRich may provide Full Partnership Services, which include Portfolio Management Services and to the extent specifically requested by the client, all or a portion of the Strategic Partnership Services discussed above through our wrap program.

### **PORTFOLIO MANAGEMENT WRAP PROGRAM**

Currently, EnRich provides investment advisory services on a wrap fee basis in accordance with EnRich's investment advisory wrap fee program (the "Program"). The services offered under, and the corresponding terms and conditions pertaining to, the Program are discussed in the Wrap Fee Program Brochure a copy of which is presented to all prospective Program clients.

Under the Program, EnRich is able to offer clients, with accounts at TD Ameritrade, discretionary investment advisory services, for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment advisory fees. The terms and conditions for client participation in the Program are set forth in detail in the Wrap Fee Program Brochure.

In October 2020, Charles Schwab & Co., Inc. ("Schwab") announced that it completed its acquisition of TD Ameritrade Holding Corporation which includes TD Ameritrade Institutional member FINRA/SIPC ("TD Ameritrade"). It has been reported that TD Ameritrade's operations will be integrated into Schwab over the 2023 Labor Day weekend. Upon the completion of the integration, we will no longer offer our portfolio management services through the Program. Per the terms of our Advisory Services Retainer Agreement, we will terminate the Program by sending clients written notice to amend our Agreement with them, at least thirty (30) days in advance. The amendment will be effective, as of the date stated in the notice, unless the client sends written notice to us of the client's objection within thirty (30) days. Objecting to the amendment terminates our discretionary investment advisory services.

As indicated in the Wrap Fee Program Brochure, participation in the Program may cost more or less than purchasing such services separately. As also indicated in the Wrap Fee Program Brochure, the Program fee charged by EnRich for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

There is no significant difference between how EnRich manages wrap fee accounts and non-wrap fee accounts. However, as stated above, if a client determines to engage EnRich on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody). The services included in a wrap fee advisory agreement will depend upon each client's particular need. If the client determines to engage EnRich on a non-wrap fee basis the client will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, brokerage, custody). Because wrap program transaction fees or commissions are being paid by EnRich to the account custodian/broker-dealer, EnRich could have an economic incentive to minimize the number of trades in the client's account, which presents a ***conflict of interest***. EnRich mitigates this ***conflict of interest*** by negotiating an asset-based pricing arrangement with the Wrap Fee Program custodian. Specifically, the incentive to minimize the number of trades is mitigated because the amount charged for transactions executed for a client's account is a fixed percentage based upon the market value of assets under management. See separate Wrap Fee Program Brochure.

### ***Retirement Plan Management and Consulting Service***

EnRich also provides retirement plan services, pursuant to which it assists sponsors of self-directed retirement plans with the selection and/or monitoring of investment alternatives from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts. The nature of the engagement for retirement plan services will be set forth in the client advisory agreement. To the extent requested by the plan sponsor, EnRich may also provide participant education designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts.

### ***Estate Planning***

EnRich offers clients the ability to obtain estate planning documents such as a will, trust, financial power of attorney, and medical/healthcare power of attorney. EnRich offers this service through a third-party provider. The provider only prepares the documentation but does not provide legal advice and is not the client's attorney. EnRich also does not provide legal advice to the client, and the client should consult with his/her attorney for estate planning legal advice.

## **GENERAL INFORMATION**

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. As indicated above, to the extent requested by a client, EnRich may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. EnRich does not serve as an attorney or accountant, and no portion of its services should be construed as legal or accounting services. Accordingly, EnRich does not prepare estate planning documents or tax returns. To the extent requested by a client, EnRich may recommend the services of other professionals for certain non-investment

implementation purpose (i.e. attorneys, accountants, insurance agents, etc.), including representatives of EnRich in their separate individual capacities as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from EnRich and/or its representatives. If the client engages any recommended unaffiliated professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Independent Managers. EnRich may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers in accordance with the client's designated investment objective(s). In such situations, the independent manager(s) shall have day-to-day responsibility for the active discretionary management of the allocated assets. EnRich shall continue to render investment advisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which EnRich shall consider in recommending independent manager(s) include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.

The investment management fees charged by the designated independent manager(s), together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and *in addition to*, EnRich's ongoing investment advisory fee. The total advisory fee for an account utilizing independent managers shall not exceed 2.1% per annum.

Retirement Plan Rollovers – No Obligation. A person leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (1) leave the money in the former employer's plan, if permitted, (2) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (3) roll over to an Individual Retirement Account ("IRA"), or (4) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If EnRich recommends that a client roll over their retirement plan assets into an account to be managed by EnRich, such a recommendation creates a ***conflict of interest*** if EnRich will earn a new (or increase its current) advisory fee as a result of the rollover. ***No person is under any obligation to roll over retirement plan assets to an account managed by EnRich.***

Non-Discretionary Service Limitations. Clients that determine to engage EnRich on a non-discretionary investment advisory basis *must accept* that EnRich cannot affect any account transactions without obtaining prior consent to such transaction(s) from the client. Thus, in the event that EnRich would like to make a transaction for a client's account (including in the event of an individual holding or general market correction), and the client is unavailable, EnRich will be



unable to effect the account transaction(s) (as it would for its discretionary clients) without first obtaining the client's consent.

**eMoney Advisor Platform.** EnRich may provide its clients with access to an online platform hosted by "eMoney Advisor" ("eMoney"). The eMoney platform allows a client to view a complete asset allocation, including those assets that EnRich does not manage (the "Excluded Assets"). EnRich does not provide investment management, monitoring, or implementation services for the Excluded Assets. Therefore, EnRich shall not be responsible for the investment performance of the Excluded Assets. Rather, the client (and their other advisor(s), if any, that maintain management authority for the Excluded Assets) shall be exclusively responsible for such investment performance. The eMoney platform also provides access to other types of information and functionality, including financial planning concepts and applications, which should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by EnRich. EnRich is not responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the eMoney platform without EnRich's assistance or oversight.

**Client Obligations.** In performing its services, EnRich shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify EnRich if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising EnRich's previous recommendations or services.

## **ITEM 5 – FEES AND COMPENSATION**

### **Partnership Advisory Services Fees**

**Full Partnership and Portfolio Management Services** - Rates for Full Partnership and Portfolio Management Services are based on an asset-based fee which declines as the total value of assets under management increases. The initial fee for new accounts is based on the value of securities or cash deposited and prorated for the previous quarter to the start date. Subsequent fee payments are due and will be assessed at the beginning of each quarter based on the value of the account assets (securities, cash and cash equivalents) under management as of the close of business on the last business day of the preceding quarter.

The Full Partnership and Portfolio Management Services fee schedule is as follows:

<u>Market Value of Client Assets Under Management</u>	<u>Negotiated Annual Fee</u>
First \$500,000	1.10%
Next \$500,000	0.80%

Next \$4,000,000	0.60%
Next \$5,000,000	0.40%
Next \$10,000,000	0.30%
Amounts over \$20,000,000	0.25%

**The above fees are subject to negotiation between EnRich and the applicable client. Actual fees may differ. The actual fee will be set forth in the advisory agreement between EnRich and the applicable client.**

Clients will be charged in advance at the beginning of each calendar quarter based on the previous quarter end market value. EnRich's fee will be one-fourth of the applicable annual fee rate set forth above multiplied by the fair market value of the assets in the account, determined by EnRich on the last trading day of each calendar quarter. Fees are prorated for accounts opened or terminated during the quarter. No portion of the fee will be credited to the client for the current calendar quarter should any withdrawals from the portfolio occur in the same calendar quarter.

Strategic Partnership Services - The fee for this service is negotiable and is based on the anticipated complexity and amount of work involved to complete the analysis. An annual fee quote is provided in advance and fees are payable quarterly in advance. Strategic Partnership engagements are only able to be terminated at a quarter-end and EnRich does not provide for any refunds in the event a client terminates services during a quarter. Under certain circumstances, fees for Strategic Partnership Services may be waived by EnRich in its sole discretion.

Coaching Services - Fees are \$300 to \$750 per hour or a negotiated flat project fee depending on the anticipated complexity of the analysis and the anticipated amount of work that will be involved to complete an analysis or to provide the coaching. The hourly rate is established with the client prior to rendering the service. A six-hour minimum is preferred.

Coaching Services may be terminated by written notice to EnRich. EnRich will determine the number of hours spent performing the service prior to receiving the written termination notice from the client. Those hours will be billed at the predetermined hourly rate. The client will be responsible for any amount earned by EnRich but not paid to the date of termination. Under certain circumstances, fees for Coaching Services may be waived by EnRich in its sole discretion.

### **Retirement Plan Management and Consulting Service Fees**

For Retirement Plan Consulting Services, EnRich charges a quarterly fee and will bill clients, in advance, based on the following fee schedule:

<u>Market Value of Client Account</u>	<u>Annual Fee</u>
First \$500,000	1.10%

Next \$500,000	0.80%
Next \$4,000,000	0.60%
Next \$5,000,000	0.40%
Next \$10,000,000	0.30%
Amounts over \$20,000,000	0.25%

**The above fees are subject to negotiation between EnRich and the applicable client. Actual fees may differ. The actual fee will be set forth in the client agreement between EnRich and the applicable client. In some cases, EnRich will bill on other than a quarterly basis. The client agreement will specify the payment arrangements.**

In some cases, EnRich may instead charge a negotiable flat rate.

### **Additional Costs and Fees**

As discussed below, unless the client directs otherwise or an individual client's circumstances require, EnRich shall generally recommend that TD Ameritrade serve as the broker-dealer/custodian for client investment advisory assets. Broker-dealers such as TD Ameritrade charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions) in addition to EnRich's non-wrap investment advisory fee, brokerage commissions and/or transaction fees.

Clients who engage EnRich on either a wrap or non-wrap basis will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). Clients and prospective clients should also be aware that sale transactions in certain mutual funds made shortly after the purchase of the fund may result in a fee or short-term trading penalty in a client's account. Short-term sales may, for example, occur when a newly established fund position in a client's account is batched with sale orders in the same fund for other client accounts for the purpose of rebalancing the account positions in that fund.

In connection with estate planning services described in Item 4, when a third-party provider is used by a client to provide estate planning documents, the fee for said services may be negotiable, and the third-party provider will be paid by the client.

**Termination of Advisory Relationship.** An advisory agreement may be canceled at any time, by either party, for any reason upon 30 days' advance written notice. Upon termination of any client agreement, fees will be prorated for the number of elapsed days of the billing period before termination. Any unearned fees will be automatically refunded to the client.

Cash Positions. EnRich may maintain cash positions for defensive or tactical purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating EnRich's advisory fee.

Other Fees and Charges: Unless a client participates in the Wrap Program, brokerage and execution costs associated with transactions will be the obligation of the client. In addition, clients will pay other fees and expenses including: certain transfer taxes, SEC fees, exchange fees, electronic fund and wire transfer fees, auction fees, debit balances, margin interest, certain odd-lot differentials and mutual fund short-term redemption fees; trade away fees, etc.

Fee Arrangements: Clients may elect to have EnRich's advisory fees deducted from their custodial account. Both EnRich's advisory agreement and the custodial/clearing agreement authorize the custodian to debit the account for the amount of EnRich's investment advisory fee and to directly remit that management fee to EnRich in compliance with regulatory procedures. EnRich has discretion to select securities to be sold in order to cover its fees and a client may incur tax consequences. In the limited event that EnRich bills the client directly, payment is due upon receipt of EnRich's invoice.

#### **ITEM 6 – PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

EnRich does not charge performance-based fees (fees which are based on the share of capital gain or capital appreciation) for our management services; however, our fees will generally increase as the aggregate value of a client account increases, or decrease if the value of the account decreases, subject to our fee schedule. EnRich does not participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged a performance-based fee.

#### **ITEM 7 – TYPES OF CLIENTS/MINIMUM ACCOUNT SIZE**

EnRich makes its advisory services available to a wide variety of clients including, but not limited to, individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

For portfolios supervised on a continuous, discretionary basis, EnRich generally imposes an initial minimum asset value of \$250,000. Full Partnership Service clients agree to have at least 80% of their investable assets managed by EnRich. However, the minimum can be waived by EnRich depending upon the type of account, kind of securities in the account, the dollar value of such securities, the projected nature of trading and required monitoring for the account, other services anticipated for the account, and the amount of work necessary to manage the account.

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

EnRich's security analysis methods include, but are not limited to, fundamental analysis (evaluating securities based upon its historical and projected financial performance). EnRich uses research material provided by third parties, including security analysts, non-affiliated investment management firms, economists, investment advisors, and rating services such as Morningstar. EnRich's advisors attend conferences and teleconferences with investment managers, and investment manager representatives.

### **Investment Risk.**

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by EnRich) will be profitable or equal any specific performance level(s).

EnRich's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis, EnRich must have access to current/new market information. EnRich has no control over the dissemination rate of market information; therefore, unbeknownst to EnRich, certain analyses may be compiled with outdated market information, severely limiting the value of EnRich's analysis. Furthermore, an accurate market analysis can only produce a forecast of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

EnRich's primary investment strategy - Long Term Purchases - is a fundamental investment strategy. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter-term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

Availability of Mutual Funds or ETFs. While EnRich may recommend allocating investment assets to mutual funds or ETFs that are not available directly to the public, EnRich may also recommend that clients allocate investment assets to publicly-available mutual funds or ETFs that the client could obtain without engaging EnRich as an investment advisor. Other mutual funds, such as those issued by Dimensional Fund Advisors ("DFA"), are generally only available through selected registered investment advisers. EnRich may allocate client investment assets to DFA mutual funds. Therefore, upon the termination of EnRich's services to a client, restrictions regarding transferability and/or additional purchases of, or reallocation among DFA funds will apply.

Margin / Securities Based Loans. Upon client request, EnRich may recommend that a client establish a margin loan or a securities based loan (collectively, "SBLs") with the client's broker-dealer/custodian or their affiliated banks (each, an "SBL Lender") to access cash flow. Unlike a traditional real estate-backed loan, an SBL has the potential benefit of enabling borrowers to access funds in a shorter period of time, providing greater repayment flexibility, and may also result in the borrower receiving certain tax benefits. *Clients interested in learning more about the potential tax benefits of borrowing money on margin should consult with an accountant or tax advisor.*

The terms and conditions of each SBL are contained in a separate agreement between the client and the SBL Lender selected by the client, which terms and conditions may vary from client to client. Borrowing funds on margin is not suitable for all clients and is subject to certain risks, including but not limited to: increased market risk, increased risk of loss, especially in the event of a significant downturn; liquidity risk; the potential obligation to post collateral or repay the SBL if the SBL Lender determines that the value of collateralized securities is no longer sufficient to support the value of the SBL; the risk that the SBL Lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment / the risk that the SBL Lender may terminate the SBL at any time. Before agreeing to participate in an SBL program, clients should carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender including the initial margin and maintenance requirements for the specific program in which the client enrolls, and the procedures for issuing "margin calls" and liquidating securities and other assets in the client's accounts.

If EnRich recommends that a client apply for an SBL instead of selling securities that EnRich manages for a fee to meet liquidity needs, the recommendation presents an ongoing **conflict of interest** because selling those securities (instead of leveraging those securities to access an SBL) would reduce the amount of assets to which EnRich's investment advisory fee percentage is applied, and thereby reduce the amount of investment advisory fees collected by EnRich. Likewise, the same ongoing **conflict of interest** is present if a client determines to apply for an SBL on their own initiative. These ongoing conflicts of interest would persist as long as EnRich has an economic disincentive to recommend that the client terminate the use of SBLs. Clients are therefore reminded that they are not under any obligation to employ the use of SBLs, and are solely responsible for determining when to use, reduce, and terminate the use of SBLs. Although EnRich seeks to disclose all conflicts of interest related to its recommended use of SBLs and related business practices, there may be other conflicts of interest that are not identified above. Clients are therefore reminded to carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender as applicable, and contact EnRich's Chief Compliance Officer with any questions regarding the use of SBLs.

Each type of investment has its own unique set of risks associated with it. The following provides a short description of some of the underlying risks associated with the types of investments that EnRich employs:

*Market Risk.* The price of a security may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors (such as economic or political factors), but may also be incurred because of a security's specific underlying investments. Additionally, each security's price can fluctuate based on market movement, which may or may not be due to the security's operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.

*Unsystematic Risk.* Unsystematic risk is the company-specific or industry-specific risk in a portfolio that the investor bears. Unsystematic risk is typically addressed through diversification. However, as indicated above, diversification does not guarantee better performance and cannot eliminate the risk of investment losses.

*Value Investment Risk.* Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause a portfolio to underperform growth stocks.

*Growth Investment Risk.* Prices of growth stocks tend to be higher in relation to their companies' earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile.

*Small Company Risk.* Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, small capitalization companies are more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

*Commodity Risk.* The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

*Foreign Securities and Currencies Risk.* Foreign securities prices may decline or fluctuate because of: (i) economic or political actions of foreign governments, and/or (ii) less regulated or liquid securities markets. Investments holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar).

*Interest Rate Risk.* Fixed income securities and fixed income-based securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices tend to fall.

When interest rates fall, fixed income security prices tend to rise. In general, fixed income securities with longer maturities are more sensitive to these price changes.

*Inflation Risk.* When any type of inflation is present, a dollar at present value will not carry the same purchasing power as a dollar in the future, because that purchasing power erodes at the rate of inflation.

*Reinvestment Risk.* Future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate), which primarily relates to fixed income securities.

*Credit Risk.* The issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and impact performance. Credit risk is considered greater for fixed income securities with ratings below investment grade. Fixed income securities that are below investment grade involve higher credit risk and are considered speculative.

*Call Risk.* During periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the investment to reinvest in bonds with lower interest rates than the original obligations.

*Regulatory Risk.* Changes in laws and regulations from any government can change the market value of companies subject to such regulations. Certain industries are more susceptible to government regulation. For example, changes in zoning, tax structure or laws may impact the return on investments.

*Mutual Fund Risk.* Mutual funds are operated by investment companies that raise money from shareholders and invest it in stocks, bonds, and/or other types of securities. Each fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. Mutual funds charge a separate management fee for their services, so the returns on mutual funds are reduced by the costs to manage the funds. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market. Mutual funds come in many varieties. Some invest aggressively for capital appreciation, while others are conservative and are designed to generate income for shareholders. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

*Exchange Traded Fund Risk.* ETFs are marketable securities that are designed to track, before fees and expenses, the performance or returns of a relevant index, commodity, bonds or basket of assets, like an index fund. Unlike mutual funds, ETFs trade like common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. In addition to the general risks of investing, there are specific risks to consider with respect to an



investment in ETFs, including, but not limited to: (1) an ETF's shares may trade at a market price that is above or below its net asset value; (2) the ETF may employ an investment strategy that utilizes high leverage ratios; or (3) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally.

EnRich does not guarantee the results of the advice given. Thus, significant losses can occur by investing in any security, or by following any strategy, including those recommended or applied by EnRich.

### **ITEM 9 – DISCIPLINARY INFORMATION**

EnRich is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of us, our business or the integrity of our management or associated persons. Neither EnRich nor any of its associated persons has any reportable disciplinary events to disclose.

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

Certain of EnRich's advisors are, in their individual capacities, licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. Clients can engage certain of EnRich's representatives to purchase insurance products on a commission basis.

The recommendation by EnRich's advisors that a client purchase insurance commission products presents a *conflict of interest*, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any insurance products from EnRich's representatives. Clients are reminded that they may purchase insurance products recommended by EnRich through other, non-affiliated insurance agents.

Neither EnRich, nor its advisors or supervised persons are: registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer; are registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing; or receive, directly or indirectly, compensation from investment advisors recommended or selected for clients.

### **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

*Code of Ethics.* EnRich has adopted a Code of Ethics that sets forth high ethical standards of business and professional conduct which we require our employees to follow. The Code of

Ethics outlines proper conduct related to all services provided to clients by EnRich and its associated persons and includes guidelines for compliance with applicable laws and regulations governing our practice. Our goal is to protect our clients' interests at all times and demonstrate our commitment to our fiduciary duties of honesty, good faith and fair dealing.

*Personal Securities Transactions and Interests.* Through its professional activities, EnRich and its supervised persons are exposed to potential conflicts of interest and the Code of Ethics contains provisions designed to mitigate certain of these potential conflicts by governing the personal securities transactions of certain of its employees, officers, and directors. In particular, the Code of Ethics governs the conduct of certain "access persons" in circumstances where EnRich or access persons may desire to purchase or sell securities for their personal accounts that are identical to those recommended by EnRich to its clients. For these purposes, the Code of Ethics defines an "access" person as a supervised person of EnRich that (1) has access to nonpublic information regarding any clients' purchase or sale of securities, (2) has access to nonpublic information regarding the portfolio holdings of any fund the adviser or its control affiliates manage or sponsor, or (3) is involved in making securities recommendations (or has access to such recommendations) to clients that are nonpublic.

Access persons' trades must be executed in a manner consistent with the following principles: the interests of client accounts will at all times be placed first; all personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; access persons must not take inappropriate advantage of their positions; and preclearance of access persons' transactions in securities in a limited offering or private placement is required.

Access persons must submit quarterly reports regarding securities transactions and newly opened accounts, as well as annual reports regarding holdings and existing accounts. EnRich monitors access persons' personal trading activity at least quarterly to ensure compliance with internal control policies and procedures and our Code of Ethics.

Neither EnRich nor its access persons have any material financial interest in client transactions beyond the provision of investment advisory services or other services as disclosed in this Brochure. EnRich does not engage in principal trading (*i.e.*, the practice of selling stock to advisory clients from our inventory or buying stocks from advisory clients into our inventory). Nor does EnRich engage in agency cross transactions.

Clients or prospective clients may obtain a copy of our Code of Ethics upon request by contacting us at (608) 275-3442.

## **ITEM 12 – BROKERAGE PRACTICES**

As described in "Item 4: Advisory Business" above, when providing management services, EnRich participates in the institutional advisor program (the "TD Ameritrade Program")

offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. Schwab has acquired TD Ameritrade and when operations are integrated, all accounts custodied at TD Ameritrade will be converted to Schwab. We continue to recommend TD Ameritrade for custody of securities, trade execution, clearance and settlement of transactions. Prior to the conversion, you will receive additional information regarding our relationship with Schwab including how we mitigate any conflicts of interest.

Unless the client participates in our Wrap Program, EnRich does not generally exercise discretion to select brokerage firms. However, we do recommend that clients use TD Ameritrade for custodial and transaction services. There is no direct link between EnRich's participation in the TD Ameritrade Program and the investment advice it gives to its clients, although EnRich receives economic benefits through its participation in the TD Ameritrade Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk servicing advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to EnRich by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by EnRich's related persons and may also pay or reimburse expenses (including travel, lodging, meals, and entertainment expenses) for EnRich's personnel to attend conferences or meetings relating to the program or to TD Ameritrade's advisor custody and brokerage services generally. Some of the products and services made available by TD Ameritrade through the Program may benefit EnRich but may not benefit its client accounts. These products or services may assist EnRich in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help EnRich manage and further develop its business enterprise. The benefits received by EnRich through participation in the TD Ameritrade Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by EnRich or its related persons in and of itself creates a potential ***conflict of interest*** and may indirectly influence EnRich's recommendation of TD Ameritrade for custody and brokerage services.

The custodians recommended by EnRich, other than TD Ameritrade, may also, among other services, carry client accounts on their records, process transactions ordered by EnRich, provide computer access to EnRich for client positions and provide quotes and data needed by EnRich for its reports to clients.

These services are provided to EnRich at minimal or no cost. EnRich believes that use of the recommended firm(s) is a convenient means of obtaining efficient transaction executions, account data and reporting services for securities positions. However, receipt of such services at minimal or no cost also creates an inducement and ***conflict of interest*** for EnRich since referring clients to any other firm(s) may result in higher reporting and overhead costs to EnRich. EnRich also on occasion provides advisory services to certain client investments that are unable to be custodied by TD Ameritrade but are required to be custodied by the vendor.

Clients should be aware the receipt of economic benefits by EnRich described above, in and of themselves, create a ***conflict of interest*** and influences EnRich's recommendation of those service providers for custody and brokerage service. Thus, the receipt of these services creates an incentive and ***conflict of interest*** for EnRich when it recommends TD Ameritrade services. Other than the services described above, EnRich does not direct transactions or the commissions the transactions generate (soft dollars) to brokerage firms or other parties to receive research or other benefits.

When exercising discretion, EnRich may combine orders for more than one client's account to form a "block" order for the purpose of seeking a better price and or execution. When a block order is executed, the broker/dealer executing the order typically allocates and average execution price to all shares in the block order, which EnRich then allocates to each client's account position on a pro rata basis. Should a block order only be partially filled, available shares are distributed in a manner fair to all accounts.

If the client is receiving discretionary advisory services, EnRich will have discretionary authority to determine which securities are to be bought and sold and the price of such securities to effect such transactions. EnRich recognizes that the analysis of execution quality involves a number of qualitative and quantitative factors. EnRich will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include, but are not limited, to the following:

1. The financial strength, reputation and stability of the broker-dealer;
2. The efficiency with which the transaction is affected; the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any);
3. The availability of the broker-dealer to stand ready to effect transactions of varying degrees of difficulty in the future;
4. The efficiency of error resolution, clearance and settlement;
5. Block trading and positioning capabilities;

6. Performance measurements;
7. Online access to computerized data regarding customer accounts;
8. Availability, comprehensiveness, and frequency of brokerage and research services;
9. Commission rate;
10. The economic benefit to the clients; and
11. Related matters involved in the receipt of brokerage services.

Consistent with its fiduciary responsibilities, EnRich seeks to ensure that clients receive best execution. To the best of EnRich's knowledge and due diligence inquiries, the broker-dealers utilized by EnRich provide high-quality execution, and EnRich's clients will pay competitive rates for such execution. Based upon its own knowledge of the securities industry, the Company believes that the broker-dealers' commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere, however.

### **ITEM 13 – REVIEW OF ACCOUNTS AND REPORTS**

EnRich advisors review quarterly portfolio reports provided to clients on a quarterly basis, or more frequently if requested by a client. Each is a Certified Financial Planner Practitioner (CFP®). EnRich provide each client with a review of the client's financial situation as frequently as deemed necessary. This review includes goals and assumptions, financial statements, cash flow and taxes, investments, retirement projections, insurance, estate, and general financial planning.

Annually, accounts are reviewed and if necessary rebalanced. Holdings are reviewed quarterly or more frequently as contributions and economic situations change. All clients receiving Portfolio Management Services receive quarterly portfolio performance reports from EnRich which provide clients with: (1) performance history, net of fees; (2) portfolio composition, percentage weighting of each asset class; (3) portfolio start date with initial value; (4) net additions/withdrawals; (5) quarter end portfolio value; (6) time weighted return and comparison rates of return of other standard indices; and (7) listing of portfolio holdings.

A statement showing the market value of the securities in a client's account is sent monthly or quarterly by the investment company that holds the client's investments.

Summaries are prepared at the request for financial planning.

Clients receiving consulting services receive reports in the frequency and scope specified in the advisory agreement.

#### **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

EnRich does not currently have any client referral relationships. Thus, it does not pay any fee to a third party for making client referrals to it.

EnRich may sponsor social events for clients, the expenses of which may be paid, in whole or part, by firms whose products and services are recommended to clients by EnRich. The firms absorbing such expenses may include mutual fund companies and ETFs whose shares are recommended, attorneys whose services are recommended, brokerage firms through which client account transactions are processed, and other firms. These expense reimbursements create a ***conflict of interest*** for EnRich and its managers because they are inclined to continue to recommend the products and services of these providers due to the financial support provided to EnRich by them.

#### **ITEM 15 - CUSTODY**

EnRich shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for the client accounts. Those clients to whom EnRich provides investment supervisory services will also receive a quarterly report from EnRich summarizing performance.

EnRich also has received standing letters of authorization from certain clients that direct EnRich to transfer those clients' funds to third parties. These letters of authorization give EnRich custody over those accounts pursuant to applicable law. EnRich and its custodians comply with guidance provided by the SEC with regard to these letters of authorization, and as a result, EnRich does not undergo a surprise examination.

To the extent that EnRich provides clients with periodic account statements or reports, EnRich urges clients to carefully review those statements and compare them to custodial account statements. EnRich's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. The account custodian does not verify the accuracy of EnRich's advisory fee calculations.

#### **ITEM 16 – INVESTMENT DISCRETION**

The client can determine to engage EnRich to provide investment advisory services on a discretionary or non-discretionary basis. Prior to EnRich assuming discretionary authority over a client's account, the client shall be required to sign a client advisory agreement granting EnRich full authority to buy, sell, or otherwise execute investment transactions involving the assets in the client's name found in the discretionary account. The custodian may also request the client sign documentation.

Clients who engage EnRich on a discretionary basis may, at any time, impose restrictions, *in writing*, on EnRich's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe EnRich's use of margin, etc.).

For qualified retirement plans that engage EnRich on a non-discretionary service, we will obtain the client's approval and consent prior to the execution of any transactions in the account(s). With such an arrangement, the client has the unrestricted right to decline to implement advice provided by us on a non-discretionary basis.

We also recommend, on a non-discretionary basis, cash accounts to be maintained outside of our investment advisory services. When appropriate and requested by the client, we will send the client an invitation to assist them in initiating the account. During the sign up process, clients will generally grant us access to their account balance information and routing numbers on the cash account, but we will not have any ability to transfer cash in or out of the account for the client. All movements of cash must be initiated by the client. We can assist the client in setting up transfers between TD Ameritrade and the new cash account, by completing the TD authorization form. We do not manage these accounts or charge any advisory fees on these accounts.

#### **ITEM 17 – VOTING CLIENT SECURITIES**

EnRich will not vote proxies on behalf of any client or respond to any legal notices or class action claims on behalf of any client. We will instruct the qualified, independent custodian to forward all proxy materials, legal notices and class action information to the client to review. The client should make his or her own informed decision on how to vote or respond to a legal notice. In the event we receive such material, we will forward them directly to the client by mail or by electronic mail (if the client has authorized electronic communication).

#### **ITEM 18 – FINANCIAL INFORMATION**

EnRich does not solicit fees of more than \$1,200, per client, six months or more in advance.

EnRich is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

EnRich has not been the subject of a bankruptcy petition.



## **Exhibit – Item 2: Material Changes**

Under the Amendments to the Form ADV, EnRich Financial Partners LLC may provide you with this summary of Material Changes detailing any material changes that we made to our Brochure dated March 21, 2023 since the last annual update March 25, 2022, in lieu of sending a full copy of our Brochure to all our clients. In addition to the changes identified below, we have made certain other grammatical and non-material changes throughout the Brochure.

### **Item 4: Advisory Business**

TD Ameritrade Institutional (“TD Ameritrade”) has reported that its account conversion to Charles Schwab & Co., Inc (“Schwab”) is scheduled to take place over Labor Day weekend, September 2–4, 2023. We will ensure that all clients custodied at TD Ameritrade have activated the integration within Schwab prior to the deadline. This will allow for a seamless conversion of accounts currently custodied at TD Ameritrade.

At that time, we will cease offering our portfolio management services through our Wrap Fee Program. Per the terms of our Advisory Services Retainer Agreement, we will terminate the Program by sending clients written notice to amend our Agreement with them, at least thirty (30) days in advance.

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

We recommend, on a non-discretionary basis, cash accounts to be maintained outside of our investment advisory services. We describe how to establish the cash accounts and our limited access to view account balance information. We do not have any ability to transfer cash in or out of the account for the client and we do not manage these accounts or charge any advisory fees on these accounts.

### **Additional Information**

Our Brochure is available free of charge by contacting us at (608) 275-3442. Additional information about us is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with us who are registered, or are required to be registered, as one of our investment adviser representatives of our firm.