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**ADV Firm Brochure**  
**March 27, 2023**

This Brochure provides information about the qualifications and business practices of TriCapital Wealth Management, Inc. If you have any questions about the contents of this Brochure, please contact us at (704) 571-8778. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

TriCapital Wealth Management, Inc. is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. This Brochure is intended, in part, to provide information which can be used to make a determination to hire or retain an Adviser.

Additional information about TriCapital Wealth Management, Inc. is also available on the SEC's website at <http://www.adviserinfo.sec.gov>.

## **Item 2 – Material Changes**

Since the filing of our last annual update in March 2022, we have not had any material changes.

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#### **Item 4 – Advisory Business**

TriCapital Wealth Management, Inc. ("TCWM") was established in February 1999 and approved as a Registered Investment Adviser in February of 2003. Randall White is its President and 100% owner.

TCWM provides various types of investment management services to clients. The goal of all advisory activities is to assist clients in establishing and attaining their financial goals. Services provided are based on the Client's needs, financial status, and personal planning objectives. The approach offered by TriCapital Wealth Management provides you with the advantage of personalized and coordinated financial management that includes Investment planning and management; Estate planning; Retirement analysis and planning; Tax planning and coordination; and Business planning and employee benefits.

Our services vary from relationship to relationship; however, the following is a general description of our processes:

##### **Step One: The Right Fit**

We begin with an exploratory meeting, at which we mutually figure out if we are the right Firm for you. Can we help you reach your goals? If the answer is yes, we will take the next step.

##### **Step Two: Focusing on You**

The next step is to deepen our understanding of you. We collect a lot of data. We ask a lot of questions and listen to your answers. We do this so that we can understand you and adapt our processes to your unique needs. Unlike other firms, we do not take a "canned" approach that produces a meaningless plan consisting of simplistic reports that never seem to adequately address your situation. Our Wealth Management Process enables us to efficiently gather the information we need to tailor a financial and investment plan that becomes the foundation for successful planning.

##### **Step Three: Managing Resources Wisely**

Having mapped out a detailed financial planning strategy, we now have the basis for forming a prudent, long-term investment plan. Rather than focusing on the hottest investment or the latest investment fad, our focus is on developing an investment plan that reflects your needs and goals and is geared toward making sure you never run out of money. We believe in minimizing investment risk through diversification while taking advantage of potential long-term growth opportunities. Detailed investment reports keep you informed of the performance and progress of your overall investment plan toward your own goals.

##### **Step Four: Measuring Your Progress**

Financial planning is not a one-time event – it is a lifelong process. Investment plans do not remain static and must be updated periodically to adapt to the ever-changing opportunities, and risks, in the investment markets. At TriCapital, we view the relationship that we develop with you over time and the periodic reviewing and management of your resources to be as important as the initial work we do. We are committed to being your financial partner. This means we are

available at any time – we return calls and emails promptly and we are responsive to your needs and requests. Review meetings are held at least semi-annually, more often if needed. Financial and investment plans are updated during those reviews to measure the progress you are making toward your goals. While our focus is on your specific goals, we also measure your progress toward achieving, and maintaining, financial independence using our proprietary Retirement Funding Score (RFS®). The RFS® shows you where you are now and your rate of progress toward the day when you have the comfort of knowing that the resources you have accumulated will allow you to live the lifestyle you desire.

TCWM offers clients several options with regard to assistance in implementing the Financial Plan or managing the Client's portfolio independent of any financial planning engagement. These options are outlined below. In all cases the Client's individual needs are assessed prior to commencement of managing assets on his or her behalf. Based on the Client's needs, TCWM may offer the following types of advisory services:

1. Asset Management

- a. Advisor Managed Asset Based Portfolio (wrap account)
- b. Advisor Managed Transaction Based Portfolio (non-wrap)
- c. Financial Planning Services

**1. ASSET MANAGEMENT PROGRAMS:**

a. Advisor Managed Asset Based Portfolio (wrap account)

These accounts are managed directly by Randall White at TCWM. Investment options are generally limited to individual stocks, but in limited cases, will also include ETF's, open and closed-end mutual funds and/or fixed-income investments. TCWM continuously monitors and manages these accounts under discretionary agreements with clients without specific consent for individual trades. Through association with Triad Advisors, LLC (Triad) a registered broker/dealer and registered investment adviser, TCWM offers its clients the option of investing through Triad. In this program, a registered representative of Triad, who may also be an IAR of TCWM, is responsible for the investment decisions in the portfolio and for monitoring the returns and investments in the portfolio so it is appropriate for the Client's stated objectives and risk tolerance. Clients are charged an all-inclusive wrap fee on Program Assets that covers advisory, execution, custodial and reporting services on Eligible Assets. TCWM will furnish you with an additional WMP wrap fee brochure from Triad which will provide additional information on this program.

b. Advisor Managed Transaction Based Portfolio (non-wrap)

Portfolios in these programs are primarily invested in no-load and load waived mutual funds, but may also include stocks, bonds, REITS, and fixed income investments based on the Client's individual objectives, risk tolerance, and cash flow needs. A client with a managed general securities account may transfer in mutual fund holdings for consolidation and/or convenience. This account is reviewed at a minimum on a monthly basis if not more frequently as market conditions require and usually is, but not always, managed under a discretionary trading authorization.

## **2. FINANCIAL PLANNING SERVICES:**

Comprehensive planning involves six steps: 1) Gathering client data; 2) Establishing financial goals and objectives; 3) Processing and analyzing information; 4) Making recommendations; 5) Implementing the financial plan, and 6) Monitoring the plan. A written report outlining the analysis conducted and general or specific recommendations in some or all of the following areas is provided:

- Investment analysis and planning
- Education funding analysis and planning
- Tax planning
- Estate planning
- Retirement analysis and planning
- Insurance analysis and planning
- Employee benefit review and planning
- Corporate pensions and retirement plan analysis and planning
- Business continuation planning

The financial plan may include all or some of the areas outlined above, depending on the Client's specific needs and circumstances. The Client can engage TCWM to provide ongoing financial planning counseling to assist with the implementation and review of their financial plan and may terminate the planning engagement at any time.

The Client may also engage TCWM for periodic review and updating of their financial plan. Portions or all of a comprehensive written financial plan or periodic update and review of the Client's financial situation may include matters not involving securities.

### **Individual Retirement Accounts and ERISA Plans Disclosure**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Always put your financial interests ahead of ours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;

- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

As of February 2, 2023, TCWM held \$89,311,504 in discretionary assets under management and \$1,053,542 in non-discretionary assets under management.

#### Item 5 – Fees and Compensation

TriCapital Wealth Management, Inc. currently offers the following types of advisory services:

1. Asset Management
  - a. Advisor Managed Asset Based Portfolio – wrap account
  - b. Advisor Managed Transaction Based Portfolio – non-wrap
  - c. Financial Planning Services

The specific manner in which TCWM charges fees is established in a client's written agreement with TCWM. Asset Management fees are based on a percentage of assets under management and calculated at an annual rate and billed in advance quarterly. Fees are based on the assets in the account per the schedules below and may be negotiated in some instances.

#### Asset Management Fees

<u>Advisor Managed Asset Based Portfolio (wrap account)</u>		
<u>Minimum Account Value</u>	<u>Maximum Account Value</u>	<u>Max Annual Fee</u>
\$150,000	\$1,000,000	1.25%
\$1,000,000+	\$2,000,000	1.00%
\$2,000,000+	\$3,000,000	0.85%
\$3,000,000+	N/A	Negotiable

<u>Advisor Managed Transaction Based Portfolio (non-wrap)</u>		
<u>Minimum Account Value</u>	<u>Maximum Account Value</u>	<u>Max Annual Fee</u>
\$0	\$1,000,000	1.10%
\$1,000,000+	\$2,000,000	0.85%
\$2,000,000+	\$3,000,000	0.60%
\$3,000,000+	N/A	Negotiable

Clients are charged an all-inclusive “wrap fee” on Program Assets in the Advisor Managed Asset Based Portfolio – wrap accounts that cover advisory, execution, custodial, and reporting services on Eligible Assets. This type of account does have a minimum annual fee of \$50.00 or 9 basis points. TCWM will furnish you with an additional WMP wrap fee brochure from Triad, which will provide additional information on this program.

Fees paid to TCWM for the Advisor Managed Transaction Based Portfolio (non-wrap) accounts are exclusive of custodial and transaction costs paid to account custodians, brokers, or other third parties. The Client should review all fees charged by mutual funds, TCWM, and others to fully understand the total amount of fees to be paid by the Client.

The Asset Management Fee compensates TCWM for the asset management services and investment advice and recommendations provided by TCWM. Triad retains a portion of the above fee for services provided to TCWM and TCWM's Clients.

The Client authorizes TCWM to deduct the management fees from the account in the client agreement. The month following a fee deduction the Client will receive a statement indicating the amounts disbursed from the account, including the amount of advisory fees paid to TriCapital. The custodian of the account, not TriCapital, holds all customer assets. It is in the Client's best interest to review the account statement to verify the accuracy of the computation of fees and alert TriCapital immediately if there are any discrepancies. The custodian will not do an independent verification of the accuracy of the computation of fees debited from the account.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. If you terminate your participation in this program, you will be entitled to a pro-rata refund of any prepaid monthly or quarterly fees based upon the number of days remaining in the month or quarter after the date upon which the notice of termination is received.

Additions to the account may be made at any time. Flows over 10k in or out of an account will be billed/refunded for the remaining days in the period.

TCWM recommends that clients establish brokerage accounts with National Financial Services, LLC (NFS), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets to effect trades in their Asset Management accounts. All transaction fees will be borne by the Client in non-wrap accounts and paid directly to NFS. Transaction fees paid to NFS will be debited directly from the Client's account.

Either party may terminate the management agreement upon thirty days' written notice. Any paid but unearned Asset Management fees will be promptly refunded to the Client on a prorated basis in the event of termination.

### **Financial planning fees**

TriCapital Wealth Management, Inc. will provide advice in the form of a Financial Plan. Clients will receive a written financial plan, providing the Client with a detailed financial plan designed to achieve their stated financial goals and objectives. Recommendations are not limited to services provided by TCWM or its affiliates, nor is it limited to any other exclusive providers. Fees for written financial plans typically begin at \$2,000. Fees vary depending upon the complexity of the Client's situation. Fees are negotiable and are agreed upon by the Client in advance.



Generally, the Client agrees to pay TriCapital half of the agreed-upon fee at the time of the signing of the agreement with the balance due on completion of the services agreed upon. The Client may cancel the agreement for the Financial Plan within five days of the initial agreement and receive a full refund. In the event this agreement is terminated after the initial five business daytime period, the Client agrees that TriCapital will have earned a pro-rata share of the total fee described in the agreement, based on a percentage of the analysis performed. TCWM will furnish the Client with a written evaluation and recommendations addressing the agreed-upon financial planning topics within six months of entering the initial agreement.

### **General Fee Information**

Mutual funds and ETFs invested in the account have their own internal fees which are separate and distinct from the program account fees (for more information on these fees, see the applicable fund prospectus). Some Fund fees include 12b-1 fees which are internal distribution fees assessed by the Fund, all or a portion of which are paid to the distributor(s) of the Funds. The Firm and your Advisory Representative do not retain 12b-1 fees paid by the Funds. In certain instances, there is opportunity to be eligible to purchase certain mutual funds and ETFs without incurring transaction charges subject to certain conditions. For details, please refer to Item 4 (No Transaction Fee Programs) of the Triad Advisor Managed Portfolios wrap fee brochure.

Typically, TCWM does not recommend mutual funds that charge 12(b)-1 fees when other share classes are available. However, there are instances in which the Firm would recommend a mutual fund that carries a 12(b)-1 fee, even when a lower-cost share class is available for the same Fund. For example, a lower-cost class share may not be available to TCWM's clients due to investment minimums. In other cases, mutual funds charging 12(b)-1 fees are transferred into TCWM, in which case the Firm may recommend the Client hold the existing share class instead of selling the Fund and buying a lower-cost share, which could result in a tax liability. Mutual funds charging 12(b)-1 fees will be recommended when the overall cost is seen as a benefit to the Client if the anticipated transaction fees exceed the anticipated 12(b)-1 fees. When recommending a particular mutual fund share class, the different available share classes are compared and reviewed along with the anticipated investment timeframe, potential tax consequences, future anticipated transactions, and other costs to determine the best selection for the Client at that time. TCWM does not receive any part of the fees charged by Mutual Funds.

Clients may also incur certain charges imposed by custodians, brokers, third-party investment managers, and other third parties such as management fees, custodial fees, deferred sales charges, odd-lot differentials, transfer fees, transfer taxes, lost certificate fees, wire transfer, and electronic fund fees, postage, and handling for paper delivery of statement and trade confirmations, margin and pre-payment fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and TCWM or its Investment Advisor Representatives shall not receive any portion of these commissions, fees, and costs. Please see Item 12 for more information regarding brokerage practices.

Investment adviser representatives trade on margin for client accounts when consistent with the Client's suitability profile and risk tolerance or at the Client's directive. Additionally, the use of margin results in interest charges as well as other fees and expenses associated with the security or account involved.

Fees are debited directly from client accounts and are calculated using the total assets in the account as shown on the client custodial statement, including any assets purchased on margin. If there is a net debit cash balance in the account as a result of using margin, the cash balance will be excluded from the fee calculation. Net positive cash balances in type 1 (cash account) and type 2 (margin account) are included in the fee calculation.

All fee-based accounts will be charged a fee of \$1.50 for the delivery of trade confirmations if the client does not agree to electronic delivery. Clients may still receive paper statements and tax documents if they choose with no additional fee.

Associates of TCWM are also Registered Representatives of Triad. They are eligible to receive commissions or other forms of compensation resulting from transactions recommended under one or more of the programs described. It is the policy of TCWM to inform clients of all fees.

Transaction fees charged may be higher than those otherwise available if the services were provided separately for a discrete fee or if an Investment Advisor were to select brokerage and negotiate commissions in the absence of the extra consulting service provided. Clients should consider the value of the additional consulting services when making such comparisons. The combination of custodial, consulting, and brokerage services may not be available separately or may require multiple accounts, documentation, and fees.

TCWM may also recommend the services of other RIAs approved by Triad. Disclosure of services, fees, reporting, and other important matters are found in the disclosure brochures of Triad and the referenced RIA's disclosures. Clients interested in these services will be provided with the applicable documents and brochures before or at the time of establishing the managed asset account.

**Account Termination:**

If the ADV disclosure document was not delivered to the Client at least 48 hours prior to the Client entering into any written advisory contract with this investment adviser, then the Client has the right to terminate the contract without penalty within five business days after entering into the contract. For this provision, a contract is considered entered into when all parties to the contract have signed the contract, any other provisions of this contract notwithstanding. If the Client terminates their contract during the quarter, a pro-rata refund of the prepaid fees will be granted.

Upon written receipt of notice to terminate its Client Agreement and unless specific transfer instructions are received, TCWM and its agent will proceed with the liquidation of the Client's account in an orderly and efficient manner. There will not be a charge by TCWM for such

redemption; however, in certain circumstances, some mutual funds impose redemption fees as stated in each company's fund prospectus and that the custodian may assess account closing fees. Clients must keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with the Client's tax advisor. Factors that may affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable and trading suspended, efforts to trade will be made as soon as possible following their reopening. Due to the administrative processing time needed to terminate the Client's investment advisory service and communicate the instructions to the Client's Investment Advisor, termination orders received from clients are not market orders; it may take several business days under normal market conditions to process the Client's request. During this time, the Client's account is subject to market risk. TCWM and its agent are not responsible for market fluctuations of the Client's account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner.

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

TriCapital Wealth Management, Inc. does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of a client's assets).

#### **Item 7 – Types of Clients**

TriCapital Wealth Management, Inc. provides portfolio management services to individuals, corporations and business entities, pension and profit-sharing plans, charitable institutions, foundations, endowments, estates, trusts, and other U.S. and international institutions.

TCWM requires a minimum balance of \$150,000 to establish and maintain a wrap account. Accounts valued below \$50,000 will be placed in a non-wrap account. Minimum balances may be negotiated but must be approved by the CCO. Operational and procedural guidelines are outlined in the advisory contracts for each account executed prior to any trading activity. A contract and trading authorization signed by the Client are required prior to trading in these accounts.

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

Our investment strategy begins with an understanding of a client's financial goals. Advisors use the demographic and financial information provided by the Client to assess the Client's risk profile and investment objectives in determining an appropriate plan for the Client's assets. Investment strategies ordinarily include long or short-term trading of stock portfolios, mutual funds, exchange-traded funds, and fixed income securities and may also include margin transactions.

Investment recommendations are based on an analysis of the Client's individual needs and are drawn from research and analysis. Security analysis methods include fundamental and technical analysis. Information for this analysis may be drawn from financial newspapers and magazines, research materials prepared by others, annual reports, corporate filings, prospectuses, company press releases, and corporate rating service.

It is important to note that investing in securities involves a risk that clients should be prepared to bear. For any risks associated with Investment Company products, please refer to the prospectuses for additional details about these risks. Our investment approach constantly keeps the risk of loss in mind. These risks include, but are not limited to:

- **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.
- **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 risk 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 generating 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 the economic environment.
- **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.

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

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of TCWM or the integrity of TCWM's management. TCWM has no information to report applicable to this Item.

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

Investment Adviser Representatives of TriCapital Wealth Management, Inc. may also be Registered Representatives of Triad Advisors, LLC, a registered broker/dealer (member FINRA), and may receive usual, customary commissions associated with securities brokerage transactions.

Those individuals may also be licensed and appointed with various insurance companies to sell health, disability, long term care, and annuity products. When applicable, these individuals may recommend insurance or broker/dealer transactions for advisory clients. All related

compensation is separate from advisory services. On average individual Investment Advisor Representatives and the principals of TCWM spend 50% of their time on other such activities.

Clients are under no obligation to purchase securities, insurance, or other products through the resources available to TCWM, its officers, and associated persons. The Client is free to choose the source through which to implement advisory recommendations.

Certain investment companies, with whom TCWM planners place client funds, underwrite expenses for various specific marketing, educational, and professional development activities. These payments are not made directly to TCWM but are paid to Triad, which reimburses TCWM, or applicable third parties, to cover specific expenses.

Advisors may suggest broker/dealer services to clients. Factors for such recommendation would be when transaction compensation is seen as a benefit to the Client. For Broker/Dealer services, the Adviser or its associated persons may receive compensation for such transactions, where such compensation is separate and distinct from Adviser's compensation related to its investment advisory services. Commissions paid to the Advisor for broker/dealer services may be higher or lower than those obtainable from other brokers in return for those products and services.

TCWM recommends that clients establish brokerage accounts with NFS, LLC, a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and effect trades for their accounts. Although TCWM recommends that clients establish accounts at NFS, it is the client's decision to custody assets with NFS. TCWM is independently owned and operated and not affiliated with NFS.

Item 12 includes additional details regarding brokerage practices and related disclosures.

#### **Item 11 – Code of Ethics**

TriCapital Wealth Management, Inc. has adopted a Code of Ethics for all supervised persons at TCWM, describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at TCWM must acknowledge the terms of the Code of Ethics annually or as amended.

Advisors of TCWM may buy or sell securities that are recommended to clients. TCWM's employees and persons associated with TCWM are required to follow the Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors, and employees of TCWM and its affiliates may trade for their own accounts in securities that are recommended to and/or purchased for TCWM's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of TCWM will not interfere with making decisions in the best interest of advisory clients; and implementing such decisions while,

at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of TCWM's clients. In addition, the Code requires pre-approval of many transactions and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between TCWM and its clients.

Advisors may recommend and trade in the same securities with clients and/or related accounts at or about the same time. Generally, this would pose a conflict if the Advisor or related account were given a better price than the Client. To mitigate this conflict, it is the procedure to not trade an Advisor's account or related person's account on the same day as a client unless the Client gets the better price.

Trades may be made on an aggregated basis when consistent with TCWM's obligation of best execution. In such circumstances, the Advisor (or related account) and client accounts will share commission costs equally and receive securities at a total average price. TCWM will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis and any exceptions will be explained on the order.

TCWM's clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting Randall White at our main number.

#### **Item 12 – Brokerage Practices**

For TCWM client accounts maintained in its custody, NFS generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades executed through NFS or that settle into NFS accounts. NFS may make products and services available to TCWM that benefit TCWM but may not directly benefit its clients' accounts. Many of these products and services are used to service all or a substantial number of TCWM accounts. Some of these products and services provided by NFS includes software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitates trade execution and allocates aggregated trade orders for multiple client accounts; (iii) provides research, pricing, and other market data; (iv) facilitates payment of TCWM fees from its clients' accounts; and (v) assists with back-office functions, recordkeeping, and client reporting.

Triad is recommended to advisory accounts due to the services that they provide. Recommendations regarding NFS are consistent with TCWM's duty to obtain best execution. Factors considered include a historical relationship with TCWM, financial strength, reputation, execution capabilities, pricing, and service. Although the brokerage and/or transaction fees paid by clients shall comply with TCWM's duty to obtain best execution, a client may incur costs that

are higher than another qualified broker-dealer might charge to affect the same transaction, specifically where the Adviser determines, in good faith, that the costs are reasonable in relation to the value of the brokerage and services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the service and cost represent the best qualitative execution, considering the full range of a broker-dealer's services, including execution capability, stability, reliability, and responsiveness.

In the event that a trade error was to occur in a client account, it may result in a profit or loss to TriCapital Wealth Management, Inc. However, Investment Advisor Representatives of TCWM will not participate in any profits resulting from such errors. TCWM has controls in place to limit such trade errors.

### **Item 13 – Review of Accounts**

Asset Management Accounts are monitored on an ongoing basis and are generally reviewed quarterly or more frequently depending on client needs and financial market conditions. All firm accounts are reviewed by Randall White, President. Factors that are considered include, but are not limited to the following: investment objectives, targeted allocation, current allocation, suitability, performance, number of trades, monthly distributions, concentrated positions, diversification, and outside holdings. The Client agrees to inform TCWM in writing of any material changes in the Client's financial circumstances that might affect how Client's assets should be invested. Clients can contact TCWM during regular business hours to consult with the Firm concerning the Client's account(s). TCWM requests - and may require from you - that we have a formal meeting at least annually to review performance to ensure that the investment plan remains compatible with your planning objectives.

Managed account reports are available quarterly for all Asset Management Accounts showing total portfolio value, investments held and their values, all transactions including withdrawals, contributions, dividends, and interest payments, and historical performance reports. Item 15 contains information regarding the custody reports provided.

Financial plan reviews are conducted upon client request and at periodic intervals based on client needs and circumstances. Reviews are typically conducted at least annually. Financial planning clients initially receive a written report and analysis containing information pertinent to their financial needs, goals, and objectives. Recommendations are provided in the report where appropriate.

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

TriCapital Wealth Management, Inc. does not compensate for client referrals.

### **Item 15 – Custody**

Clients should receive statements at least quarterly from NFS, the qualified custodian that holds and maintains your investment assets. TCWM urges you to carefully review such statements and compare the official custodial records to the account statements that we may provide you. Our

statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

TCWM has constructive custody of client funds and securities since we can deduct advisory fees from accounts. In addition, TCWM has limited custody due to the fact that we accept Standing Letters of Authorizations (SLOAs) to withdraw funds. SLOAs are only accepted when they comply with the circumstances described in the related [SEC' no-action' guidance](#), a copy of which is available upon request by contacting our main office. In accordance with custody rules, TCWM will ensure that a qualified custodian maintains the account and that clients receive a quarterly account statement from the qualified custodian.

#### **Item 16 – Investment Discretion**

TCWM may have authority to determine, without obtaining specific client consent, the securities to be bought or sold and/or the amount of securities to be bought and sold on behalf of the Client. Such authority is conferred on TCWM contractually by the Client and acceptance by Triad Advisors. Under certain circumstances, the commissions generated by the account may be discounted in accordance with the schedule of Triad Advisors.

In all cases, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Clients must authorize such discretion in the advisory agreement. TCWM observes the investment policies, limitations, and restrictions of the Clients' investment policies, limitations, and restrictions for which it advises when selecting securities and determining amounts. Investment guidelines and restrictions must be provided to TCWM in writing.

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

Normally, TCWM does not vote proxies on behalf of client accounts. TCWM does from time to time receive proxy materials from clients, asking us to vote them on their behalf. When this occurs, TCWM does so according to our established policy. TCWM votes proxies in such a way that, to the best of our knowledge, is in the best interest of each individual shareholder. From time to time, this may mean that the same proxy proposal may be voted differently for different clients. TCWM will consider only those factors that relate to the Client's investment(s) or factors outlined in written instructions from the Client. Such factors will include the fact that in some circumstances, the cost of voting a proxy is greater than any possible economic benefit; therefore, not voting at all on some proxy proposals may be in the best interest of a client.

In general, TCWM believes that voting proxies in accordance with the following guidelines, with respect to such routine items is in the best interest of our clients. TCWM will generally vote **for**:

- The election of directors (where no corporate governance issues are implicated);
- Proposals that strengthen the shared interests of shareholders and management;
- The selections of independent auditors based on management or director recommendation, unless a conflict of interest is perceived;



- Proposals that we believe may lead to an increase in shareholder value;
- Management recommendations adding or amending indemnification provisions in charter or by-laws;
- Proposals that maintain or increase the rights of shareholders.

TCWM will generally vote **against** any proposals that we believe will have a negative impact on shareholder value or rights. While all proxies will receive attention and consideration, more detailed research will be conducted for non-routine items and conflict of interest items. If TCWM perceives a conflict of interest, our policy is to notify affected clients in writing, so that they may choose the course of action they deem most appropriate.

Clients will receive their proxies directly from their custodian or transfer agent. If applicable, a record of proxies voted is available to clients upon request. As required under the Advisers Act, such records are maintained for five (5) years.

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

Registered Investment Advisers are required to provide you with certain financial information or disclosures about TCWM's financial condition. TCWM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of any bankruptcy proceeding.

#### **Privacy Policy**

TriCapital Wealth Management, Inc. collects non-public personal information about you from the following sources: Information received on applications, questionnaires, web site, or other forms and information about your transactions with our affiliates, others, or us. TCWM does not disclose any non-public information about our current or former customers to anyone, except as permitted by law or to provide the current services. Our employees have limited access to your personal information based on their responsibilities to provide products or services to you. Be assured that TCWM maintains physical, electronic, and procedural safeguards in compliance with federal standards to protect your information.