

**Item 1 – Cover Page**

**Firm Brochure**  
(Form ADV Part 2A)

**Cooper/Haims Advisors, LLC**

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This brochure provides information about the qualifications and business practices of Cooper/Haims Advisors, LLC (“Cooper/Haims”). If you have any questions about the contents of this brochure please contact the Chief Compliance Officer, Joelle Donahoe at 585.336.1318 or at [jdonahoe@cooperhaims.com](mailto:jdonahoe@cooperhaims.com). If you would like to request a copy free of charge, please call 585.248.6400 or email [cooperhaimsadvisors@cooperhaims.com](mailto:cooperhaimsadvisors@cooperhaims.com).

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. Registration with the SEC as an investment advisor does not imply a certain level of skill or training.

You can find additional information about our firm’s investment advisory services on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by clicking on the FIRM tab and then searching for our firm name Cooper/Haims or CRD # 124122.

## **Item 2 – Material Changes**

This item discusses specific material changes that are made to the Firm's Disclosure Brochure (the "Brochure") and provides readers with a summary of such changes. The following material change was made to this Brochure since our last annual update in March 2022:

- Form ADV Part 2A Brochure Hyperlink updated.

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## **Item 4 – Advisory Business**

Cooper/Haims Advisors, LLC (“Cooper/Haims”) is an investment adviser registered with the SEC since November 2002 and is a Limited Liability Company formed under the laws of the State of New York.

Cooper/Haims was acquired by ESL Investment Services, LLC, a FINRA member broker-dealer on October 1, 2019. ESL Investment Services, LLC is wholly-owned by ESL Federal Credit Union.

### **General Description of Primary Advisory Services**

As an SEC registered investment adviser, Cooper/Haims offers investment advisory services to retail investors for an ongoing asset-based fee based on the value of cash and investments in your account. Our advisory services include financial planning, tax planning and preparation, and investment consulting and management services. The following are brief descriptions of Cooper/Haims’ primary advisory services. A more detailed description of Cooper/Haims’ services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the description of services and description of fees in a side-by-side manner.

**Financial Planning Services** - Cooper/Haims provides advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focus on a client’s overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, estate planning, asset allocation, risk management, retirement planning, cash flow analysis, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

**Asset Management Services** - Cooper/Haims provides advisory services in the form of asset management services. Asset management involves providing clients with continuous and ongoing supervision over client accounts. This means that Cooper/Haims will continuously monitor a client’s account and make trades in client accounts when necessary.

**Outside Money Managers** - Cooper/Haims provides advisory services by referring clients to or selecting, unaffiliated money managers to manage a portion or entirety of a client account. Third-party money managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary.

### **Limits Advice to Certain Types of Investments.**

Cooper/Haims provides investment advice on the following types of investments:

- Mutual Funds
- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)
- Fixed income securities (i.e. bonds)

- Closed-End Funds and Exchange Traded Funds (ETFs)
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- United States government securities

Cooper/Haims does not provide advice on foreign issues, warrants, options contracts, futures contracts on tangibles and intangibles, interests in partnerships investing in real estate and oil and gas interest, or hedge funds and other types of private (i.e. non-registered) securities.

Cooper/Haims typically constructs each client's account holdings using mutual funds, ETFs, bonds, and equities to build diversified portfolios. It is not Cooper/Haims' typical investment strategy to attempt to time the market but we may increase or decrease cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations. *(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

### **Tailor Advisory Services to Individual Needs of Clients**

Cooper/Haims' services are provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

### **Client Assets Managed by Cooper/Haims**

Cooper/Haims had assets under management of \$719,956,052 as of December 31, 2022, managed on a discretionary basis and \$160,885,831 on a non-discretionary basis.

### **Miscellaneous Disclosures**

#### **IRA Rollover Considerations**

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or cash out the account value (which could, depending upon the client's age, result in adverse tax consequences. If a client is a participant in an employer-sponsored retirement plan such as a 401(k) plan, and decides to roll assets out of the plan into the account, Cooper/Haims would have a financial incentive to recommend that the client invest those assets in the account, because Cooper/Haims will be paid on those assets through advisory fees. You should be aware that such fees likely will be higher than those a participant pays through a plan, and there can be maintenance and other miscellaneous fees. As securities held in a retirement plan are generally not transferred to the account, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan. When acting in such capacity, we serve as a fiduciary under the

Employee Retirement Income Security Act (ERISA), or the Internal Revenue Code, or both. No client is under any obligation to roll over retirement plan assets to an account managed by Cooper/Haims.

#### Client Obligations

Cooper/Haims is not required to verify any information received from you or your other professionals and will rely on the information in its possession. Clients are responsible for promptly notifying Cooper/Haims if there is ever any change in their financial situation or investment objectives so that it can review, and if necessary, revise its previous recommendations or services.

### **Item 5 – Fees and Compensation**

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm’s advisory services along with descriptions of our fees.

Cooper/Haims’ general fee schedule is set forth below. Certain legacy clients have a different fee schedule. In addition, due to negotiations with clients and the complexity of a client’s financial situation, clients could pay different or higher fees than other similarly situated clients. Similar services can be available from other investment professionals for similar or lower fees.

Cooper/Haims generally requires a minimum of \$1,000,000 in assets for its comprehensive financial planning and asset management service. However, Cooper/Haims reserves the right to reduce or waive this minimum. There is no minimum requirement for future contributions to accounts receiving Cooper/Haims’ services.

Cooper/Haims fee arrangements for its services are described below.

#### **Comprehensive Financial Planning and Asset Management Services**

Cooper/Haims’ fees for Comprehensive Financial Planning, Tax Planning and Asset Management services will be charged in one or both of the following two ways:

1. As an annual fixed fee, the standard annual fixed fee is \$3,000 but can vary depending on the scope and complexity of each individual’s situation. The annual, fixed fee can increase up to \$60,000 for particularly complex clients. The fixed fee will be divided into four quarterly installments, payable in arrears, and is pro-rated for partial quarters.
2. As a percentage of the market value of assets under management (“AUM”). AUM fees are billed quarterly in arrears on the average daily balance for the prior quarter.

Each client’s exact fee schedule will be outlined in detail in their Financial Advisory Agreement based on the services chosen by the client. Fees based on the value of assets under management are outlined below and billed on a graduated schedule. The **standard** annual fee schedule for asset management services is:

#### **STANDARD FEE SCHEDULE**

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$0-\$1,000,000	1.10%
\$1,000,001 - \$2,500,000	0.75%
\$2,500,001 - \$5,000,000	0.60%

\$5,000,001 - \$10,000,000	0.50%
\$10,000,001 and up	0.35%

Cooper/Haims' fees are negotiable, depending upon the composition of the portfolio and certain other factors. The fixed and asset-based portions of Cooper/Haims' fees are generally prorated and paid quarterly in arrears and are debited directly from your account as provided in the advisory agreement.

You may terminate the advisory agreement without penalty at any time upon written notice to Cooper/Haims. In the event of termination upon notice, you will pay a prorated fee, based upon the number of days during which the agreement was in effect.

You should be aware that, under circumstances where your assets are invested in mutual funds and ETFs, you will indirectly pay for the underlying expenses of those funds in addition to the fees that you pay directly to Cooper/Haims and/or to a third party investment manager. You could purchase mutual funds, ETFs, and other securities without engaging Cooper/Haims. However, you would not receive Cooper/Haims' initial and ongoing services if you were to do so.

### Scope of Financial Planning Services

Cooper/Haims offers comprehensive financial planning and asset management services.

These services involve a detailed review of each client's personal and financial goals, and the development of a comprehensive plan that addresses issues that are relevant to your situation. These services generally include the collection of relevant data, the development of a net worth statement, a determination of cash flows, annual expense and annual savings projections, and a projection of asset growth over a specified period.

Depending upon your situation, these services may also include the following:

#### *Analysis of Employee Benefits*

- Collection of relevant data;
- Review of retirement plan formula;
- Review of tax-deferred savings plans;
- Review of insurance coverages; and
- Review of stock options.

#### *Retirement/Financial Independence Planning*

- Collection of relevant data;
- Projection of income, expenses, and assets, before and after retirement; and
- Advice concerning employer-sponsored retirement benefits.

#### *Insurance Planning*

- Collection of data relating to life, long-term care and disability policies including, as applicable, beneficiary designations;
- Preparation of analysis relating to survivorship benefits;
- Preparation of analysis relating to long-term care benefits;
- Preparation of analysis relating to disability benefits; and
- Gathering of proposals for additional insurance needs as appropriate.

### *Estate Planning*

- Collection of relevant data;
- Review of wills, trusts and beneficiary designations for purposes of understanding existing estate plan;
- Development of a financial analysis of existing estate plan;
- Discussion of alternative strategies for modifications to existing estate plan; and
- Discussion with estate attorney regarding recommendations for modifications.

### *Education Planning*

- Collection of relevant data;
- Facilitation of a process for creation of a family philosophy for education funding;
- Review of target dates, educational costs, and funding vehicles for children and/or grandchildren; and
- Calculation of needs and resources.

### *Income Tax Planning*

- Collection of relevant data;
- Preparation of income tax projections; and
- Analysis and discussion of tax saving opportunities.

### *Income Tax Preparation*

- Collection of relevant data;
- Preparation (and submission) of federal and state income tax forms.

### *Financial Planning Process*

At the outset of each engagement, you will be required to sign an advisory agreement, which describes Cooper/Haims' services, the financial planning process, an allocation of responsibilities (i.e. as between you and Cooper/Haims) and the general terms for the engagement.

Using the specific information provided by you, Cooper/Haims develops an initial financial plan, which provides a detailed analysis of your financial situation, and recommendations that address your specific needs and goals. The initial financial plan is modified from time to time, based upon changes in your circumstances and needs.

### Scope of Asset Management Services

Cooper/Haims provides investment advisory services that involve the implementation of one or more investment strategies that are designed to address each client's needs. You may grant authority to manage your assets on a discretionary or non-discretionary basis, with specific limitations or restrictions imposed by you. As discussed below, Cooper/Haims' discretionary authority is also limited by your investment objective and the guidelines set forth in your Investment Policy Statement.

Cooper/Haims will typically follow a five-step asset management process that is designed to respond to your individual needs and the dynamics of the capital markets. First, Cooper/Haims gathers the data which will enable Cooper/Haims to define your risk profile and investment objectives. Cooper/Haims then determines or recommends, depending upon the nature of the engagement (discretionary or non-discretionary), an asset allocation policy that it believes will be suitable for your investment needs. In some instances, Cooper/Haims uses the allocation services of a third-party investment manager. Cooper/Haims recommends that clients establish brokerage



accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"). Cooper/Haims has certain legacy clients that maintain their account with SEI Private Trust Company ("SEI"). Schwab is a registered broker-dealer, Member SIPC, and SEI is a federal savings bank regulated by the Office of the Comptroller of Currency. Both are responsible for maintaining custody of clients' asset and executing trades for client accounts. Both Schwab and SEI charge separate custodial and brokerage fees and expenses, which are set forth in your custodial applications or as schedules to the application. Please refer to *Item 12 – Brokerage Practices* for additional details about the recommended custodians. Cooper/Haims then prepares an Investment Policy Statement which is provided to you for review and approval. Cooper/Haims then identifies one or more investment strategies which will be used to seek to achieve the investment objectives set forth in the Investment Policy Statement. The investment strategies are implemented through an allocation of your assets among the various asset classes, as recommended by Cooper/Haims.

In addition, Cooper/Haims may choose to use specialist managers or Separate Account Programs. Under a Separate Account Program, your assets will be invested in (1) a portfolio of mutual funds ("Mutual Fund Portfolio"), (2) one or more portfolios of individual securities (each a "Managed Account Portfolio") or (3) a combination of the aforementioned.

Each Separate Account Program is managed by a third-party investment manager in accordance with investment strategies selected or recommended by Cooper/Haims. In each instance, the arrangement is governed by an agreement between the client, Cooper/Haims and the third-party manager who is authorized to manage the portfolio assets. You will be responsible for the management fees charged by each Separate Account Program, which is in addition to Cooper/Haims' fees. You will appoint a custodian for the account who may be affiliated with the third-party investment manager. You will be responsible for the custodian's fees, if any. Unless the Separate Account Agreement provides otherwise, you will not be responsible for the costs and charges associated with securities transactions, dealer mark-ups, mark-downs, and broker commissions. The custodian will provide to you regular reporting services, including consolidated monthly account statements, quarterly performance reports and annual tax reports.

### **Limitation of Services and Recommendations for Implementation**

Cooper/Haims does not serve as a law firm and no portion of its services should be viewed as legal services. If requested by a client, Cooper/Haims may recommend the services of other professionals for implementation purposes, including Jared Haims as a licensed insurance agent. The client is under no obligation to engage those professionals. The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation from Cooper/Haims and its advisors. If the client engages any recommended professional, and a dispute arises regarding that engagement, the client agrees to seek recourse exclusively from and against the other professional. Jared Haims' recommendation to purchase an insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than on your particular need. No client is under any obligation to purchase any insurance commission products through Jared Haims. You may purchase insurance products Jared Haims recommends through other, non-affiliated insurance agents.

### **Oversight of Advisory Accounts**

In all cases, Cooper/Haims will oversee your investments on an ongoing basis to ensure the overall portfolio remains consistent with your investment objectives and guidelines as set forth in the Investment Policy Statement. Based on its review of portfolio performance, your investment

objectives and any change to your reported financial circumstances or investment objectives, Cooper/Haims will make, or provide on-going advice or recommendations as it deems appropriate. In the case of a Separate Account Program, you, Cooper/Haims, or both, depending upon the arrangement, will have the authority to terminate any third-party investment manager's authority regarding your funds invested in a Separate Account Program.

### **Billing on Idle Assets**

At any time and for a substantial length of time we may choose to hold a portion of a client's assets in cash or cash equivalents. Investments in these assets may cause a client to miss out on upswings in the markets. Unless we expressly agree otherwise in writing, account assets consisting of cash and cash equivalents, including money market funds, are included in the value of an account's assets for purposes of calculation of our asset management fees.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Brochure because Cooper/Haims does not charge or accept performance-based fees. Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

## **Item 7 – Types of Clients**

Cooper/Haims generally provides investment advice to the following types of clients:

- Individuals
- High-Net Worth Individuals
- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

### **Minimum Investment Amounts Required**

Cooper/Haims generally requires a minimum of \$1,000,000 in assets for its comprehensive financial planning and asset management service. All clients are required to execute an agreement for services in order to establish a client arrangement with Cooper/Haims and/or the third-party money manager or the sponsor of third-party money manager platforms.

The minimum annual fee generally charged for our comprehensive financial planning and asset management service is \$3,000.

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

Our Investment Strategies management is core to how we support individuals and families in achieving their financial goals and our investment approach seeks to maximize the odds of success for each client by adding value in six distinct ways:

1. An understanding of each client's investment objectives, risk tolerance, and investment preferences
2. Intelligent asset allocation based on thorough and ongoing research on each asset class, conducted by our consultants and reviewed by our in-house research team

3. An asset class implementation plan based on rigorously researched individual investment options, which can include a mix of fixed-income investments and equity investments, including mutual funds and ETFs, as well as separate accounts managed by third party managers that invest directly in securities. These fixed-income and equity investments can vary by the sector, size, quality, and geographic location of the issuer. Additionally, as appropriate, we may use alternative investments or strategies, such as real estate funds, arbitrage funds, commodity futures funds and absolute-return-oriented funds. The percentage allocated to each asset class is dependent upon the client's designated investment objectives as laid out in the Investment Policy Statement.
4. A risk-management overlay that takes into account multiple risk scenarios
5. Consideration of taxes in investment selection and ongoing portfolio management
6. A consistent, ongoing communication process to ensure our clients understand their investment strategy, increasing the odds that they stick with the investment program in order to benefit from our long-term focus

Our wealth advisors are also members of our investment strategy committee, which meets monthly to discuss the state of financial markets, asset class and manager developments, and issues related directly to the implementation of our clients' investment strategies.

### **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there will be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- Market Risk. Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- ETF and Mutual Fund Risk. When investing in an ETF or mutual fund, you will bear

additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.

- **Management Risk.** Your investment with our firm varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

In addition to the above investment and portfolio construction risks, various operational and system risks can disrupt Cooper/Haims' business operations and result in harm to clients.

### **Cybersecurity Risk**

With the increased use of technology to conduct business, the Firm and its affiliates are susceptible to operational, information security, and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events that can arise from external or internal sources. Cyberattacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information; corrupting data, equipment, or systems; or causing operational disruption. Cyberattacks can also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Firm, its affiliates, or any other service providers (including but not limited to custodians and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to calculate asset prices, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which an account invests, counterparties with which an account engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers) and other parties.

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

Item 9 is not applicable to this Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

Cooper/Haims is **not** a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) pension consultant, (9) real estate broker or dealer, or (10) sponsor or syndicator of limited partnerships.

Cooper/Haims is wholly-owned by ESL Investment Services, LLC, a FINRA member broker-dealer. ESL Investment Services, LLC is wholly-owned by ESL Federal Credit Union. In addition, ESL Trust Services, LLC is also wholly-owned by ESL Federal Credit Union.

### **Other Business Activities**

#### **Tax Preparation Services**

While Cooper/Haims Advisors, LLC offers tax preparation services as an optional service for advisory clients who have contracted for such services, we also offer tax preparation services as a separate service to individuals who are not advisory clients of Cooper/Haims Advisors, LLC. Tax preparation services typically involve meeting with the client to collect all relevant data necessary to complete the client's required income tax forms, and then preparing and submitting those tax forms on behalf of the client. Tax preparation services provided outside the scope of an advisory agreement with Cooper/Haims is provided on an hourly basis.

#### **Insurance Services**

Jared Haims, in his separate capacity, is a licensed insurance agent. He may receive commissions and other benefits from the sale of insurance products to advisory clients of Cooper/Haims. Clients are under no obligation to purchase insurance products from him when considering implementation of recommendations and clients may choose to purchase insurance products through other unaffiliated insurance agents.

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

### **Code of Ethics Summary**

The Cooper/Haims Code of Ethics sets forth the Firm's governing principles relating to the conduct of its members, officers, investment adviser representatives and employees. It recognizes that it is the responsibility of all supervisory personnel, investment advisor representatives and employees to ensure that Cooper/Haims conducts its business with the highest level of ethical standards and in keeping with its fiduciary duties to its clients. A copy of the Code of Ethics is available to clients and prospective clients upon request without charge.

In addition to abiding by our Code of Ethics, some of our advisors are CERTIFIED FINANCIAL PLANNERS™ (CFP®) and also abide by the CFP Board's Code of Ethics and Standards of Conduct of the CERTIFIED FINANCIAL PLANNER™ Board of Standards, Inc. The Code of Ethics and Standards of Conduct requires CFP® professionals to not only comply with all applicable laws and regulations but to also act in an ethical and professional responsible manner in all professional services and activities. The Duties Owed to Clients of CFP® professionals are:

- Fiduciary Duty:
  - Duty of Loyalty
  - Duty of Care
  - Duty to Follow Client Instructions
- Integrity
- Competence
- Diligence
- Disclose and Manage Conflicts of Interest
- Sound and Objective Professional Judgement

- Professionalism
- Comply with the Law
- Confidentiality and Privacy
- Provide Information to a Client:
- Duties when Communicating with a Client
- Duties when Representing Compensation Method
- Duties when Recommending, Engaging, and Working with Additional Persons
- Duties when Selecting, Using, and Recommending Technology
- Refrain from Borrowing or Lending Money and Commingling Financial Assets

You can obtain a copy of the *Code of Ethics and Standards of Conduct* by requesting a copy from one of our CFP® professionals.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

Cooper/Haims has adopted a Code of Ethics which establishes a standard of conduct for its employees and includes procedures that govern personal securities transactions effected by its employees and certain other persons ("Access Persons"). Access Persons must report securities transactions to the Firm on a quarterly basis and their holdings on an annual basis. Subject to compliance with the Code of Ethics, the principals, other employees, and affiliated persons of Cooper/Haims can buy or sell for their own personal accounts securities which have also been recommended by Cooper/Haims to clients or similar securities. Cooper/Haims believes that any such securities transactions are likely to be statistically insignificant in relation to the market as a whole, or in the case of open mutual funds, not to have any impact on price.

Cooper/Haims has adopted procedures designed to prevent employees from committing prohibited insider trading. Employees in possession of material, nonpublic information cannot trade in securities to which the information is related or tip such information to others.

### **Item 12 – Brokerage Practices**

Clients are under no obligation to act on the financial planning recommendations of Cooper/Haims. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible.

### **Investment or Brokerage Discretion**

Cooper/Haims accepts general discretion to determine the selection and quantity of securities to purchase and sell in client accounts. Cooper/Haims also retains discretionary authority to hire and fire independent investment managers that manage a client's account. Additionally, Cooper/Haims accepts general discretion in client accounts with respect to the broker or dealer to be used and the commission rates to be paid for transactions that occur in an outside program where a third-party investment manager is used. Clients granting such discretionary authority may place restrictions and limitations on Cooper/Haims' discretionary authority.

The principals and associated persons of Cooper/Haims do not have rights to withdraw or transfer either cash or securities from the clients' account other than (1) pursuant to specific written authority via a power of attorney; (2) for transactions in the client's name; and (3) for the payment of fees and costs specifically authorized in the client's investment advisory agreement with

## Cooper/Haims.

Unless the client instructs Cooper/Haims otherwise, Cooper/Haims will place orders for the execution of transactions with or through a broker/dealer Cooper/Haims selects. In selecting a broker/dealer, Cooper/Haims seeks to obtain best execution. As part of these practices, Cooper/Haims gathers relevant information, monitors trading activities, and periodically reviews and evaluates the services provided by broker/dealers, quality of executions, and researches commission rates and overall relationships. However, clients can use or direct in their investment advisory agreement that Cooper/Haims use a broker/dealer of the client's choice.

Cooper/Haims recommends that clients establish brokerage accounts with the Schwab Institutional division of Schwab. Cooper/Haims has certain legacy clients that maintain their account with SEI. Schwab is a registered broker-dealer, Member SIPC, and SEI is a federal savings bank regulated by the Office of the Comptroller of Currency. Both are responsible for maintaining custody of clients' assets and effecting trades for client accounts.

Cooper/Haims is wholly-owned by ESL Investment Services, LLC, a FINRA member broker-dealer. Cooper/Haims and ESL Investment Services, LLC are not affiliated with Schwab or SEI. Schwab and SEI provide us with access to institutional trading and custody services, which are typically not available to Schwab or SEI retail investors. The Schwab services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's assets are maintained in accounts at Schwab, and are not otherwise contingent upon the advisor committing to Schwab any specific amount of business (assets in custody or trading). Schwab's and SEI's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For client accounts maintained in their custody, Schwab and SEI generally do not charge separately for custody but are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through or that settle into their accounts. Certain Separate Account Programs are wrap-fee programs where clients pay a single asset-based fee for asset management, custody, and brokerage. In other Separate Account Programs, clients may be responsible for paying asset-based fees that cover their brokerage fees. Schwab and SEI also make available to our firm other products and services that benefit us but may not benefit our clients' accounts. Some of these other products and services assist us in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of our accounts, including accounts not maintained at the specific custodian providing the products and services that assist us in managing accounts. Schwab and SEI also make available to our firm other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services rendered to us by independent third parties. Schwab and SEI may discount or waive fees that would otherwise be charged for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. While as a fiduciary, Cooper/Haims endeavors to act in its clients' best interests, our recommendation that clients maintain their assets in accounts at Schwab or SEI may be based in part on the benefit to our firm of the availability of some of the aforementioned products and services and not solely on the nature, cost or quality of custody and brokerage services provided

by Schwab or SEI, which may create a conflict of interest.

### **Handling Trade Errors**

Cooper/Haims has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Cooper/Haims to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction (e.g., due to tax reasons). In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by Cooper/Haims if the error was caused by the firm. If the broker-dealer or custodian causes the error, they will be responsible for handling the trade correction. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain, in which case affected clients will share in the gain. Cooper/Haims may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons).

### **Block Trading Policy**

Transactions implemented by Cooper/Haims for client accounts are generally effected independently unless we decide to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when Cooper/Haims believes such action may prove advantageous to clients. When Cooper/Haims aggregates client orders, the allocation of securities among client accounts will be done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among our firm's clients in proportion to the purchase and sale orders placed for each client account on any given day. When Cooper/Haims determines to aggregate client orders for the purchase or sale of securities, including securities in which Cooper/Haims may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, SMC Capital, Inc. It should be noted, Cooper/Haims does not receive any additional compensation or remuneration as a result of aggregation.

### **Principal and Cross Transactions**

Cooper/Haims does not engage in principal transactions. A principal transaction occurs when an adviser, acting for its own account (or the proprietary account of an affiliate), buys a security from or sells a security to, a client's account. Section 206(3) of the *Advisers Act* ("Section 206(3)") governs principal transactions and prohibits transactions where an adviser is acting as a principal for its own account and knowingly buys or sells securities from or to, a client, unless the client consents to the principal transactions after receiving full disclosure. This would also apply when an affiliate of the adviser is acting in a principal capacity with the advisory client such as when an adviser causes a client to engage in a trade with the adviser's affiliate.

Cooper/Haims will not engage in cross transactions that involve a broker/dealer and where Cooper/Haims has discretion over only one of the client accounts involved in the transaction and it,



or an affiliated broker/dealer, executes the transaction for both sides in a brokerage capacity.

Cooper/Haims may engage in cross trades when it is deemed to be in the best interest of the client. A cross trade occurs when a transaction is implemented between two different clients, both of which are managed by Cooper/Haims. These types of cross transactions will only be used when it can be determined that doing so would achieve “best execution” and benefit the clients involved by saving commissions, market impact costs, and other transaction charges.

Cross trades will not be performed if an account is subject to ERISA since it is virtually prohibited. In addition, if a client account managed by Cooper/Haims is deemed to hold “plan assets”, then cross trades will be prohibited regardless of whether the other side to the transaction is subject to ERISA.

### **Item 13 – Review of Accounts**

#### **Account Reviews and Reviewers**

The services for which clients contract Cooper/Haims include periodic review of their financial plans and consulting recommendations. Reviews will be performed by the client’s advisor, who will meet periodically with clients to review their account(s). Matters to be reviewed and discussed include the investment and money managers used, as well as economic conditions and other matters of importance. Reviews are conducted to ensure that client assets are invested according to the client’s goals, objectives, time horizon, risk tolerance and liquidity needs, but also follow Cooper/Haims’ basic investment philosophies. There is no limit to the number of accounts each advisor may review. Financial plans are prepared for clients who have retained Cooper/Haims for this purpose. Upon completion of the plan, Cooper/Haims will deliver the plan and answer questions regarding its content. Cooper/Haims will periodically review and discuss the plan with the client to the extent that it deems such review and discussion appropriate to meet the client’s investment objectives. The philosophy of Cooper/Haims is that the financial plans are an ongoing process that will change over time.

For a comprehensive list of Cooper/Haims investment advisers and their backgrounds, please refer to Form ADV Part 2B – Brochure Supplement.

#### **Statements and Reports**

Clients whose investment advisory accounts are invested through third-party investment managers used by Cooper/Haims will receive at least quarterly statements from the custodian indicating the client’s holdings. In addition, the client will receive a quarterly report, indicating market value, cash flows, gains and losses, asset allocation and performance related to a style benchmark where appropriate. Quarterly performance reports for Schwab accounts are sent by Cooper/Haims. Clients should carefully review those statements and are urged to compare the statements against reports received from Cooper/Haims. When clients have questions about their account statements, they should contact Cooper/Haims or the qualified custodian preparing the statement. Quarterly performance reports for SEI are sent from SEI. Investors may also obtain account balances and holdings information and review account history electronically through the custodian’s website. Website access requires that security procedures be followed as a condition to entry. Annually, clients will receive an annual tax report from the account custodian.

## Item 14 – Client Referrals and Other Compensation

Cooper/Haims does not currently compensate any person for new client introductions.

## Item 15 – Custody

Custody, as it applies to investment advisers, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Cooper/Haims is deemed to have custody of client funds and securities whenever Cooper/Haims is given the authority to have fees deducted directly from client accounts. In addition, some of our advisors serve as trustee for advisory clients. The role of the advisors as trustee is imputed (or “assigned”) to Cooper/Haims and therefore we are deemed to have custody of those client funds and securities. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

Cooper/Haims also has received from certain clients standing letters of authorization that permit it to instruct the account’s custodian to transfer funds to other accounts. Cooper/Haims is deemed to have custody of those client funds where it has the ability to transfer funds to a third party.

For accounts in which Cooper/Haims is deemed to have custody, Cooper/Haims has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client’s name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian’s name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client’s independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Cooper/Haims. When clients have questions about their account statements, they should contact Cooper/Haims or the qualified custodian preparing the statement. Finally, affiliated trustee accounts managed by us are subject to an annual surprise verification examination conducted by a third-party, independent accounting firm.

## Item 16 – Investment Discretion

Through its asset management services and upon receiving written authorization from a client, Cooper/Haims will maintain trading authorization over client accounts. Upon receiving written authorization from the client, Cooper/Haims may implement trades on a **discretionary** basis. When discretionary authority is granted, Cooper/Haims will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client’s portfolio without obtaining the client’s consent for each transaction. If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended

- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, Cooper/Haims will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that can be purchased in an account. Clients also have the ability to place reasonable limitations on the discretionary power granted to Cooper/Haims so long as the limitations are specifically set forth or included as an attachment to the client agreement.

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

Cooper/Haims generally does not have or accept authority to vote proxies on behalf of your account. You will receive proxies directly from your custodian or transfer agent. Clients should contact us with questions about a particular solicitation.

In very limited situations, Cooper/Haims has the authority to vote proxies on behalf of client accounts, but it does not exercise its authority. When Cooper/Haims receives proxies on a client's behalf, it will forward them to clients. If this is the case, it is your responsibility to vote all proxies for securities held in your accounts managed by our firm.

Cooper/Haims will not be responsible and each client has the right and responsibility to take any actions with respect to any legal proceedings, including without limitation, bankruptcies and shareholder litigation, and the right to initiate or pursue any legal proceedings, including without limitation, shareholder litigation, including with respect to transactions, securities or other investments held in the client's account or the issuers thereof. Cooper/Haims is not obligated to render any advice or take any action on a client's behalf with respect to securities or other property held in the client's account, or the issuers thereof, which become the subject of any legal proceedings, including without limitation, bankruptcies and shareholder litigation, to which any securities or other investments held or previously held in the account, or the issuers thereof, become subject.

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

Item 18 is not applicable to this Brochure. Cooper/Haims does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Cooper/Haims has not been the subject of a bankruptcy petition at any time.