

**Part 2A of Form ADV: *Firm Brochure***

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**This brochure provides information about the qualifications and business practices of Anchor Capital Management, LLC. (hereinafter “ACM” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (607) 272-0004 or at [anne@anchorithaca.com](mailto:anne@anchorithaca.com) or. 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.**

**Additional information about ACM is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for ACM is 124600. Registration with the SEC does not imply any level of skill or training.**

**Item 2. Summary of Material Changes**

Since the last annual filing of our Form ADV Part 2 Brochure, dated February 1, 2022, Anchor Capital Management has implemented a succession plan with GoalVest. The minimum quarterly retainer for financial planning has gone from \$2,000 to \$3,000. Anchor has had a change in portfolio management fees from 1.0% up to 1.2%.

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#### **Item 4. Advisory Business**

ACM is a fee-only investment adviser registered with the Securities and Exchange Commission (“SEC”). Our principal place of business is located in Ithaca, New York. Our firm has been in business since 1983 (operating as Anne C. Chernish, CFP sole proprietorship until 2007). Anne Christine Chernish, Managing Member and President, is the firm’s principal owner.

Discretionary assets under our firm’s management were \$37,502,581 as of December 31, 2022.

##### Portfolio Management Services

Our firm is in the business of managing individually tailored investment portfolios. We provide continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or individual investment plan and create and manage a portfolio based on that policy or plan. During our data-gathering process, we determine the client’s individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client’s prior investment history, as well as family composition and background.

We will manage advisory accounts on a discretionary or non-discretionary basis. For discretionary accounts, we will implement transactions without seeking prior client consent.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

##### Financial Planning/Consulting Services

Financial planning is a comprehensive evaluation of a client’s current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- Personal: Family records, budgeting, personal liability, estate information and financial goals;
- Tax & Cash Flow: Income tax and spending analysis and planning for past, current and future years. We will illustrate the impact of various investments on a client's current income tax and future tax liability;

- Death & Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis;
- Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals;
- Investments: Analysis of investment alternatives and their effect on a client's portfolio;
- Estate: Analysis of financial issues with respect to living trusts, wills, estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law; and

We gather required information through in-depth personal interviews. Information gathered includes a client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should a client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her investment adviser, attorney, accountant, insurance agent, and/or stockbroker. A client may retain the services of our firm to manage assets and implement his/her financial plan recommendations. However, implementation of financial plan recommendations is entirely at the client's discretion.

Typically the financial plan will be presented to the client within 90 days of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the client.

Clients can also receive investment advice on a more limited basis. This may include advice on asset allocation to participants in self-directed retirement plans or an isolated area(s) of concern such as investment strategy consultations, estate planning, retirement planning, or any other specific topic. We also offer advice on non-securities matters such as estate planning,

### Services in General

Our investment, financial planning and consulting recommendations are not limited to any specific product or service offered by a broker dealer and will primarily include advice regarding the following instruments:

- Exchange-listed securities
- Exchange traded funds (ETFs)
- Mutual funds
- Corporate debt securities
- Interests in pooled investment vehicles
- Securities of foreign issuers

Occasionally, we may address investments in the following instruments:

- Warrants

- Commercial paper
- Certificates of deposit
- Municipal securities
- United States government securities

We tailor all of our portfolio management, financial planning and consulting recommendations to the individual needs of each client. All such recommendations are tailored based on information gathered through client questionnaires, electronic communications, telephone and in-person discussions.

As part of the succession planning Anchor recommends that clients sign a Limited Power Of Attorney naming GoalVest Advisory, LLC (“GoalVest”) as a subadvisor. In the event that Anchors’ Managing Member becomes unavailable temporarily or for a longer term, GoalVest will manage Anchors’ clients accounts in accordance with the information provided to Anchor by its clients and according to the clients’ individual needs and goals.

GoalVest will receive a portion of the fees charged by Anchor as compensation for this service.

Anchor will pay GoalVest an ongoing fee equal to 0.10% of the managed assets of clients who sign the GoalVest Limited Power Of Attorney. The fee you paid to GoalVest will not be increased to pay for GoalVest’s services.

In the event that Anchor or its Managing Member become permanently unavailable Anchor recommends that clients assign their advisory agreement to GoalVest.

GoalVest and Anchor are unaffiliated entities.

## **Item 5. Fees and Compensation**

### **Portfolio Management Services**

For this service, we charge an annual fee based on a percentage of assets under our management. Fees are negotiable, based on the size of assets under management, potential growth, and the client’s relationship to the firm, but will not exceed 1.20% of assets under management.

Depending on the particular arrangement with each client, we will either invoice clients or directly debit their custodial accounts for portfolio management fees. If the fee is directly debited, we will adhere to the following procedure:

1. We will obtain a written authorization from the client, permitting our fees to be paid directly from the client's account held by an independent custodian;
2. We will send a fee statement to the client and the custodian at the same time. The client’s fee statement will show the amount of the advisory fee and how it was calculated, while the custodian’s fee statement will only show the amount of the advisory fee;

3. We will inform the client that it is the client's responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated; and
4. The custodian will agree to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

Portfolio management fees are billed in advance at the beginning of each quarter, based upon the billable balance on the last day of the previous calendar quarter.

#### Financial Planning Services

For this service, we charge an initial first-meeting deposit of \$500 and subsequently, a minimum fixed quarterly retainer of \$3,000. Financial Planning fees will be waived for those clients who engage us for Portfolio Management Services described above.

The first-meeting deposit is payable in advance of the scheduled meeting. Quarterly retainers are payable quarterly in advance. No refunds are given for initial deposits or quarterly retainers. At the outset of services, we will provide an estimate of hours; clients will provide a 50% deposit of this estimated price.

#### Consulting Services

Note that consulting services are offered only to those who already receive portfolio management services, and are not offered on a standalone basis. For this service, we charge an initial first-meeting deposit of \$500 and subsequently, an hourly fee, ranging from \$50 to \$250, depending on the staff assigned to the project and the complexity of the engagement. An estimate of the total amount will be provided to the client prior to the commencement of the engagement. The first-meeting deposit is payable in advance of the scheduled meeting and is not refundable. A written agreement for each project will be executed between ACM and the client.

Consulting fees are due and payable once we deliver the contracted-for work product to the client. An advance retainer may be required under certain circumstances.

#### Fees in General

Fees and account minimums for all services are negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, competitive considerations, etc.). Discounts, not generally available to our advisory clients, may be offered to family members and friends.

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain legacy client agreements may be governed by fee schedules different from those listed above.

Under no circumstances will we earn fees in excess of \$1,200 for a period of more than six months in advance of services rendered.

### Account Termination

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees, other than the non-refundable items for Financial Planning and Consulting services, as specified above. Thereafter, the client may terminate the agreement by providing us with a 30-day written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, other than the non-refundable items for Financial Planning and Consulting services, as specified above, and any earned, unpaid fees will be due and payable. Clients should contact Anne Chernish directly with any questions regarding refunds.

Mutual Fund and ETF Fees and Expenses: All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or and ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Certain mutual funds charge “front-end loads” or “back-end loads” which are paid to investment intermediaries as sales commissions. As such, these sales charges are not part of a mutual fund's operating expenses and are deducted from the investment amount, thus lowering the size of the investment. Certain mutual funds also charge annual marketing or distribution fees. These 12b-1 fees are considered an operational expense and, as such, are included in a fund's expense ratio. We attempt to avoid all front or bank end-loaded funds. We utilize no-load or no 12b1 funds, except for hold if already owned noted above.

### Brokerage, Custodial, and Third-Party Manager Fees

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, trade-away and custodial fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

### Additional Compensation

Neither our firm nor any our supervised persons receive compensation for the sale of securities or other investment products.

### Conflicts of Interest



***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***ERISA Accounts:*** Anchor is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, FIRM may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset FIRM's advisory fees.

***Advisory Fees in General:*** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

***Limited Prepayment of Fees:*** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

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

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7. Types of Clients**

Our firm generally provides advisory services to individuals, pension and profit sharing plans, trusts, estates and charitable organizations.

We normally impose a minimum account size of \$500,000 for Portfolio Management services, but may waive this minimum for clients, based on criteria such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, and competitive considerations.

We normally require Financial Planning clients to have a minimum net worth of \$500,000; however, this may similarly be waived for the same reasons mentioned above.

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

Our firm employs the following types of analysis to formulate client recommendations:

Fundamental Analysis: Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may mis-price a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mis-priced security and then waiting for the market to recognize its "mistake" and re-price the security. We monitor the macroeconomic environment looking for undervalued asset classes and industries. We maintain a disciplined strategy for selecting and monitoring investments from the thousands available worldwide. We utilize commonly accepted and proprietary metrics to identify individual securities meeting criteria for value or growth at a reasonable price. We narrow the field to a list of approximately 100 issues deemed to have the best chance to outperform the market averages.

However, fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock. Therefore, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses.

Mutual fund and/or ETF analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Technical analysis. After all investment selections have passed a rigorous fundamental analysis, we may employ technical analysis as a buy/sell timing indicator. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and to potentially predict future price movement.

Cyclical analysis: In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

ESG analysis: As part of our analysis, we look at how companies approach issues relating to the environment (E) and social issues (S), as well as how the company is governed (G). We believe that investing in companies which meet these benchmarks will result in growth for our clients however, ESG is only one of many criteria.

Charting: In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Risks for all forms of analysis: Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Our firm employs the following investment strategies to implement investment advice given to clients:

Long-term purchases: We mostly purchase securities with the idea of holding them in the clients account for three to five years or more. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Margin transactions: At times, and only if we have express client pre-authorization, we will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in your account minus what you owe the broker falls below a certain level, the broker will issue a “margin call”, and you will be required to sell your position in the security purchased on margin or add more cash to the account. In some circumstances, you may lose more money than you originally invested.

***Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal that a client should be prepared to bear.***

## **Item 9. Disciplinary Information**

Our firm has no reportable disciplinary events to disclose.

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

Anne Chernish is a member and manager of Rampart Real, LLC (hereinafter, “Rampart”), a pooled investment vehicle created to own land and build office space. Rampart will not invest in securities or other financial instruments. Our firm is not retained as an investment manager to Rampart.

Outside of the above, Anchor Capital and its supervised persons do not engage in any other financial industry activities.

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

### Code of Ethics Disclosure

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm’s access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to our advisory clients and prospective clients upon request to Anne Chernish, Managing Member and President, at the firm’s principal office address.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to or purchased for customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. This practice results in a conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

As these situations represent a conflict of interest, we have established the following restrictions in order to ensure its fiduciary responsibilities:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client;
2. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts;
3. In cases of partial fills, client trades receive first priority;
4. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations;

5. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority
6. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices; and
7. Any individual not in observance of the above may be subject to disciplinary action or termination.

## **Item 12. Brokerage Practices**

We do not have any formal soft-dollar arrangements and do not contract with any broker dealer to receive soft-dollar benefits. This means that we do not receive research or gain access to industry analysts or conferences in return for paying higher commissions for client trades to a particular broker dealer.

We do not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. Clients must direct us as to the broker dealer to be used for all client securities transactions. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among various brokers, and best execution may not be achieved, resulting in higher transaction costs for clients. *Not all advisers require their clients to direct brokerage.*

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may also recommend the use of one of several broker dealers (including, but not limited to Charles Schwab and Co., Inc. (hereinafter “Schwab”), and UBS), provided that such recommendation is consistent with our fiduciary duty to the client. Our clients must evaluate these brokers before opening an account. The factors we consider when making a brokerage recommendation are the broker's ability to provide professional services, our experience with the broker, the broker's reputation and financial stability, quality of the trading platform, access to specific investment instruments, and the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to effect trades through any recommended broker.

Our firm participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Schwab. Clients in need of brokerage and custodial services will have Schwab recommended to them. While there is no direct linkage between the investment advice given and participation in the SI program, economic benefits are received which would not be received if our firm did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in the SI program

may or may not depend upon the amount of transactions directed to, or amount of assets custodied by, Schwab.

Participation in the SI program results in a conflict of interest for our firm, as the receipt of the above benefits creates an incentive for us to use Schwab for the execution of client trades.

In addition to the SI program, Schwab may advertise our services as an investment adviser, as part of its “Find an Adviser” program, which seeks to match clients with investment advisers. Participation in this program results in a conflict of interest as well, as receipt of the above benefits creates an incentive for us to use Schwab for the execution of client trades.

Nonetheless, we have reviewed the services of Schwab and recommend the services based on a number of factors. These factors include the professional services offered, commission rates, and the custodial platform provided to clients. Schwab has a low commission schedule for electronic trades and slightly higher rate for clients who require paper confirmations there is not a need for commission negotiation.

Should we decide to use another broker dealer to execute a client trade due to better availability, liquidity, or pricing, Schwab will charge an additional trade-away fee for each such trade. Therefore, we will only use this trade-away ability in situations with compelling financial reasons.

If a client, when undertaking an advisory relationship with our firm, already has a pre-established relationship with a broker and instructs us to execute all transactions through that broker, it should be understood that under those circumstances, we will not have the authority to negotiate commissions, obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients since our firm may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker if we believe that this choice would hinder its fiduciary duty to the client and/or its ability to service the account.

#### Trade Aggregation

We typically aggregate client trades when doing so is advantageous to our clients. Mostly, we will batch client transactions to obtain better and more uniform pricing across client accounts. If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed from each client account on any given day. Any exceptions from the pro-rata allocation procedure will be carefully explained and documented. Such exceptions may occur due to varying cash availability across accounts, divergent investment objectives and existing concentrations, tax considerations, investment restrictions, performance relative to the applicable benchmark, performance relative to other accounts in the same strategy, and desire to avoid “odd lots,” (an amount of a security that is less than the normal unit of trading for that particular security).

In situations where we do not aggregate trades or use multiple brokers to complete a trade, we will fill client accounts on a rotational basis.

### **Item 13. Review of Accounts**

#### Portfolio Management Services

Anne Chernish, Managing Member and President, will continuously monitor the underlying securities in client accounts and perform at least weekly pricing reviews of account holdings for all clients. If the price of an individual security has fluctuated substantially up or down, reasons for change in price are determined and continued inclusion in each portfolio is analyzed. Periodically, but at least annually, allocation of assets and appropriateness for each individual is also reviewed. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Political, geopolitical and macroeconomic specific events may also trigger reviews. There is currently no limit on how many accounts Ms. Chernish may be assigned to review.

In addition to the monthly statements and confirmations of transactions that these clients receive from their broker dealer and/or custodian(s), we will provide quarterly reports summarizing account performance, balances and holdings.

#### Financial Planning/Consulting Services

Anne Chernish, Managing Member and President, will review these client accounts as contracted for at the inception of the advisory relationship. We will provide Financial Planning clients with a completed financial plan. We will not typically provide additional reports unless otherwise contracted for at the inception of the advisory relationship.

For those clients engaging us for Consulting Services, we will not provide any ongoing reviews or reports beyond those specifically outlined in the advisory agreement(s).

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

Our firm does not receive compensation or compensate anyone for client referrals.

### **Item 15. Custody**

Custody is defined as any legal or actual ability by our firm to access client funds or securities. Since all client funds and securities are maintained with a qualified custodian, we don't take physical possession of client assets. However, we urge all of our management clients to carefully review and compare their quarterly reviews of account holdings and/or performance results received from us to those they receive from their custodian. Should you notice any discrepancies, please notify us and/or your custodian as soon as possible.

We are deemed to have custody because we directly debit our fees from client accounts held by qualified custodians. Additionally, clients may create Standing Letters of Authorization (“SLOAs”), which allow us to transfer funds from client accounts to designated first- or third-party accounts. These SLOAs follow the guidance outlined by the SEC in its February 2017 No-Action Letter to avoid the necessity of a surprise custody examination.

#### **Item 16. Investment Discretion**

For clients granting us discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the executed advisory agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

#### **Item 17. Voting Client Securities**

Advisory clients may elect to delegate their proxy voting authority to us. Alternatively, clients may, at their election, choose to receive proxies related to their own accounts. (With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor’s right to vote proxies.) We do not accept client instructions on how to vote a specific proxy, and will not provide consultation regarding proxy voting to clients who wish to vote securities on their own behalf.

When we have discretion to vote proxies for our clients, we will vote those proxies in the best interests of our clients and in accordance with our established policies and procedures. Part of this best interest analysis will include ESG analysis, which was covered in Item 8. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a list of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Anne Chernish directly. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client’s account(s), including, but not limited to, the filing of “Proofs of Claim” in class action settlements.

#### **Item 18. Financial Information**

Under no circumstances will we earn fees in excess of \$1,200 for a period of more than six months in advance of services rendered.