

**Item 1:       Cover Sheet**

**PART 2A OF FORM ADV:  
INFORMATIONAL BROCHURE**

**SNOW FINANCIAL MANAGEMENT**

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**March 23, 2023**

**This brochure provides information about the qualifications and business practices of Snow Financial Management. If you have any questions about the contents of this brochure, please contact us at 631-537-5033 or via email at [snow@snowassetmanagement.com](mailto:snow@snowassetmanagement.com). 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. Snow Financial Management is a registered investment adviser. Registration does not imply any certain level of skill or training.**

**Additional information about Snow Financial Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2:           Statement of Material Changes**

Snow Financial Management, LLC is required to report material changes since the last issuance of this brochure. There are no material changes to this brochure.

**Item 3: Table of Contents**

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INFORMATIONAL BROCHURE  
SNOW FINANCIAL MANAGEMENT

**Item 4:       Advisory Business**

A.       Firm Information

Snow Financial Management (“SFM”) has been in business since 1997. The firm’s principal, Michael Snow has over 40 years of experience in the investment industry.

B.   Advisory Services Offered

SFM provides personalized investment management services. The firm provides financial advice to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, retirement accounts, charitable organizations and businesses.

Asset Management

*Separate Accounts*

SFM requires each client to place at least \$500,000 with the firm. This minimum may be waived at the discretion of SFM.

Asset management services may be provided on a “discretionary” basis. When SFM is engaged to provide asset management services on a discretionary basis, SFM will monitor the accounts to ensure that they are meeting the client’s asset allocation requirements. If any changes are needed, SFM will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. Clients may at any time place restrictions on the way their account is managed. For example, a client may restrict the types of investments SFM may use in the client’s account, or the allocations to a security type. When clients engage SFM to provide asset management services, the client and SFM will execute an Investment Management Agreement that describes the services to be provided, the fees for the service, other expenses related to the provision of the investment management services, and how to terminate the agreement. The agreement also grants SFM authority over the client accounts consistent with what is necessary to perform SFM’s duties and outlines the responsibilities of both the client and SFM.

As of December 31, 2022 SFM manages \$97,395,494 in client assets all on a discretionary basis.

**Item 5:       Fees and Compensation**

A.       Fees Charged

Management Fee

Generally, fees vary from 0.35% to 2.00% per annum of the market value of a client’s assets managed by SFM. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

## B. Fee Payment

Investment management fees may be debited directly from each client's account, or in limited circumstances, paid by check or wire transfer. The advisory fee is paid quarterly, in arrears. Snow calculates its Client fees as follows: Client's balance is determined as of the last business day of each month taking into account any additions or withdrawals in the Account that occurred during the month. That figure is multiplied by the fee rate and then by the actual number of days in the month, divided by 360 days to determine the Client's fee amount. The process is then repeated for the next two months and on a quarterly basis the Firm adds the three-monthly fees' together to determine the Client's quarterly charge. Additionally, assets allocated to cash or a cash proxy, such as a money market account, will be included in the calculation of assets under management. For those accounts whose fees are directly debited, once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to SFM. For all other accounts, SFM will issue an invoice to the client and fees are payable upon receipt.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, clients will receive a bill showing the amount of fees to be debited. The invoice will also state that the fee was not independently calculated by the custodian. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

## C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. You will be responsible for fees including transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund, or commissions for the purchase or sale of a stock. Expenses of a fund will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. When selecting mutual funds that have multiple share classes for recommendation to clients, SFM will take into account the internal fees and expenses associated with each share class, and it is SFM policy to choose the lowest-cost share class available, absent circumstances that dictate otherwise. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. SFM can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of this informational brochure, regarding broker-dealer and custodial issues.

## D. *Pro-rata* Fees

If a client engages SFM to provide asset management services during a quarter, the client will pay a management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will only pay management fees for the number of days between the end of the prior billing period and the date of termination. Once your notice of termination is received, SFM will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination to be paid in whatever way you direct (debited from the account, check, wire). SFM will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within thirty (30) days of termination may be "de-linked", meaning they will no longer be visible to SFM and will become a retail account with the custodian.

E. Compensation for the Sale of Securities.

This item is not applicable, as neither SFM, nor any employee thereof receives any compensation for the sale of securities other than the investment advisory fees described elsewhere in this Item 5.

**Item 6: Performance-Based Fees**

SFM will not charge performance based fees.

**Item 7: Types of Clients**

Clients advised may include individuals, trusts, foundations, endowments and corporations. SFM requires clients to have an account minimum of \$500,000. This minimum may be waived at the discretion of SFM.

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

It is important for you to know and remember that all investments carry risks. Investing in securities involves risk of loss that clients should be prepared to bear.

At the onset of the client relationship, SFM will interview the client, establish risk tolerance, investment horizon, income/distribution needs and any other constraints that may play a role in the client's investment parameters. If needed, SFM will prepare a transition plan from the client's current accounts to the accounts managed by SFM. Each client comes to SFM with a distinct history and securities holdings unique to them. Market conditions may make a mass transition to SFM's asset allocation guidelines not advisable, which means certain securities may need to be purchased or sold over time in an attempt to limit any transition-related losses.

Asset Management

Each client account is separately managed, and invested according to that client's investment objectives. Once each account's objectives are ascertained, SFM will develop a portfolio allocation in keeping with the client's investment objectives. Specific options, equity and fixed income securities are chosen based on a variety of factors, including dividends, income, interest rates, company management, price to earnings ratios, and other factors.

When mutual funds are used, specific mutual funds are chosen based on where its investment objective fits into the asset allocation recommended by SFM, its risk parameters, past performance, peer rankings, fees, expenses, and any other aspects of the fund SFM deems relevant to that particular fund. It is SFM policy that when specific funds offer more than one share class, SFM will select the lowest-cost share class available to the client, absent circumstances that dictate otherwise. SFM bases its conclusions on publicly available research, such as regulatory filings, press releases, purchased research, and proprietary screens and analytics.

As assets are transitioned from a client's prior advisers to SFM, there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by SFM. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. In the event an investment in a client account is unable to be unwound for a period of time, SFM will monitor the investment as part of its services to the client. SFM may suggest that a given investment be moved to a separate account.

### Options

SFM may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock or ETF) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives the holder the right to buy an asset at a certain price within a specific period of time. We may buy a call if we believe that the price of the underlying security may increase before the option expires. A put gives the holder the right to sell an asset at a certain price within a specific period of time. We may buy a put if we believe that the price of the underlying security may fall before the option expires.

### Risks of Investing

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Risks Associated With Taxation:** SFM is not an accounting or legal firm, and cannot give tax advice. Each individual client's tax situation may be unique to that client. Accordingly, clients should regularly consult with their legal and tax professionals regarding the tax impact of investing as well as the tax complications of the asset management decisions made by SFM.
- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Tax Risks Related to Short Term Trading:** Clients should note that SFM may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. SFM endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with

their tax professionals regarding the transactions in client accounts.

- **Restriction Risk:** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.
- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Short Sales.** "Short sales" are a way to implement a trade in a security SFM feels is overvalued. In a "long" trade, the investor is hoping the security increases in price. Thus in a long trade, the amount of the investor's loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. SFM utilizes short sales only when the client's risk tolerances permit.
- **Information Risk:** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.
- **Small Companies:** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.
- **Options:** The use of options transactions as an investment strategy involves a high level of inherent risk. Although the intent of many of the options-related transactions implemented by SFM

is to hedge against principal risk, certain of the options-related strategies (i.e., straddles, short positions, etc.), may in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct SFM, in writing, not to employ any or all such strategies for his/her/their/its accounts.

- **REITs:** SFM may recommend that portions of client portfolios be allocated to real estate investment trusts, otherwise known as “REITs”. A REIT is an entity, typically a trust or corporation that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful, but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.

- **Exchange Traded Funds:** Prices may vary significantly from the Net Asset Value due to market condition. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF’s shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF’s shares may be halted if the listing exchange’s officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide “circuit breakers” (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the clients invest.

- **Mutual Funds:** When a client invests in open-end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

- **Structured Notes:** SFM may include structured notes within its investment portfolios when deemed appropriate. Structured notes have a relative lack of liquidity due to the highly customized nature of the investment and rarely trade after issuance. Moreover, the full extent of returns from the complex performance features is not realized until maturity. Selling before maturity may be at a significant discount. Because of this, structured notes tend to be more of a buy-and-hold investment decision. Counterparty risk is another inherent risk with structured notes. A principal protected note is backed by the firm that issued the note. In the case of a bankruptcy of the issuer, the note holder would be repaid at a rate equivalent to other senior unsecured debt holders of the firm. Principal protected notes are not usually FDIC insured.

## **Item 9: Disciplinary Information**

Neither SFM nor any of its employees has any disciplinary information to report.

**Item 10: Other Financial Industry Activities and Affiliations**

**A. Broker-dealer**

Neither SFM nor any of its employees is registered or has a registration pending as a broker-dealer.

**B. Futures Commission Merchant/Commodity Trading Advisor**

Neither the principal of SFM, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

**C. Relationship with Related Persons**

Mr. Snow is a member of the Board of Directors and the Regulatory Oversight Committee and Disciplinary Committee of BGC Derivative Markets, L.P., a subsidiary of BGC Partners, Inc., which offers trading in swap products subject to mandatory clearing, as well as swaps classified as permitted transactions. In addition, Mr. Snow is also a member of the Board of Directors of Remate Lince, S.A.P.I. de C.V., a Mexican inter-dealer broker with offices in Mexico and New York. Remate Lince was acquired by BGC Partners, Inc. in May 2014. He is a director of Cantor Clearinghouse, L.P. ("Cantor Clearinghouse"), which is CFTC approved as a registered Derivatives Clearing Organization. Cantor Clearinghouse settles all trades between buyers and sellers on the Cantor Exchange and ensures the integrity of the marketplace. Both Cantor Exchange and Cantor Clearinghouse are subsidiaries of Cantor Fitzgerald, L.P.

**D. Recommendations of other Advisers**

SFM does not utilize nor select other advisers or third party managers. All assets are managed by SFM management.

**Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

B. SFM does not recommend to clients that they invest in any security in which SFM or any principal thereof has any material financial interest.

C. On occasion, an employee of SFM may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. On occasion, an employee of SFM may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our

Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

## **Item 12: Brokerage Practices**

### **A. Recommendation of Broker-Dealer**

SFM recommends that investment accounts be held in custody by either Fidelity Institutional Wealth Services ("Fidelity") or TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"). Both Fidelity and TD Ameritrade offer enhanced services to independent investment advisors. These services include custody of securities, trade execution platforms, and access to research not available to the general public. Fidelity and TD Ameritrade are both wholly independent from SFM. It is expected that most, if not all, transactions in a given client account will be cleared through the custodian of that account in its capacity as a broker-dealer.

SFM recommends Fidelity and TD Ameritrade to its clients based on a variety of factors. These include, but are not limited to, commission costs. Both Fidelity and TD Ameritrade have what can be considered discounted commission rates. However, in choosing a broker-dealer or custodian to recommend, we are most concerned with the value the client receives for the cost paid, not just the cost. Fidelity and TD Ameritrade add value beyond commission cost. Other factors that may be considered in determining overall value include speed and accuracy of execution, financial strength, knowledge and experience of staff, research and service. These custodians also have arrangements with many mutual funds that enable us to purchase these mutual funds for client accounts at reduced transaction charges (as opposed to other broker-dealers). Fidelity and TD Ameritrade have a significant market share of investment adviser business which makes them experienced in matters likely to arise for our clients. SFM re-evaluates the use of Fidelity and TD Ameritrade at least annually to determine if they are still the best value for our clients.

These custodians also may provide us with some non-cash benefits (not available to retail customers) in return for placing client assets with them or executing trades through them. Such non-cash benefits are referred to as "soft dollars". Currently, these benefits come in the form of investment research and sponsored attendance at various investment seminars. We may also receive such items as investment software, books and research reports. These products, services, or educational seminars are items that will play a role in determining how to invest client accounts. If there is any item that has a multi-use aspect, mixed between investment and non-investment purposes, SFM will determine a reasonable allocation of investment to non-investment use and soft dollars will be allocated only to the investment portion of the product (and we will pay the remaining cost). SFM receives a benefit from these services, as otherwise we would be compiling the same research ourselves. This may cause us, or another adviser, to want to place more client accounts with a broker-dealer/custodian such as Fidelity or TD Ameritrade, solely because of these added benefits. However, the value to all of our clients of these benefits is included in our evaluation of custodians. Products and services received via soft dollars will generally be used for the benefit of all clients. However, it is possible that a given client's trades will generate soft dollars that acquire products and/or services that are not ultimately utilized for that same client's account. Soft dollars provide additional value, and are accordingly considered in determining which broker-dealer or custodian to utilize as part of our best execution analysis.

We do not consider whether Fidelity, TD Ameritrade or any other broker-dealer/custodian, refers clients to SFM as part of our evaluation of these broker-dealers. Please note that TD Ameritrade was acquired by Charles Schwab Corporation and the merger is scheduled to be completed in September of 2023. At that time, clients will login to their brokerage accounts via Schwab and all statements will reflect Charles Schwab. Information regarding the changes/updates will be communicated to clients in the summer of 2023 as the merger date approaches.

**B. Aggregating Trades**

Generally, SFM's investment approach and client base negates any benefit of trade aggregation. Accordingly, SFM does not generally aggregate trades when executing. The aggregation of transactions is done solely as an operational convenience, as there is no monetary benefit conferred to the client as commission costs are no longer charged for equity trades nor are option orders discounted when trade aggregation occurs. Because trades are not aggregated, some clients will pay higher prices on a particular trade than if all clients in whose accounts the trade is to be made are executed at the same time.

**Item 13: Review of Accounts**

All accounts will be reviewed by a senior professional on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts. Individual account reviews are conducted on an as needed basis, based on market conditions and the holdings in each account.

All clients will receive statements and confirmations of trades directly from Fidelity or TD Ameritrade, as applicable. Clients also receive written quarterly reports from SFM which outline the client's asset allocation and recent performance.

**Item 14: Client Referrals and Other Compensation**

**A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Please see the response to Item 12 of this Part 2A with reference to certain benefits provided by Fidelity and TD Ameritrade.

**B. Compensation for Client Referrals to persons not supervised**

SFM may utilize solicitors that refer clients to SFM. These relationships exist pursuant to agreements whereby the referring solicitor and SFM execute an agreement describing the activities and the compensation to be received, including an undertaking by the solicitor to perform its duties under the agreement in a manner consistent with the instructions of the adviser and the provisions of the Investment Advisers Act of 1940, and requires that the solicitor, at the time of any solicitation activities for which compensation will be paid by SFM, provide the client with a current copy of this Form ADV Part 2A and 2B and the solicitor's written disclosure statement.

## **Item 15: Custody**

There are two avenues through which SFM has custody of client funds; by directly debiting its fees from client accounts pursuant to applicable agreements granting such right, and potentially by permitting clients to issue standing letters of authorization (“SLOAs”). SLOAs permit a client to issue one document that directs SFM to make distributions out of the client’s account(s).

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, clients will receive a bill showing the amount of fees to be debited. The invoice will also state that the fee was not independently calculated by the custodian. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

Clients will receive statements directly from their custodian, and copies of all trade confirmations directly from their custodian. We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by SFM against the information in the statements provided directly from the custodian. Please alert us of any discrepancies.

In addition to the account custodian’s custody procedures, clients issuing SLOAs will be requested to confirm, in writing, that the accounts to which funds are distributed are parties unrelated to SFM.

## **Item 16: Investment Discretion**

Asset management services may be provided on a “discretionary” basis. When SFM is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and SFM.

## **Item 17: Voting Client Securities**

Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. SFM will not accept authority to vote client

securities. Clients will receive their proxies directly from the custodian for the client account. SFM will not give clients advice on how to vote proxies.

**Item 18: Financial Information**

SFM does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.