



## Disclosure Brochure – Form ADV Part 2A

ENCLAVE ADVISORS, LLC

3600 N. Capital of Texas Hwy, Bldg. B, Ste. 180, Austin, Texas 78746

(512) 527-3105

[info@enclaveadvisors.com](mailto:info@enclaveadvisors.com)

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**This Disclosure Brochure provides information about the qualifications and business practices of Enclave Advisors, LLC. If you have any questions about the contents of this Disclosure Brochure, please contact us at: [info@enclaveadvisors.com](mailto:info@enclaveadvisors.com) or (512) 527-3105.**

**The information in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration as an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information to assist you in determining whether to retain Enclave Advisors, LLC.**

**Additional information about Enclave Advisors, LLC and its advisory persons is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 – Material Changes**

The following material changes were made during our most recent amendment to this brochure:

- Details related to our obligations to you when we provide advice regarding your retirement plan account or individual retirement account.
- Update to our fee schedule

We will provide you with a copy of this summary within 120 days of the end of our fiscal year each year. We will also provide you with copies of any new Brochure as necessary under the SEC rules.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To review the firm information for Enclave Advisors, LLC:

- Check Investment Advisor Search in the left navigation menu.
- Select the option for Investment Advisor Firm and enter 165205 (our firm's CRD number) in the field labeled "Firm IARD/CRD Number".
- This will provide access to Form ADV Part 1 and Part 2.
- Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the Advisor.
- In the left-hand navigation menu, Form ADV Part 2 is located near the bottom.

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## **Item 4 – Advisory Business**

### **A. Description of Advisor Firm**

Enclave Advisors, LLC ("Enclave" or "Advisor") is a registered investment adviser with the Securities and Exchange Commission and is a Limited Liability Company organized in the State of Texas. Enclave offers comprehensive wealth management and investment advisory services to a select group of individuals, businesses and charitable organizations. The firm was formed in August of 2012. The principal owner is Jonathan Craig Falls. The Chief Compliance Officer is Jennifer McCann.

### **B. Advisory Services Offered**

Enclave offers comprehensive wealth management and investment advisory services to a select group of individuals, businesses and charitable organizations. Provision of these services generally begins with an initial prospective client consultation to determine client's financial circumstances and goals, including financial assets, liquidity, tax considerations, time horizon, philanthropic and estate planning goals and cash flow needs. These meetings often include the client's CPA and/or attorney(s). During this meeting Enclave will discuss its investment philosophy and seek to ascertain the client's specific investment goals and risk tolerance. There is no cost or commitment required for this meeting. This meeting is generally followed by further discussions during which Enclave presents the prospective client with a proposed, customized investment plan. Each client investment plan is customized and developed specifically for each client. Implementation of the proposed plan begins once an Investment Advisory Agreement is executed. Thereafter, Enclave and client meet on a regular basis to evaluate the progress of the client's investment plans and to determine whether any adjustments are in order. Clients are encouraged to contact Enclave any time they have a question regarding their plan.

Enclave manages client accounts with discretionary authority and does not seek permission from clients prior to selecting securities and executing transactions. Risk tolerance levels are determined based on client consultation and documented in each client's Investment Policy Statement. This Statement is drafted based on client's goals, circumstances, direction, risk tolerance and instructions. Clients receive a copy of their Investment Policy Statement. In all cases, Enclave exercises investment discretion in a manner consistent with the client's Investment Policy Statement and any other written client directions.

Enclave often participates in its clients' analysis of financial considerations beyond liquid investments, such as trust and estate planning considerations, balance sheet management, philanthropic goals and business decision making. This is often done in conjunction with clients' other professionals such as CPAs and attorneys. These services as part of Enclave's overall service to clients and at no additional cost.

**Services Limited to Specific Types of Investments** – Enclave generally limits its money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, REITs, government securities, hedge funds and limited partnerships. Enclave may use other securities as well to help diversify a portfolio when applicable.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts.

When you leave an employer there are typically four options regarding an existing retirement plan account and you may use a combination of these options: 1) if permitted, leave the funds in your former employer's plan; 2) if rollovers are permitted and you have a new employer with a plan available, roll over the funds to your new employer's plan; 3) roll over to an Individual Retirement Account ("IRA"); or 4) withdraw or cash out your funds from the plan which may have adverse tax consequences depending on your age. When we recommend that you roll over your retirement plan assets into an account to be managed by us, such a

recommendation creates a conflict (benefit to us) when we earn an advisory fee on your rolled over funds. You are under no obligation to roll over retirement plan assets to an account managed by us. We operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

C. Client Tailored Services and Client Imposed Restrictions

Enclave offers the same suite of services to all of its clients. However, specific client investment plans and their implementation are dependent upon the client's Investment Policy Statement which outlines each client's specific circumstances and goals and is used to construct a client specific plan to aid in the development of a portfolio that matches the client's restrictions, needs, and goals. Clients may impose written restrictions on investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

Enclave does not manage or participate in any wrap fee programs.

E. Amounts Under Management

As of December 31, 2022, the most recent date for which such calculations are provided pursuant to securities regulations, Enclave managed approximately \$900,407,000 in assets.

**Item 5 – Fees and Compensation**

A. Fee and Payment Schedule

Enclave Advisors, LLC (Enclave) is compensated based upon a percentage of the aggregate portfolio value (assets under management) in a client's account. Fees based on assets under management are as follows:

<u>Market Value of Portfolio</u>	<u>Annual Fee</u>
First \$5,000,000*	0.85%
Balance of \$5,000,000 - \$10,000,000	0.70%
Balance of \$10,000,000 - \$25,000,000	0.50%
Balance of \$25,000,000 - \$50,000,000	0.40%
Balance over \$50,000,000	0.32%

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Fees are payable quarterly in advance based on a valuation of the client's account at the beginning of each quarterly period, but such advisory fees are not collected for services to be performed more than six months in advance. A prorated fee will be assessed to accounts opened during a quarter. Advisory fees are generally deducted from client accounts held with the third-party custodian for such accounts. Enclave is not compensated on the basis of a share of capital gains or appreciation of client funds, other than based on overall growth in assets under management. Enclave does not receive any additional compensation (commissions, transaction fees, etc.) related to client accounts, which includes a retirement plan or individual retirement accounts.

Clients who wish to terminate their account without the payment of any fees must notify Enclave within five business days of execution of the Investment Advisory Agreement (IAA). After five business days, clients may be responsible for payment of fees for the number of days services are provided prior to receipt of the written notice of termination. Otherwise, a client may terminate an IAA by providing written notice to Enclave. Any and all fees paid in advance shall be prorated to the date of termination and any unearned portion of prepaid fees will be refunded to the client.

\*In certain circumstances, Enclave may in its discretion accept accounts below \$5,000,000 with annual fees as follows: First \$3,000,000 – annual fee of 1.00%; Balance of \$3,000,000 to \$5,000,000 – annual fee of .90%. There is generally a minimum annual fee of \$30,000 regardless of account size given the complexity of services provided.

**B. Clients are Responsible for Third-Party Fees**

Clients are responsible for the payment of all third-party fees (e.g. custodian fees, brokerage fees, mutual fund and ETF fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Enclave. Please see Item 12 of this brochure regarding broker/custodian.

**C. Outside Compensation for the Sale of Securities to Clients**

Neither Enclave nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

**Item 6 – Performance-Based Fees and Side-by-Side Management**

Enclave does not accept performance-based fees or other fees based on a share of capital gains on, or capital appreciation of, client assets.

**Item 7 – Type of Clients**

Enclave offers wealth management and investment advisory services to select individuals, including high net worth individuals, trusts, estates, foundations and endowments, as well as corporations or other business organizations. Accounts typically must meet a minimum size.

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

**A. Method of Analysis**

Enclave utilizes a multifaceted approach to investment analysis that focuses on qualitative and quantitative criteria, and which is informed based on research from a variety of research providers as well as its own internal research. Enclave's approach is concentrated on the tenants of its investment philosophy (as

described below). Special emphasis is placed on risk management analysis along with scrutiny regarding the internal costs associated with potential investments. Enclave measures return, and, as a result evaluates potential investments, on a net of costs basis.

#### B. Investment Strategies

Enclave's investment philosophy is academically based and strongly influenced by diversification strategies developed by Nobel Prize-winning financial economists. Our first priority is to manage risk according to each client's individual needs. Our philosophy is influenced by the following principles:

- Markets are Efficient - It is virtually impossible to anticipate the future direction of the market as a whole or of any individual security. It is therefore, unlikely that any portfolio will succeed in consistently "beating the market."
- Risk and Return and Related - Equities offer the potential for higher long-term investment returns than cash or fixed income instruments. Equities are also more volatile in their performance. Investors seeking higher rates of return must increase the proportion of equities in their portfolio, while at the same time accepting greater variation of results (including occasional declines in value.)
- Diversification is the Key - Portfolio risk can be decreased by increasing the diversification of the portfolio and by lowering the correlation of market behavior among the asset classes selected. (Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another.)
- Portfolio Structure Determines Performance - the design of the portfolio as a whole is more important than the selection of any particular security within the portfolio. The appropriate allocation of capital among asset classes (stocks, bonds, cash, etc.) will have far more influence on long-term portfolio results than the selection of individual securities or investment managers. Investment for the long-term (preferably longer than 10 years) becomes critical to investment success because it allows the long-term characteristics of the asset class to surface.

#### C. Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Enclave will assist clients in determining the appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a client will meet its investment goals.

Each client engagement will entail a review of the client's investment goals, financial circumstances, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for analysis of a client's account. Enclave shall rely on the financial or other information provided by the client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the client to inform Enclave of any changes in their financial condition, goals, or other factors that may affect this analysis.

Enclave primarily employs investment strategies that do not involve significant or unusual risk beyond the risks associated with domestic and/or international securities markets. The risks associated with a particular strategy are provided to each client in advance of investing client's accounts. Enclave will work with each client to determine their tolerance for risk as part of the portfolio construction process.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

D. Risks of Specific Securities Utilized

Enclave generally pursues investment strategies that do not involve significant or unusual risk beyond the risks associated with domestic and/or international securities markets. However, Enclave may utilize options, which generally hold greater risk of capital loss; and clients should be aware that there is a material risk of loss when using such strategies.

Mutual Funds: Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in mutual funds. They can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned above). All mutual funds have costs that lower investment returns.

Equities: Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

Treasury Inflation Protected/Inflation Linked Bonds: The risk of default on these bonds is dependent upon the U.S. Treasury defaulting (very unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

Fixed Income: Fixed income investing provides fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

Debt securities: Investing in debt securities includes risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

Exchange Traded Funds (ETF): Investing in ETF's carries the risk of capital loss (sometimes up to a 100% loss). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

Hedge Funds: Hedge funds are not suitable for all investors and involve a high degree of risk due to several factors that may contribute to above average gains or significant losses. Such factors include leveraging or other speculative investment practices, commodity trading, complex tax structures, a lack of transparency in the underlying investments, and generally the absence of a secondary market.

REITs: Real estate investment trusts have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

Precious Metal ETFs: Gold, Silver, and Palladium Bullion backed “electronic shares”, not physical metals. Investing in precious metal ETFs carries the risk of capital loss.

Long-term trading: Long-term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short-term trading: short-term trading risks include liquidity, economic stability and inflation.

Options: Options involve a contract to purchase or sell a security at a given price at and/or before a given time, not necessarily at market value, depending on the market.



Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that a client should be prepared to bear.

## **Item 9 – Disciplinary History**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary event that would be used by a client in evaluating the advisor. Neither Enclave, nor its supervised persons have any criminal or civil disciplinary information to report.

Enclave and its advisory personnel value the trust our clients place in us, and we encourage clients to perform due diligence on all prospective advisors. A review of Enclave's advisory personnel backgrounds is available on the Investment Advisor Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) for your review. To review the firm information contained in ADV Part 1, select the option for Investment Adviser Firm and enter 165205 in the field labeled "Firm IARD/CRD Number." This will provide access to Form ADV Parts 1 and 2. Item 11 of the ADV Parts 1 lists legal and disciplinary information.

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

Enclave is not affiliated with any other investment advisory firm or broker/dealer. The sole business of Enclave is to provide wealth management services to its clients. Neither Enclave nor its advisory personnel are involved in other business endeavors that are material to its advisory business.

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

### **A. Code of Ethics**

Enclave has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

Enclave does not recommend that clients buy or sell any security in which Enclave or a person related to Enclave has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of Enclave may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Enclave to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions could create a conflict of interest. To avoid any conflict of interest, Enclave will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of Enclave may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Enclave to buy or sell securities

before or after recommending securities to clients resulting in representatives profiting from the recommendations they provide to clients. Such transactions could create a conflict of interest. Again, to avoid any conflict of interest, Enclave will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

## **Item 12 – Brokerage Practices**

Enclave does not maintain custody of client assets (although Enclave may be deemed to have custody of client assets to the extent clients give Enclave authority to withdraw advisory fees from their accounts maintained with the custodian (*see Item 15 Custody, below*)). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank.

### **A. The Custodian/Brokers Used by Enclave**

Enclave recommends that our clients use Charles Schwab & Co., Inc. (Schwab) or Fidelity Investments (Fidelity), both FINRA-registered broker-dealers, members SIPC, as the qualified custodian (the Custodians). Enclave is independently owned and operated and is not affiliated with Schwab or Fidelity. Schwab or Fidelity will hold client assets in a brokerage account and buy and sell securities as instructed by Enclave. As discussed below, Enclave may still use other brokers to execute trades for client accounts. Clients establish an account with Schwab or Fidelity by entering into an account agreement directly with them. While Enclave recommends that clients use Schwab or Fidelity as custodian/broker, they are not required to do so.

### **B. Factors Used to Select Custodians and/or Broker/Dealers**

Enclave seeks to recommend a custodian/broker that will hold client assets and execute transactions on terms that are overall most advantageous to clients when compared to other available providers and their services. Enclave considers a wide range of factors, including, among others:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check request, bill payment, etc.)
- Breadth of investment products made available (stocks, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investments research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- their prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (*see “Products and Services Available to Enclave from Schwab and Fidelity”*).

### **C. Custody and Brokerage Costs**

For the client accounts of Enclave that it maintains, Schwab and Fidelity generally do not charge clients separately for custody services, but they are compensated by charging clients commissions or other fees on trades that they execute or that settle into clients’ Schwab or Fidelity accounts. Each Custodian’s commission rates applicable to Enclave client accounts were negotiated based on Enclave’s commitment to maintain a specific amount of Enclave client assets in accounts at each Custodian. This commitment benefits Enclave clients because the overall commission rates clients pay are lower than they would be if

Enclave had not made the commitment. In addition to commission Schwab charges clients a flat dollar amount as a “prime broker” or “trade away” fee for each trade that Enclave has executed by a different broker-dealer, but where the securities bought or the funds from the securities sold are deposited (settled) into client’s Schwab account. These fees are in addition to the commissions or other compensation clients pay the executing broker-dealer. Because of this, and in order to minimize client trading cost, Enclave has the Custodians execute most trades for client accounts.

#### D. Products and Services Available to Enclave from its Custodians

Schwab Advisor Services and Fidelity Institutional are businesses serving independent investment advisory firms like Enclave. They provide Enclave and its clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to each Custodians’ retail customers. They also make available various support services. Some of those services help Enclave manage or administer client accounts, while others help Enclave manage and grow its business. The Custodians’ support services are generally available on an unsolicited basis (Enclave does not have to request them) and at no charge to Enclave as long as Enclave keeps a minimum level of its clients’ assets in accounts at each Custodian. A more detailed description of Custodian support services are described below:

##### Products and Services that Benefit Clients.

Institutional brokerage services include access to a broad range of investments products, execution of securities transactions, and custody of client assets. The investment products available through the Custodians include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Each Custodians’ services described in this paragraph generally benefit clients and their accounts.

##### Products and Services that May Not Directly Benefit Clients.

The Custodians also make available to Enclave other products and services that benefit Enclave but may not directly benefit clients or their accounts. These products and services assist Enclave in managing and administering clients’ accounts. They include investment research, both the Custodians’ own and that of third parties. Enclave may use this research to service all or some substantial number of its clients’ accounts, including those not maintained at the Custodians. In addition to investment research, the Custodians also make available software and other technology designed to:

- Provide access to client account data (such as duplicate trade confirmations and account statements);
- Facilitates trade execution and allocate aggregated trade orders for multiple client accounts,
- Provide pricing and other market data,
- Facilitate payment of our fees from our clients’ accounts, and
- Assists with back-office functions, recordkeeping and client reporting.

##### Products and Services that Generally Benefit Only Enclave.

The Custodians also offer other services intended to help Enclave manage and further develop its business enterprise. These products and services include:

- Educational conferences and events,
- Technology, compliance, legal, and business consulting,
- Publications and conferences on practice management and business succession; and
- Access to employee benefits providers, human capital consultants and insurance providers.

Custodians may provide some of these services themselves. In other cases, it will arrange for third-party vendors to provide the services to Enclave. The Custodians may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. They may also provide Enclave with other benefits such as occasional business entertainment of Enclave personnel.

#### Enclave's Interest in Custodians' Products and Services

The availability of these services from the Custodians benefit Enclave because it does not have to produce or purchase them. Enclave does not have to pay for the Custodians' services so long as it keeps a total of at least \$10 million of client assets in accounts at each Custodian. The \$10 million minimum may give Enclave an incentive to recommend that you maintain your account with its Custodians based on its interest in receiving their services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. Enclave believes, however, that our selection of Schwab and Fidelity as custodians and brokers is in the best interest of our clients. This belief is primarily supported by the scope, quality and price of the Custodians' services (based on the factors discussed above – see *"How We Select Brokers/Custodians [to Recommend]"*) and not the Custodians' services that benefit only us. Enclave has more than \$900 million in client assets under management, and does not believe that maintaining at least \$10 million of those assets in accounts at its Custodians in order to avoid paying them quarterly service fees presents a material conflict of interest.

#### E. Research and Other Soft-Dollar Benefits

Enclave receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

#### F. Brokerage for Client Referrals

Enclave receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### G. Clients Directing Which Broker/Dealer/Custodian to Use

Enclave allows clients to direct brokerage. However, at this time, Enclave recommends clients use Schwab or Fidelity. Enclave may be unable to achieve the most favorable execution of client transactions if a client chooses to direct brokerage. This may increase client costs because without the ability to direct brokerage Enclave may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

#### H. Aggregating (Block) Trading for Multiple Client Accounts

Enclave maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing Enclave the ability to purchase larger blocks resulting in smaller transaction costs to the clients. Declining to block trade can cause more expensive trades for clients. There is no obligation to include any client account in a blocked trade and Enclave will only do so when it believes it to be in the best interest of the client.

### **Item 13 – Review of Accounts**

#### A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are monitored on a regular and continuous basis. Portfolios are informally reviewed with clients on a quarterly basis and formally on at least an annual basis. Clients determine the frequency of reviews.

**B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

In addition to the investment monitoring noted above, reviews may be triggered by material market, economic or political events, or by changes in a client's financial circumstances (such as retirement, termination of employment, physical move, or inheritance). A client has the right to request a review of his/her account at any time and the client should notify Enclave if changes occur in his/her personal financial circumstances that might adversely affect his/her investment plan.

**C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly a written report or statement directly from the custodian that details client's account including assets held and asset values. Client brokerage statements will include all positions, transactions and fees relating to the client's account(s). Clients may also establish electronic access to the custodian's website so that they may view these reports and their account activity. Enclave also provides clients with periodic reports regarding their holdings, allocations, and performance. Enclave's reports are customized based on the requests of each client.

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

Enclave receives an economic benefit from Custodians in the form of the support products and services they make available to Enclave and other independent investment advisors whose clients maintain accounts with Schwab. These products and services are described above (*see item 12 – Brokerage Practices*). The availability of these products and services is not based on Enclave providing particular investment recommendations or types of advice, such as buying particular securities for its clients.

Enclave does not directly or indirectly compensate any person who is not a member of advisor's personnel for client referrals.

**Item 15 – Custody**

Client assets are held by a qualified, third-party custodian, not Enclave. Under government regulations, Enclave is deemed to have custody of client assets to the extent clients authorize Enclave to instruct the custodian to deduct client advisory fees directly from client accounts held with custodian. The Custodians maintain actual custody of client assets. Clients will receive account statements directly from its Custodian at least quarterly. The statements will be sent to the email or postal mailing address each client provides to its Custodian. Clients should carefully review those statements promptly upon receipt. Enclave also urges clients to compare the Custodian's account statements to the quarterly performance reports provided by Enclave.

**Item 16 – Investment Discretion**

Enclave generally receives discretionary investment authority from each client in writing at the beginning of the advisory relationship. This authority relates to the investment of client's accounts including the securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to each client before any advisory relationship has commenced. The client provides Enclave discretionary authority via a limited power of attorney in the Investment Advisory Agreement and in the contract between the client and the custodian. In all cases, Enclave exercises such discretion in a manner consistent with the client's Investment Policy Statement and any other written client directions.

**Item 17 – Voting Client Securities (Proxy Voting)**

Enclave does not vote proxies.

**Item 18 – Financial Information**

Neither Enclave, nor its management is subject to any adverse financial circumstances that would impair the ability of Enclave to meet all obligations to its clients. Neither Enclave, nor its management has been subject to a bankruptcy or financial compromise.

**Item 19 – Other Legal Actions**

Enclave will not advise or act for a Client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the Account or the issuers of these securities