



*a Registered Investment Adviser*

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[www.archvest.com](http://www.archvest.com)

This brochure provides information about the qualifications and business practices of Archvest Wealth Advisors, Inc. (hereinafter “Archvest” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at this telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

**Item 2. Material Changes**

In this Item, Archvest is required to discuss any material changes that have been made to the brochure since the last annual amendment.

We have made no material changes to our Form ADV since our last amendment from March 2022.

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**Item 4. Advisory Business**

Archvest offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to Archvest rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Archvest setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Archvest has operated as a registered investment adviser since August 2014 and is wholly owned by Eric T. Lai and John R. Wenzel. As of December 31, 2022, Archvest had \$238,500,000 of assets under management. \$233,700,000 of which was managed on a discretionary basis and \$4,800,000 of which was managed on a non-discretionary basis.

While this brochure generally describes the business of Archvest, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on Archvest’s behalf and is subject to the Firm’s supervision or control.

The Firm believes that all material conflicts of interest regarding Archvest, its Supervised Persons which could reasonably be expected to impair its rendering of unbiased objective advice to an advisory client been disclosed.

**Financial Planning and Consulting Services**

Archvest offers clients a broad range of financial planning and consulting services, which may include any or all of the following functions:

- |                             |                         |
|-----------------------------|-------------------------|
| • Business Planning         | • Retirement Planning   |
| • Cash Flow Forecasting     | • Risk Management       |
| • Trust and Estate Planning | • Charitable Giving     |
| • Financial Reporting       | • Distribution Planning |
| • Investment Consulting     | • Tax Planning          |
| • Insurance Planning        | • Manager Due Diligence |

While each of these services is available on a stand-alone basis, certain of them may also be rendered in conjunction with investment portfolio management (described in more detail below).

In performing these services, Archvest is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Archvest may recommend clients engage the Firm for additional related

services and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage Archvest or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Archvest under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Archvest's recommendations and/or services.

#### **Investment Management Services**

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Archvest manages client investment portfolios on a discretionary basis and non-discretionary basis.

Archvest primarily allocates client assets among various mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, and independent investment managers ("Independent Managers") in accordance with their stated investment objectives.

Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Archvest to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Archvest directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

Archvest tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Archvest consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Archvest if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if Archvest determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

#### **Services to Retirement Plan Sponsors**

Archvest works with businesses to design 401(k) and pension plans. As part of this service, the Firm will coordinate with third party administrators and custodians to design a plan that best suits the plan sponsor's needs and that of its employees. We offer to assist with investment selection, select QDIA, payroll uploads, and working with the TPAs. We also offer employee education and advice. The assets we presently provide advisory services to total \$870,000.

**Retirement Plan and Account Services**

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

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- 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.

**Sponsor / Manager of Wrap Fee Program**

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Archvest is not the sponsor or manager of a wrap fee program.

**Item 5. Fees and Compensation**

Archvest offers services on a fee basis, which may include hourly fees, as well as fees based upon assets under management or advisement.

**Financial Planning and Consulting Fees**

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Archvest generally charges an hourly fee for providing financial planning and consulting services under a stand-alone engagement. These fees are negotiable, but generally are provided for \$550 per hour. If the client engages the Firm for additional investment advisory services, Archvest may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

In certain circumstances, clients may contract for a separate financial planning fee where appropriate. The annual fee will be \$2,000.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement and Archvest generally requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Advisory Agreement. The outstanding balance is generally due upon delivery of the financial plan or completion of the agreed upon services.

**Investment Management Fees**

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Archvest offers investment management services for an annual fee based on the amount of assets under

the Firm's management. This management fee generally varies in accordance with the following fee schedule:

Annual Advisory Fee Schedule		
<i>From</i>	<i>To</i>	<i>Rate</i>
\$ -	\$ 1,000,000	0.95%
\$ 1,000,001	\$ 2,000,000	0.90%
\$ 2,000,001	\$ 3,000,000	0.80%
\$ 3,000,001	\$ 4,000,000	0.70%
\$ 4,000,001	\$ 5,000,000	0.60%
\$ 5,000,001	\$ 10,000,000	0.50%
\$ 10,000,001		negotiable

The annual fee is prorated and charged quarterly, in arrears, based upon the market value of the assets being managed by Archvest on the last day of the previous billing period. Clients are advised that lower fees for comparable services may be available from other sources.

For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the Advisory Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

#### Fee Discretion

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Archvest may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Archvest may negotiate a fee rate that differs from the range set forth above.

#### Additional Fees and Expenses

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In addition to the advisory fees paid to Archvest, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees attributable to alternative assets, reporting charges, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund

fees, and other fees and taxes on brokerage accounts and securities transactions.

#### **Direct Fee Debit**

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Clients generally provide Archvest with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Archvest. Where required, Archvest also sends to clients a written invoice itemizing the fee, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based. Alternatively, clients may elect to have Archvest send a separate invoice for direct payment.

#### **Account Additions and Withdrawals**

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Clients may make additions to and withdrawals from their account at any time, subject to Archvest's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to Archvest, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Archvest may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

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

Archvest does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

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

Archvest offers services to individuals, investment companies, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

#### **Minimum Account Fee**

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As a condition for starting and maintaining an investment management and/or advisory relationship, Archvest generally imposes a minimum annual fee of \$8,400. This minimum fee may cause clients with smaller portfolios to incur an effective fee rate that is higher than the Firm's stated fee schedule. Archvest may, in its sole discretion, elect to waive its minimum fee based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities.

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

### **Methods of Analysis**

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Archvest utilizes a combination of fundamental and cyclical methods of analysis.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For Archvest, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Cyclical analysis involves the assessment of market conditions at a macro (entire market or economy) or micro (company specific) level, rather than focusing on the overall fundamental analysis of the health of the particular company that Archvest is recommending. A substantial risk in relying upon cyclical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Archvest will be able to accurately predict such a reoccurrence.

### **Investment Strategies**

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As discussed above, Archvest tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Archvest consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. In addition, individual client circumstances may dictate the type of investment product used by the Firm (e.g. taxable vs. non-taxable).

### **Risk of Loss**

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#### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Archvest's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Archvest will be able to predict those price movements accurately or capitalize on any such assumptions.

#### *Mutual Funds and ETFs*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

#### *Use of Independent Managers*

As stated above, Archvest may select certain Independent Managers to manage a portion of its clients' assets. In these situations, Archvest continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Archvest generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

## **Item 9. Disciplinary Information**

Archvest has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

## Item 10. Other Financial Industry Activities and Affiliations

### Use of Independent Managers

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As mentioned above, Archvest may select certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Archvest evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. In addition, the Firm ensures that any Independent Managers selected by the Firm are properly licensed and/or registered as investment advisers. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Archvest also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Archvest continues to provide services relative to the discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Archvest seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

## Item 11. Code of Ethics

Archvest has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. Archvest's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of Archvest's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade

in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Archvest to request a copy of its Code of Ethics.

## Item 12. Brokerage Practices

### Recommendation of Broker/Dealers for Client Transactions

Archvest generally recommends that clients utilize the custody, brokerage and clearing services of Raymond James Investment Advisors Division ("Raymond James"), CUNA Mutual, Ascensus, Charles Schwab Institutional ("Schwab"), and TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. ("TD Ameritrade") for investment management accounts. Archvest participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA, an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. Archvest receives some benefits from TD Ameritrade through its participation in the program.

Factors which Archvest considers in recommending a custodian to clients include their respective financial strength, reputation, execution, pricing, research and service. The Financial Institutions recommended by the Firm may enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by a recommended custodian may be higher or lower than those charged by other Financial Institutions.

**Commented [JW1]:** Please remove reference to RJ & Ascensus. We no longer have any accounts in those 2 platforms.

The commissions paid by Archvest's clients to our recommended Custodians comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Archvest determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. Archvest seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services which assist Archvest in its investment decision-making process. Such research generally will be used to service all of the Firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Archvest does not have to produce or pay for the products or services.

Archvest periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

#### **Software and Support Provided by Financial Institutions**

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Archvest may receive without cost from our custodians, computer software and related systems support, which allow Archvest to better monitor client accounts maintained at those Financial Institutions. Archvest may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at those Financial Institutions. The software and related systems support may benefit Archvest, but not its clients directly. In fulfilling its duties to its clients, Archvest endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Archvest's receipt of economic benefits from a Financial Institution creates a conflict of interest since these benefits may influence the Firm's choice of one Financial Institution over another that does not furnish similar software, systems support or services.

Specifically, Archvest may receive the following benefits from Raymond James, CUNA Mutual, Ascensus, Schwab and TD Ameritrade:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

In addition, Archvest received a one-time payment of \$100,000 from Raymond James to be used by the Firm for transition assistance.

**Commented [JW2]:** Can this be removed since we're not on RJ?

There is no direct link between Archvest's participation in TD Ameritrade's institutional customer program and the investment advice it gives to its clients, although Archvest receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. Additionally, Archvest may receive the following benefits from TD Ameritrade through its registered investment adviser division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Registered Investment Adviser participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. The Firm also has the ability deduct advisory fees directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Firm by third party vendors. TD Ameritrade may fund business consulting and professional services received by Archvest's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit Archvest but not its client. These products or services may assist Archvest in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Archvest manage and further develop its business enterprise. The benefits received by Archvest's participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

Archvest does not believe that there is a conflict of interest in recommending financial institutions because Archvest will defer to a client's preference if applicable. If the client does not have a preference, Archvest will help the client select a financial institution based on the client's need.

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#### Brokerage for Client Referrals

Archvest does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

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#### Directed Brokerage

The client may direct Archvest in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by Archvest (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable

net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Archvest may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

#### Trade Aggregation

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Transactions for each client generally will be effected independently, unless Archvest decides to purchase or sell the same securities for several clients at approximately the same time. Archvest may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Archvest's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which Archvest's Supervised Persons may invest, the Firm generally does so in accordance with applicable rules promulgated under federal and state securities laws. Archvest does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

### Item 13. Review of Accounts

#### Account Reviews

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Archvest monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by the Firm's Investment Committee. The Firm's investment committee consists of the Firm's principals, Eric T. Lai and John R. Wenzel. All

investment advisory clients are encouraged to discuss their needs, goals and objectives with Archvest and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

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**Account Statements and Reports**

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Archvest and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Archvest or an outside service provider.

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

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**Client Referrals**

In the event a client is introduced to Archvest by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. In addition, the Firm will seek to ensure any such solicitors are properly registered in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from Archvest's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor is required to provide the client with Archvest's written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of Archvest is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

**Item 15. Custody**

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorize Archvest to debit client accounts for payment of the Firm's fees and to directly remit that those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have



agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Archvest. Where required, Archvest also sends to clients a written invoice itemizing the fee, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

In addition, as discussed in Item 13, Archvest may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Archvest.

**Item 16. Investment Discretion**

Archvest may be given the authority to exercise discretion on behalf of clients. Archvest is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. Archvest is given this authority through a power-of-attorney included in the Advisory Agreement between Archvest and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Archvest takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

**Item 17. Voting Client Securities****Declination of Proxy Voting Authority**

Archvest generally does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.

**Item 18. Financial Information**

Archvest is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.