



Part 2A of Form ADV Firm Brochure

March 28, 2023

Ruedi Wealth Management, Inc.

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This brochure provides information about the qualifications and business practices of RWM Management, Inc. If you have any questions about the contents of this brochure, please contact us at 217-356-1400 or email info@ruediwealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any State regulatory authority. Registration with the SEC or State Regulatory Authority does not imply a certain level of skill or expertise.

Additional information about RWM Management, Inc., is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Firm Brochure is our disclosure document prepared per regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Since the date of our last update on March 28, 2023, we have made the following material changes to our ADV:

- No material changes have been made

Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Material Changes.....	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation.....	5
Item 6: Performance-Based Fees and Side-by-Side Management.....	6
Item 7: Types of Clients.....	6
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss.....	6
Item 9: Disciplinary Information	7
Item 10: Other Financial Industry Activities and Affiliations	7
Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading	8
Item 12: Brokerage Practices.....	8
Item 13: Review of Accounts.....	11
Item 14: Client Referrals and Other Compensation.....	11
Item 15: Custody	11
Item 16: Investment Discretion	12
Item 17: Voting Client Securities	12
Item 18: Financial Information.....	12

Item 4: Advisory Business

Overview

Ruedi Wealth Management, Inc. ("RWM" and/or "the firm") is an SEC registered Illinois corporation. RWM has been offering investment advisory and financial planning services since September 2014. The firm is principally owned by Paul A. Ruedi.

RWM offers two different service models for its Clients:

1. A traditional in-person investment advisory model where RWM performs in-person Client meetings with an advisor for Clients with \$500,000 or more of investable assets.
2. A digital platform that performs automated account management, called RWM Co-Pilot, provided through the Betterment for Advisors online service. Clients can invest via the platform, and receive financial advice from a RWM financial advisor via phone and video conference, without a minimum account balance.

Investment Advisory Services

RWM's investment advisory services consist of the ongoing management of Client accounts on a discretionary basis (in rare instances, we may provide investment advisory services on a non-discretionary basis). Once the Client's objectives are determined, RWM makes recommendations regarding the asset allocation of their accounts. We also perform an evaluation of the Client's current investment holdings and make recommendations, if appropriate, to bring the Client's current investments into alignment with his or her agreed-upon target asset allocation. We will allow reasonable restrictions concerning the management of your account - for example, restricting the type, or amount, of security to be purchased in the portfolio.

Once the account has been invested in accordance with the recommended asset allocation, RWM monitors the Client portfolio on an ongoing basis and may periodically rebalance to maintain the target asset allocation for the account. In addition, RWM will periodically meet with the Client to discuss any changes in the Client's financial circumstances, investment objectives, and risk tolerance, and may adjust the initial recommendations as deemed appropriate.

Plan Management Using Pontera

We use a third-party platform ("Pontera") to facilitate discretionary management of held away assets such as defined contribution plan participant accounts. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing you to connect your account(s) to the platform. Once a Client's account(s) are connected to the platform, RWM will review the current account allocations. When deemed necessary, RWM will rebalance the account

considering Client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least annually and allocation changes will be made as deemed necessary.

Financial Planning Services

Financial Planning Services consists of the identification of the Client's lifetime financial goals, development of a financial plan, and assistance with the implementation of the plan recommendations. The contents of the financial plan vary based on the Client's individual needs and circumstances, but may include advice related to the following areas: (1) retirement funding, (2) investments, (3) insurance, (4) estate planning, (5) education funding, and/or (6) tax planning. Financial planning services are offered to our in-person investment advisory service Clients at no additional cost.

Under the RWM Co-Pilot model, Clients will have access to a robust digital platform that provides goals-based investment advice, along with phone and video conferencing access to a financial advisor at RWM. The digital platform is provided on a sub-advisory basis through Betterment, LLC via their wrap fee program. Financial planning services are offered to our RWM Co-Pilot digital advisory Clients at no additional cost.

In some instances, RWM may provide financial planning on a standalone basis and charge a fee for these services. In the event a Client hires RWM for standalone financial planning services, it is the Client's responsibility to implement the financial planning and investment recommendations.

IRA Rollover Recommendations

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you. 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.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

Client Assets Under Management

As of January 4, 2023, RWM has \$319,427,654 in discretionary assets under management and \$14,683,150 in non-discretionary assets under management, for a total of \$334,110,804 in total assets under management.

Item 5: Fees and Compensation

Traditional In-Person Investment Advisory Model - Investment Advisory Fees & Financial Planning Fees

Compensation to the firm for traditional investment advisory services (i.e. not the RWM Co-Pilot model) will be calculated in accordance with the terms of the investment advisory services agreement. RWM's investment advisory services basic fee schedule is calculated based upon the Client's assets under management as follows:

<u>Account Value</u>	<u>Annual Fee Rate</u>
Assets up to \$999,999	1.00%
Assets between \$1 million and \$2,999,999	0.75%
Assets between \$3 million and \$4,999,999	0.50%
Assets above \$5 million	0.25%

These fees are computed on a "blended rate" basis. For example, an account of \$2,000,000 will be charged 0.88% per year. (1.00% on the first \$1,000,000 and 0.75% on the next \$1,000,000).

Fees are paid on a quarterly basis in arrears. Fees are generally withdrawn from Client accounts by the account custodian at the end of each quarter, but Clients may request to be billed directly. For contributions and distributions made during a quarter, the fees will be prorated based on the number of days remaining in the quarter.

We recommend reviewing your custodial statements to verify the accuracy of your fee as the custodian is not responsible for doing so. Please contact us to inform us of any discrepancies or ask questions related to your custodial statement.

RWM Co-Pilot Digital Advisory Model - Investment Advisory Fees & Financial Planning Fees

1% of Assets Under Management. Compensation to the firm for RWM Co-Pilot will be calculated in accordance with the terms of the RWM Co-Pilot agreement. RWM's Co-Pilot basic fee schedule is calculated based upon the Client's assets under management as follows:

<u>Fee Component:</u>	<u>Annual Fee Rate</u>
RWM Fee	0.84% on all assets
Sub-Advisor Fee	0.16% on all assets

Management fees are calculated quarterly in arrears on the average daily market value of the assets in the account during the quarter. Client authorizes RWM and Sub-Advisor to instruct custodian to deduct management fees directly from the account. Client will be responsible for verifying the accuracy of the fee calculation as the custodian will not do so.

The services included for the wrap fee include all of the services provided by Betterment and Betterment Securities through the Betterment for Advisors platform, including advisory services, custody of assets, execution and clearing of transactions, and account reporting. Betterment collects wrap fees directly from Clients pursuant to the terms of the sub-advisory agreement between Betterment and each Client. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the advisory, custodial, trade execution, and other services were purchased separately. RWM pays a fixed monthly fee to Betterment to be on the platform.

Additional Fees and Expenses

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, exchange-traded funds, broker-dealers, and custodians retained by Clients. Fees and expenses associated with exchange-traded funds and mutual funds are listed in their prospectus. Clients are advised to read these materials carefully before investing. Fees charged by the custodian (e.g. trading fees, wire transfer fees, overnight check fees, etc.) can be found on the custodian's website or by calling the custodian. RWM receives only investment advisory and financial planning fees and does not receive any other fees described in the preceding section.

In the event a Client hires RWM for hourly, as-needed financial advice, RWM charges \$250/hour, for blocks of one hour at a time.

Clients that hired RWM prior to the implementation of the current fee schedule may be billed according to fee schedules that were in place at the time of their agreement and, therefore, may differ from the schedule listed above. RWM may, in its discretion, make

exceptions to the fee schedule and waive fees in whole or in part in certain circumstances.

Termination of Services

A Client investment advisory agreement may be canceled at any time by either party upon written notice. Upon termination, any earned, unpaid fees will be due and payable.

Item 6: Performance-Based Fees and Side-by-Side Management

RWM does not charge performance-based fees (fees based on the capital gains or capital appreciation of the Client assets). RWM does not engage in side-by-side management.

Item 7: Types of Clients

RWM offers its investment services to various types of Clients, including individuals and high-net-worth individuals, trusts and estates, pension and profit-sharing plans, and corporations. There is no asset minimum for RWM Co-Pilot Clients, while there is a \$500,000 minimum level of assets for our traditional in-person investment advisory Clients. RWM, in its sole discretion, may waive the required minimum asset level.

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

Methods of Analysis

When developing Client portfolios, we consider long term historical returns, standard deviations, and correlations of various assets classes. When selecting investments to fulfill a Client allocation, RWM considers a combination of factors including: diversification, costs, style purity, trading cost efficiency, and exposure to risk premiums such as size, value, profitability (for equity securities) and maturity and credit risk (for fixed income). Advice given to Clients with the same investment objectives may differ due to differences in individual circumstances or restrictions set by the Client.

Investment Strategies

RWM uses a “buy-and-hold” investment approach, utilizing passively managed mutual funds and exchange-traded funds (ETFs). We develop diversified portfolios designed to capture the returns of various asset classes such as large company stocks, small company stocks, value stocks, international stocks, emerging market stocks, and real estate securities while attempting to minimize expenses, trading costs, and taxes.

Occasionally, RWM may purchase securities for shorter-term needs. An example where this may arise is “tax-loss harvesting” where a replacement security is purchased with the intention of being sold (and reinvested in the original investment) once the wash

sale period has passed.

Risk of Loss

Clients should understand that investing in any securities involves the risk of loss. RWM recommends the use of open-end mutual funds and exchange-traded funds (ETFs), which involve a variety of risks described below.

Equity Mutual Funds and ETFs

All mutual funds and ETFs are subject to the risks of their underlying investments which may include a variety of asset classes and are subject to potential declines in value. International and Emerging market mutual funds are subject to additional risks such as greater volatility, currency risk, political risk, policies that limit or restrict foreign investment, reduced liquidity, and fewer market regulations.

Fixed Income Mutual Funds and ETFs

Fixed income mutual funds and ETFs are subject to the risks of their underlying investments. These risks include potential loss due to increases in interest rates or payment defaults.

Investing inherently involves risk up to and including loss of the principal sum. Further, past performance of any security is not necessarily indicative of future results. Therefore, future performance of any specific investment or investment strategy based on past performance should not be assumed as a guarantee. Ruedi Wealth Management does not provide any representation or guarantee that the financial goals of clients will be achieved.

The potential return or gain and potential risk or loss of an investment varies, generally speaking, with the type of product invested in. Below is an overview of the types of products available on the market and the associated risks of each:

General Risks

Investing in securities always involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives can or will be met. Past performance is in no way an indication of future performance. We also cannot assure that third parties will satisfy their obligations in a timely manner or perform as expected or marketed.

General Market Risk

Investment returns will fluctuate based upon changes in the value of the portfolio securities. Certain securities held may be worth less than the price originally paid for

them, or less than they were worth at an earlier time.

Common Stocks

Investments in common stocks, both directly and indirectly through investment in shares of ETFs, may fluctuate in value in response to many factors, including, but not limited to, the activities of the individual companies, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject certain strategies to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for each strategy.

Portfolio Turnover Risk

High rates of portfolio turnover could lower performance of an investment strategy due to increased costs and may result in the realization of capital gains. If an investment strategy realizes capital gains when it sells its portfolio investments, it will increase taxable distributions to you. High rates of portfolio turnover in a given year would likely result in short-term capital gains and under current tax law you would be taxed on short-term capital gains at ordinary income tax rates, if held in a taxable account.

Non-Diversified Strategy Risk

Some investment strategies may be non-diversified (e.g., investing a greater percentage of portfolio assets in a particular issuer and owning fewer securities than a diversified strategy). Accordingly, each such strategy is subject to the risk that a large loss in an individual issuer will cause a greater loss than it would if the strategy held a larger number of securities or smaller positions sizes.

Model Risk

Financial and economic data series are subject to regime shifts, meaning past information may lack value under future market conditions. Models are based upon assumptions that may prove invalid or incorrect under many market environments. We may use certain model outputs to help identify market opportunities and/or to make certain asset allocation decisions.

There is no guarantee any model will work under all market conditions. For this reason, we include model related results as part of our investment decision process but we often weigh professional judgment more heavily in making trades or asset allocations.

ETF Risks, including Net Asset Valuations and Tracking Error

An ETF's performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset

value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Ruedi Wealth Management plus any advisory fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the ETF may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks

Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Ruedi Wealth Management may be affected by the risk that currency devaluations affect Client purchasing power.

Liquidity Risk

Liquidity is the ability to readily convert an investment into cash to prevent a loss, realize an anticipated profit, or otherwise transfer funds out of the particular investment. Generally, investments are more liquid if the investment has an established market of purchasers and sellers, such as a stock or bond listed on a national securities exchange. Conversely, investments that do not have an established market of purchasers and sellers may be considered illiquid. Your investment in illiquid investments may be for an indefinite time, because of the lack of purchasers willing to convert your investment to cash or other assets.

Legislative and Tax Risk

Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and

changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations, particularly for options, swaps, master limited partnerships, Real Estate Investment Trust, Exchange Traded Products/Funds/Securities. In certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due. Clients and their personal tax advisors are responsible for how the transactions in their account are reported to the IRS or any other taxing authority.

Foreign Investing and Emerging Markets Risk

Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social, and economic developments affecting one or more foreign countries.

In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

Information Security Risk

We may be susceptible to risks to the confidentiality and security of its operations and proprietary and customer information. Information risks, including theft or corruption of electronically stored data, denial of service attacks on our website or websites of our third-party service providers, and the unauthorized release of confidential information are a few of the more common risks faced by us and other investment advisers. Data security breaches of our electronic data infrastructure could have the effect of disrupting our operations and compromising our customers' confidential and personally identifiable information. Such breaches could result in an inability of us to conduct business, potential losses, including identity theft and theft of investment funds from customers, and other adverse consequences to customers. We have taken and will continue to take steps to detect and limit the risks associated with these threats.

Tax Risks

Tax laws and regulations applicable to an account with Ruedi Wealth Management may be subject to change and unanticipated tax liabilities may be incurred by an

investor as a result of such changes. In addition, customers may experience adverse tax consequences from the early assignment of options purchased for a customer's account. Customers should consult their own tax advisers and counsel to determine the potential tax-related consequences of investing.

Advisory Risk

There is no guarantee that our judgment or investment decisions on behalf of particular any account will necessarily produce the intended results.

Our judgment may prove to be incorrect, and an account might not achieve her investment objectives. In addition, it is possible that we may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to custodians' software. Ruedi Wealth Management and its representatives are not responsible to any account for losses unless caused by Ruedi Wealth Management breaching our fiduciary duty.

Dependence on Key Employees

An account's success depends, in part, upon the ability of our key professionals to achieve the targeted investment goals. The loss of any of these key personnel could adversely impact the ability to achieve such investment goals and objectives of the account.

Ruedi Wealth Management does not primarily recommend a particular type of security.

Item 9: Disciplinary Information

RWM is required to disclose any legal or disciplinary events for ten years following the event's resolution that are material to a Client or prospective Client's evaluation of our advisory business or the integrity of our management. RWM has nothing to disclose for this item.

Item 10: Other Financial Industry Activities and Affiliations

RWM is not engaged in any other financial industry activities, does not have any financial industry affiliations, and does not receive compensation from non-Clients in connection with providing financial advice to Clients.

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

Code of Ethics Description

In accordance with the Advisers Act, RWM has adopted policies and procedures designed to detect and prevent insider trading. In addition, RWM has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures

governing the conduct of the firm's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the Chief Compliance Officer of the firm. RWM will send Clients a copy of its Code of Ethics upon written request.

RWM has policies and procedures in place to ensure that the interests of its Clients are given preference over those of the firm and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

Employee Trading

Because RWM primarily utilizes open-end mutual funds and exchange-traded funds (ETFs), employee trading generally does not materially impact Client accounts. RWM, its employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may purchase the same securities as are purchased for Clients in accordance with its Code of Ethics policies and procedures. They also may affect securities transactions for their own accounts that differ from those recommended or effected for the firm's Clients. It is RWM's policy to place the Clients' interests above those of the firm and its employees.

Item 12: Brokerage Practices

The Custodians We Use

We do not maintain custody of your assets, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15-Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker dealer. We use two custodians:

1. Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. Occasionally, Clients may direct RWM to use a particular broker-dealer (other than Schwab) to execute portfolio transactions for their accounts. Clients who designate the use of a particular broker-dealer should be aware that they will lose any benefits derived from our ability to negotiate with Charles Schwab.
2. MTG, LLC dba Betterment Securities ("Betterment Securities"), a registered broker-dealer and member SIPC, as the qualified custodian. While we recommend that you use Betterment Securities as custodian/broker, you will decide whether to do so and will open your account with Betterment Securities by entering into an account agreement directly with them. RWM is independently owned and operated and is not affiliated with Betterment Securities. Betterment Securities will hold your assets in a brokerage account,

and is responsible for execution of securities transactions and maintains custody of customer assets. Betterment Securities exercises no discretion in determining if and when trades are placed; it places trades only at the direction of Betterment. If RWM's Clients do not wish to place assets with or execute trades through Betterment Securities, then Betterment cannot manage RWM's Client accounts on the Betterment for Advisors platform. RWM does not open the account for you at Betterment, although we may assist you in doing so.

How We Select Custodians

We seek to use a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors including:

- 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 Client accounts)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment 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 Clients
- Availability of other products and services that benefit us, as discussed below (see "Products and services" available to us from Schwab and Betterment.)

Schwab Products and Services Available to RWM

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like us. They provide us and our Clients with access to its institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us.

Schwab's Other Products and Services

Schwab also makes available to RWM other products and services that benefit RWM but

may not directly benefit you or your account. Many of these products and services assist us in managing and administering our Clients' accounts. Schwab also makes available to RWM its managing and administering software and other technology that:

- Provide access to Client account data (such as trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple Client accounts
- Provide research, pricing, and other market data
- Facilitate payment of RWM's fees from its Clients' accounts
- Assist with back-office functions, recordkeeping, and Client reporting

Schwab also offers other services intended to help RWM manage and further develop its business enterprise. These services may include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

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

RWM's Interest in Schwab's Services

These services may create an incentive to use Schwab as the custodian of our Client assets, which is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our Clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/custodians") and not Schwab's services that benefit only us.

Betterment for Advisors Products and Services

Betterment Securities serves as broker-dealer to Betterment for Advisors, an investment and advice platform serving independent investment advisory firms like us ("Betterment for Advisors"). Betterment for Advisors also makes available various support services which may not be available to Betterment's retail customers. Some of those services help us manage or administer our Clients' accounts, while others help us manage and grow our business. Betterment for Advisors' support services are generally available on

an unsolicited basis (we don't have to request them) and at no charge to us. The following is a more detailed description of Betterment for Advisors' support services:

1. **SERVICES THAT BENEFIT YOU.** Betterment for Advisors includes access to a globally diversified, low-cost portfolio of ETFs, execution of securities transactions, and custody of Client assets through Betterment Securities. In addition, a series of model portfolios created by third-party providers are also available on the platform. Betterment Securities' services described in this paragraph generally benefit you and your account.
2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Betterment for Advisors also makes available to us other products and services that benefit us, but may not directly benefit you or your account. These products and services assist us in managing and administering our Clients' accounts, such as software and technology that may:
 - Assist with back-office functions, recordkeeping, and Client reporting of our Clients' accounts.
 - Provide access to Client account data (such as duplicate trade confirmations and account statements).
 - Provide pricing and other market data.
3. **SERVICES THAT GENERALLY BENEFIT ONLY US.** By using Betterment for Advisors, we may be offered other services intended to help us manage and further develop our business enterprise. These services include:
 - Consulting (including through webinars) on technology and business needs.
 - Access to publications and conferences on practice management and business succession.

RWM's Interest In Betterment Securities' Services

The availability of these services from Betterment for Advisors benefits us because we do not have to produce or purchase them. We may have an incentive to recommend that you maintain your account with Betterment Securities, based on our interest in receiving Betterment for Advisors and Betterment Securities' 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. We believe, however, that our selection of Betterment Securities as custodian and broker is in the best interests of our Clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities' services (see "How we select custodians") and not Betterment for Advisors and Betterment Securities' services that benefit only us or that may not directly benefit you.

Betterment's Brokerage And Custody Costs

For our Clients' accounts that Betterment Securities maintains, Betterment Securities does not charge you separately for custody/brokerage services, but is compensated as part of the Betterment for Advisors platform fee, which is charged for a suite of platform services, including custody, brokerage, and sub-advisory services provided by Betterment and access to the Betterment for Advisors platform. The platform fee is an asset-based fee charged as a percentage of assets in your Betterment account. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the investment management, brokerage and other platform services are purchased separately. Nonetheless, for those Clients participating in the Betterment for Advisors platform, we have determined that having Betterment Securities execute trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How we select custodians").

Best Execution

All security transactions will be effected through the Client's custodian unless as otherwise directed by the Client. RWM will follow a process to ensure that it is seeking to obtain the most favorable execution. The analysis of execution quality involves several factors, both qualitative and quantitative. These factors include, but are not limited to, the financial strength, reputation and stability of the broker, the ability to effect prompt and reliable executions, the availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future, the efficiency of error resolution, clearance and settlement, online access to computerized data regarding customer accounts, availability, comprehensiveness, and frequency of brokerage and research services, commission rates, and related matters involved in the receipt of brokerage services. Consequently, while RWM seeks competitive rates, lower commission rates may be available elsewhere.

Soft Dollar Arrangements

RWM does not receive any soft dollar benefits. We do not direct brokerage transactions to executing brokers for research and brokerage services.

Principal and Agency Trading

RWM does not engage in principal or agency trading.

Order Aggregation

Because RWM utilizes open-end mutual funds and ETFs, order aggregation would not benefit our Clients. Thus, as a matter of policy and practice, we do not aggregate orders.

Allocation of Trades

Because RWM utilizes open-end mutual funds and ETFs, we do not face the issue of partially filled orders or limited availability of investment opportunities. However, in the

event an order is “partially filled,” the allocation will be made in the best interests of all the Clients involved in the order, considering all relevant factors including, but not limited to, the size of each Client's allocation, Clients' liquidity needs and previous allocations. In most cases, partially filled orders will be allocated on a pro-rata basis.

Betterment For Advisors' Trading Policy

When using the Betterment for Advisors platform, we and you are subject to the trading policies and procedures established by Betterment. These policies and procedures limit our ability to control, among other things, the timing of the execution of certain trades (including in response to withdrawals, deposits, or asset allocation changes) within your account. You should not expect that trading on Betterment is instant, and, accordingly, you should be aware that Betterment does not permit you or us to control the specific time during a day that securities are bought or sold in your account (i.e., to “time the market”). Betterment describes its trading policies in Betterment LLC's Form ADV Part 2A. As detailed in that document, Betterment generally trades on the same business day as it receives instructions from you or us. However, transactions will be subject to processing delays in certain circumstances. In particular, orders initiated on non-business days and after markets close generally will not transact until the next business day. Betterment also maintains a general approach of not placing securities orders during approximately the first thirty minutes after the opening of any market session. Betterment also generally stops placing orders arising from allocation changes in existing portfolios approximately thirty minutes before the close of any market session. Betterment continues placing orders associated with deposit and withdrawal requests until market close. Betterment maintains a general approach of not placing orders around the time of scheduled Federal Reserve interest rate announcements. Furthermore, Betterment may delay or manage trading in response to market instability. For further information, please consult Betterment LLC's Form ADV Part 2A.

Directed Brokerage

RWM has discretionary authority to select the broker used by our Clients. However, in rare circumstances, the Client may direct RWM to use a particular broker-dealer to execute portfolio transactions for their accounts. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantages RWM derives from its ability to negotiate with brokers with which it has an established relationship. As a result, they may pay additional and/or higher fees elsewhere.

Item 13: Review of Accounts

Review of Client Accounts

Each investment advisor representative reviews accounts assigned to them and are overseen by Paul A. Ruedi. The frequency of reviews is determined based on the Client's investment objectives, but reviews are conducted no less frequently than annually. More

frequent reviews may also be triggered by a change in the Client's financial circumstances, tax considerations, large deposits or withdrawals, or large purchases or sales.

Content and Frequency of Client Reports

All Clients receive standard account statements from the custodian of their accounts. The custodian's statement is the official record of the Client's securities account and supersedes any statements or reports created on behalf of the Client by RWM.

All traditional in-person investment advisory Clients (i.e. non-RWM Co-Pilot Clients) receive quarterly performance reports from RWM that show their overall asset allocation, portfolio holdings, and rates of return. In addition, Charles Schwab issues monthly statements to Clients, unless they have no transactions, in which case only a quarterly statement is sent.

All RWM Co-Pilot Clients will receive statements electronically online on the Betterment platform, on a quarterly basis. Betterment also makes trade confirmations for securities transactions available for Clients to review on the website on a transaction-by-transaction basis.

Item 14: Client Referrals and Other Compensation

RWM receives a non-economic benefit from Betterment for Advisors and Betterment Securities in the form of the support products and services it makes available to us and other independent investment advisors whose Clients maintain their accounts at Betterment Securities. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 Brokerage Practices). The availability to us of Betterment for Advisors' and Betterment Securities' products and services is not based on us giving particular investment advice, such as buying particular securities for our Clients.

Item 15: Custody

RWM does not take custody of Client assets; Schwab or Betterment Securities maintains actual custody of your assets. However, RWM does directly debit advisory fees from Client accounts pursuant to the Client agreement, which is deemed to be a form of limited custody.

Clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances and portfolio holdings in their accounts.

1. Charles Schwab: statements will be sent to the email or postal mailing address

you provided to Schwab. RWM urges its Clients to compare the account balance(s) shown on the quarterly performance reports sent from us to the quarter-end balance(s) on their custodian's quarterly statement. The custodian's statement is the official record of the account.

2. Betterment Securities: Your statements will be available for you to review on the activity section of your Betterment for Advisors account portal. You will also receive account statements directly from Betterment Securities at least quarterly at www.bettermentsecurities.com. You should carefully review those statements promptly.

Item 16: Investment Discretion

Clients may grant a limited power of attorney to RWM with respect to trading activity in their accounts by signing the appropriate custodian limited power of attorney form. In such cases, RWM will exercise full discretion as to the nature and type of securities to be purchased and sold and the amount of securities. Investment limitations may be designated by the Client as outlined in the investment advisory agreement.

Item 17: Voting Client Securities

RWM does not vote Client proxies on behalf of its Clients. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

Item 18: Financial Information

RWM does not require the prepayment of fees of \$1200 or more, six months or more in advance, and as such is not required to file a balance sheet. RWM does not have any financial issues that would impair its ability to provide services to Clients and has not been the subject of a bankruptcy proceeding.