



## **Safeguard Wealth Management**

### **Form ADV Part 2A**

**March 8, 2023**

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This brochure provides information about the qualifications and business practices of Safeguard Wealth Management. If you have any questions about the contents of this brochure, please contact us at 920-544-0576 or [tony@safeguardinvest.com](mailto:tony@safeguardinvest.com). The information in this brochure has not been approved or verified by the Securities and Exchange Commission or by any state securities authority.

Registration with any state securities division does not imply a certain level or skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

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

## Item 2 – Material Changes

The Firm filed its last annual update on March 7, 2022.

Since the previous annual update, the following are noted as material changes to the advisory practices of the firm and to this brochure.

- We no longer hold seminars or workshops as an advisory service; this was removed from Item 4 and Item 5.
- Information in “Item 5 – Fees and Compensation” concerning invoicing has been removed.
- “Item 10 – Other Financial Industry Activities and Affiliations” was updated include Atlas Capital Group as an insurance agency jointly owned by Tony Hellenbrand and Eric Sajdak.

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## Item 4 – Advisory Business

### Firm Description

Safeguard Financial, LLC d/b/a Safeguard Wealth Management (“SWM”) was founded in 2019. SWM is owned by:

- Anthony J. Hellenbrand - 50%
- Eric H. Sajdak - 50%

SWM is a fee-based investment management firm.

### Types of Advisory Services

#### Comprehensive Wealth Management

Our Comprehensive Wealth Management service encompasses asset management as well as the option of financial planning/financial consulting to Clients. It is designed to assist Clients in meeting their financial goals through the use of various investments.

We meet with Clients several times in order to understand their current financial situation, existing resources, estate planning documents, qualified plans, Social Security benefits and claiming options, pension benefits and claiming options, insurance policies, tax status, financial goals, tolerance for risk, and more.

Based on the facts we’ve learned about the client, we propose a comprehensive plan to the Client, including but not limited to: Asset Allocation, Fund Selection, Asset Selection, and more. We may propose an investment portfolio, consisting of Exchange Traded Funds (“ETFs”), or other securities, depending on what is suitable to that specific Client’s goals and objectives. Once the Client executes the Investment Advisory Agreement, we are granted discretionary authority over investment accounts we manage. We work with the Client to establish or transfer investment accounts so that we can manage the Client’s portfolio.

Once the relevant accounts are under our management, we review such accounts on a regular basis. We are granted discretionary authority through the Investment Advisory Agreement to rebalance or adjust Client accounts under our management. After we are granted discretion, we do not need client permission to adjust their portfolio.

Any potential conflicts of interest will be clearly disclosed to the Client later in this brochure and also throughout the planning conversation. A conflict of interest exists between the interests of the investment advisor and the interests of the Client in that the investment advisor representatives are insurance agents and part of the plan may be a recommendation to purchase insurance products. The Client is under no obligation to act upon any SWM recommendation. The conflict is mitigated by disclosures, a thorough discovery and fact-finding process and the firm’s Fiduciary Obligation to place the best interests of the Client first. The Client is never under any obligation to purchase any products or services at any time. Furthermore, if the Client elects to act on any recommendation, the

Client is under no obligation to effect transactions through SWM or any other affiliated entity or person.

### Tailored Advisory Services

We offer highly customized individualized investment advice to Clients utilizing our Comprehensive Wealth Management service. While average financial plans gather relevant financial information and then take only an hour or two to complete, our comprehensive service entails:

- A detailed discussion of goals
- A detailed discussion of risk
- A detailed discussion of the assumptions used in planning (longevity, inflation, investment performance, Social Security COLA, Claiming strategies, Pension options, The Affordable Care Act, The Tax Cuts and Jobs Act, etc.)
- Stress testing that includes up to 1,000 scenarios of their entire plan for any individual variable change.
- Coordination of Proactive RMD Planning, Roth Conversion Strategies, Alternative Minimum Tax Planning, College Planning, Multi-Generational Planning, Gifting Strategies, etc. with other professionals such as accountants, attorneys, bankers, insurance agents, and other subject matter experts.

Each Comprehensive Wealth Management Client has the opportunity to place restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

### Wrap Fee Programs

SWM does not participate in or sponsor a wrap-fee program.

### Assets Under Management

As of December 31, 2022, SWM managed approximately \$184,200,000 in client assets. All these assets are managed on a discretionary basis.

## Item 5 – Fees and Compensation

### Fee Schedule

Fees for our Comprehensive Wealth Management advisory service are discussed below:

<u>Account Size</u>	<u>Maximum Annual Percentage of Assets Charge</u>
All account sizes	0.48%

Fees are outlined in the advisory agreement to be signed by the Client. Our firm's fees are billed on a pro-rata annualized basis monthly in advance based on the value of your accounts under management on the last day of the previous month. Lower fees for comparable services may be available from other sources.

Example Fee Calculation:

- Balance on December 31: \$100,000.00
- Pro-Rata Monthly Fee Rate: 0.04%
- Monthly Fee billed on First Business Day of January: \$40.00

### Payment of Fees

Fees are automatically deducted from the Client's managed account. A Client's written authorization is required, which is granted through our advisory agreement and other documentation. SWM charges advisory fees monthly, in advance, based on the total account balance on the last business day of the previous month for Comprehensive Wealth Management.

### Other Fees

Our Preferred Custodian, Charles Schwab Institutional, does not charge commissions for stock or Exchange Traded Fund transactions. Clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees & operating expenses). As part of our fiduciary obligation to Clients, we strive to keep these expenses as low as possible and fully disclose them to the Client. SWM does not receive any portion of commissions, transaction fees, or 12b-1 fees. SWM does not receive revenue through any revenue sharing agreements. SWM predominantly recommends commission-free ETF's and other commission-free options except in rare circumstances. Client is responsible for additional custodian processing, termination, postage, wire fees and overnight mail fees in urgent and unplanned circumstances. For example, if Client needed \$5,000 out of a brokerage account by tomorrow, SWM would help coordinate the wire transfer to meet the goal but would not be responsible for wire fees.

## Account Termination

Either party may terminate at any time by providing written notice to the other party. In the event that you wish to terminate our Comprehensive Wealth Management service, we will refund the full most recently billed fee to you.

Example Fee Calculation:

- Account Balance on December 31: \$100,000.00
- Pro-Rata Monthly Fee Rate: 0.04%
- Monthly Fee billed on First Business Day of January: \$40.00

If the Client in the above example notified SWM of their wish to terminate services on January 28th, SWM would refund the entire \$40 for the month of January, cease management, cease all further fees, and assist the Client in any outgoing transfer. To be eligible for the refund, Client must contact SWM and state wish to terminate services prior to SWM receiving an external asset transfer request or terminate services within 5 days of executing the advisory agreement.

## External Compensation

Investment Advisor Representatives of SWM receive external compensation for the sale of insurance products as licensed insurance agents. This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. As insurance agents, they do not charge advisory fees for the services offered. This conflict is mitigated by disclosures, procedures, and SWM's fiduciary obligation to place the best interests of the Client first. Clients are not required to purchase any products or services. Clients have the option to purchase insurance products or even advisory services through any agent or advisor of their choosing.

## Item 6 – Performance-Based Fees and Side-By-Side Management

SWM's fees are not based on a share of the capital gains or based on performance, nor do we participate in any side-by-side management of portfolios or accounts.

## Item 7 – Types of Clients

SWM serves the following types of Clients:

- Individuals

- High Net Worth Individuals
- Trusts & Estates

Our client relationships vary in scope of service. Our requirement for opening and maintaining accounts and engaging our services is a minimum balance of \$1,000,000 per household.

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

### Methods of Analysis

Security analysis methods may include fundamental analysis and quantitative analysis. Fundamental Analysis involves evaluating a stock, company, or contract using real data such as revenues, earnings, return on equity, profit margins, etc., to determine underlying value and future growth potential. SWM utilizes fundamental analysis on stock, bond, and mutual fund investments, but also uses fundamental analysis to review insurance policies for economic value and income replacement. Quantitative Analysis involves using statistical methods and past price and volume data as well as other economic indicators such as economic data, interest rates, etc. to determine future growth potential and risks of an investment or decision. SWM uses quantitative analysis (in conjunction with Fundamental Analysis) to review security positions maintained by Clients. In developing a comprehensive wealth plan for a Client, SWM's analysis may include cash flow analysis, investment valuation, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation. Sources of information include annual reports, prospectuses, SEC filings, Yahoo Finance, Morningstar, newspapers, magazines, and research reports prepared by outside analysts. SWM makes no guarantees or warranties about the accuracy of third-party data. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is no guarantee of future results.

### Investment Strategies

The investment strategy for a specific Client is based upon objectives stated by the Client during consultations. The Client may change these objectives at any time. Every Client situation is unique. In keeping with our fiduciary obligation to Clients, we let their individual goals and risk tolerance dictate the strategy.

### Risk of Loss

All investment programs have certain risks that are borne by the investor. Investors face the following investment risks:

*Interest-rate Risk* - Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

*Market Risk* - The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's underlying circumstances. For example, political, economic, and social conditions may trigger market events.

*Inflation Risk* - When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

*Style Drift* - Style drift is the risk that over time a fund will drift away from its original intent into some other style of investing. For example, a "Value" fund slowly accumulating larger "Growth" positions. SWM generally uses Index Exchange Traded Funds ("ETF's) as often as possible, and we readily monitor those investments, but we cannot guarantee managing parties will not drift in style.

*Currency Risk* - Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

*Reinvestment Risk* - This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.

*Business Risk* - These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

*Liquidity Risk* - Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

*Financial Risk* - Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

*Political Risk* - The leadership and legal environment in any jurisdiction obviously impacts the value of any operating business in that jurisdiction.

*Active Risk* - Active risk is the risk that comes with deviating from a benchmark. The more an investor wants to have the ability to outperform a benchmark, the more risk they must assume that they may dramatically underperform this benchmark.

Although SWM primarily uses Exchange-Traded Funds, the following are inherent risks of common types of securities.

### Mutual Fund Securities

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by

investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

### Exchange-Traded Funds (“ETFs”)

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a specific market segment or index. The funds could purchase an ETF to gain exposure to a portion of the U.S. or foreign market. The funds, as a shareholder of another investment company, will bear their pro-rata portion of the other investment company’s advisory fee and other expenses, in addition to their own expenses. Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral. Further, the use of leverage (i.e., employ the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF’s underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

### Equity Securities

Investing in individual companies involves inherent risk. The major risks relate to the company’s capitalization, quality of the company’s management, quality and cost of the company’s services, the company’s ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company’s ability to create shareholder value (i.e., increase the value of the company’s stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk and liquidity risk.

### Fixed Income Securities

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company’s ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S or foreign) and currency risk. If bonds have maturities of 10 years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds have liquidity and currency risk.

## Item 9 – Disciplinary Information

Neither the firm nor any management person have been subject to any criminal or civil actions, administrative proceedings, or self-regulatory proceedings.

## Item 10 – Other Financial Industry Activities and Affiliations

### Other Financial Industry Registrations

Neither the firm or any management person is registered, or has an application pending to register, as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor, or as an associated person of any of the foregoing entities.

SWM has no material relationship or arrangement with any of the following: broker-dealers, municipal or government securities dealers, investment companies or other pooled investments, closed-end investment companies or unit investment trusts, hedge funds or offshore funds, other investment advisors or financial planners, futures commission merchants, commodity trading advisors, banking or thrift institutions, accountancy firms or law firms.

### Material Financial Industry Affiliations

Tony Hellenbrand and Eric Sajdak are joint owners of Atlas Capital Group, which is a licensed insurance agency doing business as Safeguard Income Strategies.

Investment Advisor Representatives of SWM are also independently licensed insurance agents. This presents a conflict of interest because it may give an incentive to recommend products based on the commission received. This conflict is mitigated by disclosures, procedures, and the firm's fiduciary obligation to place the best interests of the Client first. Clients are not required or obligated to purchase insurance products or even advisory services. Clients always have the option to purchase insurance products or other advisory services through another firm or agent of their choosing at any time.

We do not recommend or select other investment advisers for our clients and do not receive any compensation from any investment adviser.

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

The members, management, and employees of SWM have committed to a Code of Ethics (“Code”). The purpose of our Code is to set forth standards of conduct expected of SWM employees and addresses conflicts that may arise. The Code defines acceptable behavior for employees of SWM. The Code reflects SWM and its supervised persons’ responsibility to act in the best interest of their Client at all times.

SWM personnel may not trade on material, non-public information.

An Investment Advisor is a fiduciary. As a fiduciary, it is an advisor’s responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our Clients at all times. We have a fiduciary duty to our Clients.

We require all of our personnel to conduct themselves with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation, and at least annually thereafter, all SWM personnel will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics.

Our Code of Ethics prohibits members, officers, and employees from revealing information relating to the investment intentions, activities, or portfolios of advisory Clients except to persons whose responsibilities require knowledge of the information. SWM and its personnel must conduct business in an honest, ethical, and fair manner and to avoid all circumstances that might negatively affect or even appear to affect our duty of complete loyalty to Clients at all times. This disclosure is only a summary of our Code of Ethics. If a Client or potential Client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

SWM and its employees are not permitted to recommend securities in which we have a material financial interest. SWM personnel may buy or sell securities that are also recommended to Clients. SWM does not maintain a proprietary trading account and does not have a material financial interest in any securities being recommended.

Additionally, because we may provide you investment advice pertaining to employee benefit plans, such as 401Ks, and individual retirement plans (IRAs)s, we must acknowledge our fiduciary status in writing under Title I of ERISA and the Internal Revenue Code, as applicable, when providing that advice. The following represents our written acknowledgement of fiduciary status:

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.

## Item 12 – Brokerage Practices

### Factors Considered When Recommending Broker-Dealers

Specific custodian or brokerage recommendations are made to clients based on their need for such services. We recommend custodians based on the proven integrity and financial responsibility of the firm, best execution of orders at reasonable commission rates, industry reputation, and the quality of client service. Among the factors we look at in recommending the use of a broker-dealer/custodian, we seek one who will hold your assets and execute transactions on terms that are generally most advantageous when compared to other available providers. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services;
- Ability to maintain the confidentiality of trading intentions;
- Frequency of trading errors and trading error corrections;
- Capability to execute, clear, and settle securities transactions;
- Fill price;
- Breadth of available investment products;
- Competitiveness of the price of the services;
- Reputation, market access, financial strength, and stability;
- Prior service to us and our other clients.

With these factors in mind, our firm currently utilizes Charles Schwab Institutional, a division of Charles Schwab & Co., Inc. (“Charles Schwab”). Charles Schwab is an independent and unaffiliated SEC-registered broker-dealer and member of both the Financial Industry Regulatory Authority

(FINRA) and the Securities Investor Protection Corporation (SIPC). Charles Schwab is owned by Schwab Holdings, Inc.

## Research and Other Soft Dollar Benefits

SWM receives free research from Charles Schwab. A conflict of interest does not exist because Charles Schwab does not charge commissions for securities transactions executed with Charles Schwab.

Schwab provides SWM with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Institutional. These services may be contingent upon SWM committing to Schwab a specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For SWM client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to SWM other products and services that benefit SWM but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of accounts, including accounts not maintained at Schwab. Schwab's products and services that assist SWM in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help SWM manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange, and/or pay third-party vendors for the types of services rendered to SWM. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to SWM. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of SWM personnel. In evaluating whether to recommend or require that a client custody their assets at Schwab, SWM may consider the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by Schwab.

## Brokerage for Client Referrals

Neither the firm nor any related person receives client referrals from a broker-dealer or third-party.

## Directed Brokerage

We do not permit directed brokerage but routinely recommend or require that a Client direct us to execute the purchase or sale of securities through Charles Schwab in order to receive our full suite of services. Not all advisors have this requirement.

## Aggregation of Trade Orders

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. When instructing the broker-dealer/custodian to purchase or sell securities for your accounts, we do not aggregate, or block trade, orders. This may result in a higher or lower price for an individual security. Based on how we manage our portfolios, we do not believe that clients are disadvantaged and receive best execution under the circumstances.

## Item 13 – Review of Accounts

Accounts are reviewed by:

- Anthony J Hellenbrand, SWMP®®, RICP®® Partner, Chief Compliance Officer
- Eric H Sajdak, ChFC®®, Partner, Director of Retirement Planning
- Andrew Schroeder, SWMA®®, Senior Advisor

We review financial plans and accounts for our Clients on at least an annual basis.

Reviews are performed more frequently when market conditions dictate, laws change, new investment information becomes available, or when an individual Client's situation changes. Clients are encouraged to notify their Advisor whenever their financial situation changes.

Account statements will be provided no less frequently than quarterly by Charles Schwab. Account statements will identify account positions, balances, and all transaction.

In the event we also send account review documents to you in addition to those provided by the qualified custodian, you are urged to compare any account review documents provided by us to those provided by the custodian.

## Item 14 – Client Referrals and Other Compensation

No one who is not a client provides an economic benefit to us for providing investment advice or other advisory services to you. Additionally, neither SWM nor its personnel receive or give compensation in exchange for client referrals.

## Item 15 – Custody

We do not have custody of client funds or securities.

As stated previously your account statements will be provided by the qualified custodian that maintains physical possession of your accounts/assets. If we also provide you information related to your accounts, you are urged to review that information to the information contained on the account statements or other statements received from the qualified custodian.

Other than as a consequence of our authority to make withdrawals from client accounts to pay our advisory fees, we do not have custody. Written authorization to deduct advisory fees from client accounts held by a qualified custodian is provided by means of our advisory agreement.

## Item 16 – Investment Discretion

SWM manages client accounts on a discretionary basis. Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell;
- determine the broker-dealer to be used for a purchase or sale of securities; and/or
- determine the amount of the security to buy or sell.

Clients give us discretionary authority when they sign an investment advisory agreement with us.

## Item 17 – Voting Client Securities

SWM does not accept the proxy authority to vote Client securities. Clients will receive their proxies directly from the custodian of their account or from a transfer agent. Clients may contact SWM with questions relating to any proxy or solicitation.

## Item 18 – Financial Information

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Neither SWM has never been the subject of a bankruptcy proceeding. None of SWM's owner members have ever been the subject of a bankruptcy proceeding. SWM does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to Clients.