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**Item 1 – Cover Page**

BETO FINANCIAL GROUP, LLC

*DOING BUSINESS AS*

**BR WEALTH MANAGEMENT**

380 E. Parkcenter Boulevard  
Suite 205  
Boise, Idaho 83706  
Phone: (208) 258-2540  
[www.brwealthmgmt.com](http://www.brwealthmgmt.com)

**March 9, 2023**

This firm brochure provides information about the qualifications and business practices of Beto Financial Group, LLC, *d/b/a* BR Wealth Management. If you have any questions about the contents of this brochure, please contact us at (208) 258-2540. 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.

Please note that the use of the term “registered investment advisor” and description of our firm and/or our associates as “registered” does not imply a certain level of skill or training. Clients are encouraged to review this firm brochure and any brochure supplements (“brochure supplements”) for more information on the qualifications of our firm and our associates.

Additional information about Beto Financial Group, LLC, *d/b/a* BR Wealth Management is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for our firm is 307546.

**Item 2 – Material Changes**

This firm brochure contains the following material changes made from the prior version dated March 9, 2022:

- BRWM has engaged the services of Betterment for Advisors. When deemed appropriate, we may recommend that certain Clients implement their investment portfolios through Betterment for Advisors, a division of Betterment LLC.
- The firm engaged the services of Pontera (formerly FeeX), an Order Management System to implement asset allocation or rebalancing strategies on behalf of our clients.
- The firm updated their office address.

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent firm brochures within 120 days of the close of our fiscal year. A Summary of Material Changes is also included within our firm brochure available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for our firm is set forth on the cover page of this firm brochure. Clients will further be provided with disclosure about material changes effecting our firm or a new brochure as may become necessary or appropriate at any time, without charge.

A copy of our firm brochure may be requested, free of charge, by contacting us at the telephone numbers reflected on the cover page of this firm brochure.

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#### Item 4 – Advisory Business

Beto Financial Group, LLC, *d/b/a* BR Wealth Management, is an Idaho limited liability company founded in 2011. The firm's principal owner is Brian E. Randolph. We are registered as an investment advisor with SEC and our principal offices are located in Boise, Idaho.

The information contained in this brochure describes our investment advisory services, practices, and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our services to the needs of our clients. As used throughout this firm brochure, the words "BRWM," "we," "our," "firm," and "us" refer to BR Wealth Management, and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Prior to forming an investment advisor-client relationship, we may offer you a complimentary general consultation to discuss the nature of our services and to determine the possibility of an advisory relationship. Investment advisory services begin only after the prospective client and BRWM formalize their relationship by the execution of a written advisory agreement.

We offer several investment advisory services to clients. Our investment advice is always custom tailored according to each client's unique investment profile.

When we provide portfolio management services, clients deposit their assets at an independent qualified custodian (the "Custodian") and grant us limited authority to buy and sell securities either on a discretionary or non-discretionary basis. The full scope of our authority with respect to management of the client's account will be set forth in a written advisory agreement. We act as your fiduciary, responsible for the management of your investment account(s) at the Custodian, where assets are held in your name.

Portfolio management services are offered, either on a discretionary or non-discretionary basis.

- Where you engage us on a discretionary basis, you authorize our firm and our investment advisor representatives to implement our investment recommendations directly within your account held at the Custodian *without* obtaining your specific consent prior to each transaction.
- Where you engage us on a non-discretionary basis, we will provide you with investment recommendations which you are free to accept or reject, in whole or in part. We will only implement our investment recommendations within your account held at the Custodian upon your request and *with* your prior approval.

Clients always have the ability to impose reasonable restrictions on our management of their account(s), including the ability to instruct us not to purchase certain specific securities, industry sectors, and/or asset classes. We will attempt to honor the client's investment restrictions in all circumstances and will notify you if we are ever unable to do so for any reason.

A description of the individual investment advisory services offered by our firm is set forth below.

Portfolio Management. Our firm offers ongoing and continuous portfolio management services that are uniquely tailored to your financial circumstances. Through periodic consultations with you, we will gather information regarding your financial goals, investment objectives, tolerance for risk,

and the time horizon for investments. The information we typically request in this process will include your current and expected income level, tax information, investment experience, current and expected cash needs, current portfolio construction/asset allocation, and risk tolerance level, among other items. We will analyze these factors and document your investment objectives, restrictions, and suitability information which will guide our management of your account(s). We will then recommend an initial investment strategy and portfolio intended to align with your unique financial situation and goals.

We do not recommend one particular type of investment or asset class over any other. We primarily advise our clients regarding investments in stocks, bonds, mutual funds, ETFs, U.S. government and municipal securities, cash and cash equivalents, and variable products (life insurance and annuities). Depending on the client's financial circumstances, we may also provide advice regarding other instruments, including, without limitation, U.S. government and municipal securities, money market accounts, and other public and private investments. We may also provide advice regarding investments held in your portfolio at the inception of our advisory relationship and/or other investment types not listed above, at your request.

Depending on your asset level, investment needs, and other factors, we may implement our investment strategy through the use of certain model portfolios designed by our firm, or third-party money managers (collectively "Model Portfolios").

The Model Portfolios and investment strategies we utilize have generally been designed to meet a particular investment objective for investors with varying degrees of risk tolerance, ranging from a more aggressively allocated portfolio to a more conservative approach. Factors that we take into consideration when determining whether any particular Model Portfolio or investment strategy is appropriate for your account include, without limitation, the Model Portfolio or investment strategy's investment goal, underlying holdings, and your financial needs, investment goals, risk tolerance, and investment objectives.

As part of building your portfolio, we may also recommend that certain third-party money managers or sub-advisors (collectively, "TPMMs") be engaged to manage all or a portion of your account (each such sub-account, a "Separately Managed Account" or "SMA"). The TPMMs we recommend may contract with us directly to provide sub-advisory services to your account and/or may be accessible to us via the investment platform of your Custodian. In other instances, we may recommend that you directly contract with a TPMM. In all cases, you will be provided with the Form ADV Part 2A (or equivalent disclosures) for any recommended TPMMs at or prior to the time of your engagement of their services. You may further be required to execute a separate advisory agreement and/or trading authorization in favor of such TPMMs at the time of their engagement granting them discretionary authority to trade your SMA.

We will continue to serve as your primary advisor with respect to any SMAs, serving in a co-advisory capacity responsible for the ongoing monitoring of such account(s) and the determination of the suitability of the TPMM's overall investment program. The TPMM shall typically be responsible for all investment selection and trading functions related to your SMA(s). We will recommend adjustments to your TPMM engagements and allocations when we believe such changes are in your best interests.

Following implementation of your initial investment portfolio, we will monitor the performance of your account (including any SMAs) on an ongoing basis and implement and/or recommend changes as needed or appropriate, in consideration of current economic conditions, our market

opinions and assumptions, and your individual financial circumstances and goals. It is your ongoing responsibility to advise us in writing of any material changes to your financial circumstances through our engagement.

At our discretion, portfolio management clients may also receive certain financial planning and consulting services in the form described below on a complimentary or discounted basis.

Financial Planning and Consulting Services. Our firm offers financial planning and consulting services to clients which may address, without limitation, some, or all of the following topics:

- financial, budgeting and cash management
- risk management, insurance planning, and analysis
- financial planning relating to divorce and marriage
- estate planning
- taxation issues and tax planning;
- retirement planning
- investment planning/asset allocation/portfolio design;
- educational funding
- investment goal setting

Our financial planning and consulting services are offered on an annual retainer basis or on a one-time consulting basis.

- *Annual Retainer Engagements:* If you elect this service, we will consult with you and review your pertinent financial documents and information (e.g., bank and brokerage statements, insurance documents, estate and trust documents, tax documents, etc.) with the goal of identifying areas of financial concern and determining an appropriate set of financial goals and objectives over various time horizons. We will analyze the data and information you share with us and present you with a comprehensive written financial plan. The financial plan will include a summary of your financial situation, our general observations regarding the same, and a set of specific actions and investment recommendations designed and intended to assist you in achieving your short term and long-term financial goals. For example, recommendations may be made that you begin or revise certain investment programs or accounts; create or revise wills or trusts; obtain or revise insurance coverage; commence or alter retirement savings; or establish education savings or charitable giving programs, among others.

We will meet with you at least once annually to review the financial plan following its initial delivery, track your progress towards your financial goals, and to update the financial plan as necessary and appropriate. We will also provide you with ongoing advice and support throughout our engagement with respect to common issues affecting your financial life which touch upon the topics addressed within your financial plan (collectively, “Ancillary Advice”).

- *One-time Financial Planning/Topical Consulting Engagements:* If you elect this service, you may select a discrete financial topic or topics upon which you would like to receive our financial advice. One-time financial planning and consulting services are narrower in scope than annual retainer services, and do not include comprehensive financial planning. We will deliver our recommendations in the form of a written financial report or checklist at the conclusion of the engagement, after which time, no further update or review of the financial report or checklist or other advice is provided (unless specifically requested by the client and agreed to in writing by BRWM) and the engagement is concluded.

Unlike our offering of portfolio management services, we will not actively monitor or supervise your investment accounts but will only review your holdings and provide our investment recommendations periodically (*i.e.*, at the time of our periodic consultations). You will be solely responsible to monitor and supervise your investments between our consultations.

Financial planning and consulting services are non-discretionary in nature. The client retains the sole discretion to accept or reject any of BRWM's recommendations, in whole or in part, and to determine the service providers to be utilized for their implementation. Upon request, we may assist the client with implementation of our financial recommendations - additional fees may apply. Clients are never obligated to use our firm to implement any recommendations. Clients are never charged more than \$1,200 six (6) or more months in advance for these services.

As part of this service, we may recommend the use of certain third-party professionals (e.g., attorneys, tax advisors, accountants) to assist you in implementing the advice and recommendations we provide. We do not receive compensation or referral fees of any kind in connection with these recommendations. You are never obligated to engage any recommended third-party professional(s) and elect to do so at your sole discretion and risk. You will independently contract with such service providers and their fees are not included within the advisory fees paid to BRWM. We do not provide legal or tax advice of any kind.

Betterment Advisory Services. We may recommend that certain Clients implement their investment portfolios through Betterment for Advisors, a division of Betterment LLC (herein "Betterment" or the "Investment Platform"). Betterment for Advisors is what is often termed a "robo-advisor", an online wealth management service that provides automated, algorithm-based portfolio management advice. Robo-advisors use technology to deliver similar services as traditional advisors, but generally only offer portfolio management and do not get involved in a Client's personal situation, such as taxes and retirement or estate planning. We chose to affiliate with Betterment for Advisors due to the Investment Platform's customized portfolio allocations, automated rebalancing, and competitive fees. We utilize Betterment for Advisors as a complement to its comprehensive financial planning services to provide cost effective investing coupled with personalized financial planning.

To establish accounts with Betterment for Advisors, the Client will also enter into one or more agreements with Betterment that provides the authority for discretionary investment management by the Investment Platform. We will have the discretionary authority to instruct Betterment for Advisors with respect to portfolio construction, asset allocation and other investment decisions, subject to the limitations described herein. Betterment for Advisors will implement the portfolio and be responsible for the discretionary trading of the ETFs in the Client's portfolio, including the purchase and sale of investments and the automatic rebalancing back to targets.

We remain the Client's primary advisor and relationship contact and will select or construct a portfolio of ETFs and/or cash equivalents from the universe of investments included on the Investment Platform.

The Advisor will only receive its investment advisory fees as detailed in Item 5 below and does not share in any fees earned by Betterment for Advisors.

Pension Consulting Services. We offer pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or

named fiduciary. In general, these services may include an existing plan review, formulation of the investment policy statement, asset allocation advice, vendor selection advice, non-discretionary portfolio management services, investment performance monitoring/benchmarking services, on-going consulting, communication, and participant education services/seminars. We may also assist the plan sponsor in providing participant enrollment meetings.

**Pontera Services:** Pontera (formerly FeeX) is the third-party service provider whereby Advisor provides an additional service for accounts not directly held with our recommended custodian, but where Advisor does have discretion and leverages an Order Management System to implement asset allocation or rebalancing strategies on behalf of the Client. These are primarily 401(k) accounts, 403(b) accounts, variable annuities, and other assets not held with the recommended custodian. Our Firm regularly reviews the current holdings and available investment options in these accounts, monitors the account, rebalances, and implements our Firm's strategies, as necessary. Our Firm is engaged with Pontera, an unaffiliated entity, to offer this service to our Clients.

**NOTE:** Certain plans/clients that we may provide services to are regulated under the Employee Retirement Income Securities Act of 1974 ("ERISA"). We will provide pension consulting services to the plan sponsor and/or fiduciaries as described above for the fees set forth in Item 5 of this brochure. The consulting services we provide are advisory in nature. In providing services to any plan and its underlying participants, our status is that of an investment advisor registered under the Investment Advisers Act of 1940. We are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting as a fiduciary of the plan as defined in Section 3(21) under ERISA, only. In all cases, our status as a fiduciary under ERISA is clearly disclosed in a written advisory agreement. If there is any discrepancy between the disclosures in this paragraph and the agreement, the agreement shall govern.

**No Wrap Fee Program; Types of Investments Recommended.** We do not offer, sponsor, or participate in a wrap fee program.

If appropriate for your portfolio, we may recommend use of the Betterment Wrap Program as disclosed above. Please note that this Wrap Fee Program is sponsored by Betterment, not our Firm. Betterment charges a single wrap fee for all services Betterment. The services included for the wrap fee include all the services provided by Betterment and Betterment Securities through the Betterment platform, including advisory services, custody of assets, execution, and clearing. Betterment collects wrap fees directly from the client accounts pursuant to the terms of the sub-advisory agreement between Betterment and each Client.

Please see Item 8 of this brochure or a description of the investment strategies we typically implement in client accounts.

As of December 31, 2022, we manage \$197,095,657 in client assets. We manage \$151,254,682 on a discretionary basis and \$45,840,975 in client assets on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

All fees are negotiable and individual clients may pay fees that are higher or lower (or otherwise materially different) than those described in this firm brochure.



Fees for Portfolio Management Services. We typically charge an annual asset-based management fee for portfolio management services that ranges between 0.25% - 1.25% per annum of the market value of the client's account. Our advisory fees are calculated and payable quarterly, in advance, based on the value of your portfolio (including any cash balances) at the start of the billing period as calculated by the Custodian. Our advisory fee is pro-rated for any partial billing periods occurring during the engagement, including the initial and terminating billing periods.

The specific fee applicable to the client's account will be set forth in a written advisory agreement and will be determined by BRWM based upon your asset level, relationships with other clients (e.g., the value of your related accounts), relationships with employees of our firm, our expectation of future assets under management, the expected use of any TPMMs, the scope of any financial planning or other ancillary services expected to be provided, and the honoring of any fee arrangements with prior financial advisors, among other factors. The advisory fees applicable to your account may be amended from time to time in our sole discretion, but only upon twenty (20) days' written notice to you.

Clients may make additions or withdrawals from their account at any time; however, we reserve the right to adjust our advisory fees on a pro-rata basis on account of any such cash-flow transactions. Clients should note that some or all of the investments in their account may be intended as long-term investments and withdrawals of cash and premature liquidations of securities positions may impair the achievement of your investment objectives.

For purposes of calculating our advisory fees, we will rely on the independent Custodian that will maintain your account(s). The Custodian may use various pricing services such as Reuters and Standard & Poor's to price securities held in your account. For actively traded securities, these services use the actual last reported sale price. For less actively traded securities such as bonds, these services will use the appropriate valuation methodology to determine the value of the security.

NOTE: Where TPMMs are engaged to manage a portion of your assets, the amount of their advisory fees, billing schedule, and payment procedures are set forth in their separate written disclosure documents, advisory agreements, and/or the account opening documents of your account Custodian. TPMM fees are separate and in addition to our advisory fees and will typically be paid directly from your account at the Custodian. The aggregate advisory fees charged to the client where any TPMM(s) are utilized will not exceed a maximum of 2.00% of the client's assets under management.

Portfolio management services may be terminated at any time by either party, within five (5) days of entering an advisory agreement, without cost or penalty. Thereafter, our portfolio management services may be terminated by either party on ten (10) days' written notice to the non-terminating party. In the event of termination, we shall be compensated by the client's payment of a pro-rated advisory fee based on the number of days services were provided during the terminating billing period. Any excess pre-paid fees shall be refunded to the client.

Fees for Financial Planning and Consulting Services. We typically charge annual fixed fees for financial planning and consulting services ranging from \$1,500 - \$5,000. For financial planning and/or consulting projects that may need an hourly fee structure, ranging from \$75 to \$375 per hour, depending on the role and complexity of the services. These fees are negotiable and the specific rate applicable to your engagement will be determined prior to the commencement of services based on our expectation of the complexity, time, research, and resources required to provide services to you, and other factors we deem relevant. The fee applicable to your account

shall be set forth in a written advisory agreement. Unless otherwise agreed, fixed fees for financial planning and consulting services are typically invoiced to the client in equal quarterly installments and are payable by the client within thirty (30) days of invoicing. For one-time financial planning and consulting engagements, any earned but unpaid fixed fees are due upon delivery of the written financial report or checklist to the client.

Financial planning and consulting services may be terminated at any time by either party, within five (5) days of entering an advisory agreement, without cost or penalty. Thereafter, our financial planning and consulting services may be terminated by either party on ten (10) days' written notice to the non-terminating party. In the event of termination, the client shall pay BRWM a pro-rated portion of the agreed upon fixed fee, determined based upon BRWM's good faith estimate of the total percentage of work completed at the time of termination, which determination shall be final and binding on the client. Any earned but unpaid fees shall be immediately due to BRWM. Clients are advised that we consider substantially all of our financial planning and consulting services to be completed upon our delivery of the written financial plan, report or checklist to the client.

Fees for Pension Consulting Services. Our fees for pension consulting services consist of asset-based management fees (typically ranging from 0.25% - 1.25% of the account's market value per annum) and/or fixed fees (typically ranging from \$1,000-\$10,000 per annum). Asset-based fees for pension consulting services are charged quarterly, in advance. Unless otherwise agreed, fixed fees for pension consulting services are typically invoiced to the client in equal quarterly installments and are payable by the client within thirty (30) days of invoicing. All fees are pro-rated for partial billing periods. The specific fee structure and rates applicable to the client's account will vary based upon the nature of the pension consulting services selected, complexity of the engagement, and our expectation of the time and resources necessary to provide services to the client, among other factors.

Pension consulting services may be terminated at any time by either party, without penalty or cost, on five (5) days' written notice to the non-terminating party. Thereafter, our pension consulting services may be terminated by either party on ten (10) days' written notice to the non-terminating party. In the event of termination, we shall be compensated by the client's payment of a pro-rated advisory fee based on the number of days services were provided during the terminating billing period. Where fixed fees apply, the client shall pay BRWM a pro-rated portion of the agreed upon fixed fee, determined based upon BRWM's good faith estimate of the total percentage of work completed at the time of termination, which determination shall be final and binding on the client. Any excess pre-paid fees will be returned promptly to the client. Any earned but unpaid fees shall be immediately due to BRWM.

#### Pontera Services

All clients engaging in Pontera Services must engage in a Pontera Client Service Agreement. The fee for Investment Management using Pontera will be assessed and billed quarterly, in advance. Specifically, the exact amount charged is determined by the account value of the directly managed held-away accounts, on the day the account is under BRWMs' management, and quarterly thereafter. Investment management fees on accounts held with regular custodians are generally directly debited from client accounts. The exception for this is directly managed held-away accounts, such as 401(k)s and others managed "in place" using Pontera. As it is impossible to directly debit the fees from these accounts, those fees will be assigned to the client's taxable accounts, as specified in client service agreement. If the client does not have a taxable account, those fees will be invoiced directly to the client. An account may be terminated with written or

verbal notice at least 5 calendar days in advance. Since fees are paid in advance, a rebate will be made upon termination of the management of account, if applicable.

Direct Deduction of Portfolio Management Fees; Account Statements. BRWM's asset-based portfolio management fees and pension consulting fees shall be directly deducted from the client's account held at the Custodian upon the client's written approval of such arrangement and our periodic submission to the Custodian of a written invoice reflecting the amount of advisory fees to be charged. Your authorization for direct fee deduction is set forth in our written advisory agreement and/or the account opening documents with the Custodian. We will liquidate money market shares or use cash balances from your account to pay our advisory fee, however, if money market shares or cash value are not available other investments may be liquidated. Please note that unexpected or premature liquidation of investments to pay our advisory fees may impair the performance of your account. We do not offer direct paper or electronic invoicing of our asset-based portfolio management or pension consulting fees.

The Custodian will send an account statement to you at least quarterly, identifying the amount of funds and each security in your account at the end of the period and setting forth all transactions in the account during the period, including the amount of any advisory fees paid directly to us. *We encourage you to review our invoices and the Custodian's account statements carefully and promptly upon receipt.* If you believe we have miscalculated the advisory fees or if there is any other issue with your account, you should contact us immediately at the phone number listed on the cover page of this firm brochure.

Fees for portfolio consulting services and financial planning and consulting services are invoiced directly to the client and payable within thirty (30) days of invoicing.

Additional Fees and Expenses. Separate and in addition to our advisory fees, you shall be solely responsible to bear the costs of all internal management fees, advisory fees, and other costs and expenses that may be charged by mutual funds, ETFs and/or TPMMs to their shareholders and account participants, to the extent you should hold any such investments. You will also separately pay the Custodian of your account all transaction charges, custodial, and/or brokerage fees and commissions, mark-ups and mark-downs, spreads, wire transfer fees, and other fees and taxes associated with activity in your account (including activity directed by any TPMM(s)). We do not share in any portion of the foregoing additional fees and expenses. To fully understand the total cost you will incur, you should review the prospectus of each mutual fund, ETF, and/or Separately Managed Account program in which you participate, and the contractual arrangement entered with your Custodian.

Our termination policies are described above in this Item 5.

Individual Retirement Account Rollover Disclosure. As part of our advisory services to you, we may recommend that you withdraw or "roll over" assets from an employer's retirement plan to an individual retirement account ("IRA") that we may advise on, and which may therefore result in additional advisory fees payable to us. This type of recommendation represents a conflict of interest for our firm. If we make this type of recommendation, you are under no obligation to follow such advice. Alternatively, you may have the options of (1) maintaining your retirement plan as is, (2) rolling over your account to the employer's new retirement plan, (3) taking a taxable distribution, or (4) rolling over your account to a new IRA. It is important to understand the advantages and disadvantages of each approach, which will depend on individual financial circumstances.

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also 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. We have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests.

As a result, our Firm and its representatives may earn an asset-based fee. In contrast, a recommendation that a client or prospective client leave their plan assets with their previous employer or roll over the assets to a plan sponsored by a new employer will generally result in no compensation to our Firm. Our Firm therefore has an economic incentive to encourage a client to roll plan assets into an IRA that our Firm will manage, which presents a conflict of interest. To mitigate the conflict of interest, there are various factors that our Firm will consider before recommending a rollover, including but not limited to: (i) the investment options available in the plan versus the investment options available in an IRA, (ii) fees and expenses in the plan versus the fees and expenses in an IRA, (iii) the services and responsiveness of the plan's investment professionals versus those of our Firm, (iv) protection of assets from creditors and legal judgments, (v) required minimum distributions and age considerations, and (vi) employer stock tax consequences, if any. Our Firm's Chief Compliance Officer remains available to address any questions that a client or prospective client has regarding the oversight. Prior to proceeding with any such action, we encourage you to contact us and your independent legal and/or tax professionals for more information.

#### Betterment Fees And Compensation

Our total annual fee for sub advisory services consists of a base amount for services provided by us, the ("BRWM Advisory Fee" as listed above) plus an amount billed by Betterment (the "Betterment Wrap Fee"). Investment management fees are based on the market value of assets under management at a maximum annual rate of 1.20%, charged daily but collected quarterly in arrears, pursuant to the terms of the investment management agreement. Investment advisory fees are based on the market value of assets under management at the end of the day. 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 your account pursuant to the terms of the sub-advisory agreement. 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. In addition, BRWM is assessed and pays a nominal fixed monthly fee for Betterment services independent of the client fees.

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

We do not charge any performance-based fees for our services or engage in side-by-side management of client accounts.

BRWM and/or individuals associated with our firm may manage accounts which belong either to themselves, individually, or to their family or their affiliates (collectively, "Proprietary Accounts") while simultaneously managing client accounts. It is possible that orders for Proprietary Accounts may be entered simultaneously (but typically only as part of a block trade) with or opposite to orders for client accounts, pursuant to, for instance, a neutral allocation system, a different trading strategy, or trading at a different risk level. The management of any Proprietary Account is subject

to our Code of Ethics and the duty of our firm and its personnel to exercise good faith and fairness in all matters affecting client accounts.

### Item 7 – Types of Clients

We typically provide investment advice to individuals, high net worth individuals, trusts, pension plans, charitable organizations, partnerships, corporations, and other business entities. Because each client is unique, they must be willing to be involved in the planning and ongoing processes of our management of their account. Such involvement does not have to be time consuming, however we want our clients to remain informed and have a sense of security about their investments.

We do not require any minimum account size to engage our services.

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

#### Our Methods of Analysis and Investment Strategies

The types of investments we typically recommend are discussed in Item 4 of this brochure.

We may use some or all of the following methods of analysis in providing investment advice to you:

Fundamental Analysis. In using fundamental analysis, we attempt to determine the intrinsic value of target securities through a review of, among other things, company specific financial disclosures, the strength and track record of management personnel, industry sector financial health, and at a macro level, the overall direction of the economy at large. We use this information as a basis to determine if such securities are underpriced or overpriced relative to current market prices and then to make a buy or sell recommendation to you.

Relying on this type of analysis leaves open the risk that the price of a security may move along with the overall direction of the market, irrespective of the economic and financial factors which may have indicated that an opposite movement would have been expected. The main sources of information we rely upon when researching and analyzing securities using fundamental analysis include research materials prepared by others, annual reports, corporate rating services, prospectuses, and company press releases.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company or security. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of overall market movement.

Asset Allocation. Rather than focusing on selecting the particular securities or other assets to invest for your account, we attempt to identify an appropriate ratio of various types of investments (for example, stocks, fixed income, and cash) suitable to investment goals, time horizon, and risk tolerance. A risk of asset allocation is that you may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate to meet with your investment goals.



Mutual Fund and ETF Selection and Analysis. We evaluate and select mutual funds and/or ETFs for your account based on several factors which may include, without limitation, (1) the experience and track record of the underlying portfolio manager(s), (2) the performance of the mutual fund or ETF over time and through various market conditions; (3) expected market conditions that might impact the underlying holdings of the mutual fund or ETF or applicable market sector; and (4) whether and to what extent the underlying holdings of the mutual fund or ETF overlap with other assets held in your account. We also monitor the mutual fund or ETF in an attempt to determine if the fund is continuing to follow its stated investment strategy.

A risk of mutual funds and ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A fund manager's past track record of success cannot be relied upon as a predictor of success in the future. In addition, the underlying holdings of the fund are determined by independent fund managers and may change overtime without advance warning, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the mutual fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Betterment for Advisors: Betterment utilizes ETF's or mutual funds which represent various asset classes for the construction of investment portfolios. As discussed above, we will work with each Client to construct a portfolio to meets the needs of the Client. The Client has limited ability to put restrictions on its accounts. The account[s] cannot contain investments that are not included in the Betterment for Advisors universe of ETF's, mutual funds, and cash equivalents.

TPMM Selection and Analysis. This is the analysis of the experience, investment philosophies, and past performance of independent TPMMs in an attempt to determine if the manager has demonstrated an ability to invest over a period of time and in different economic conditions. Key factors we may consider when evaluating TPMMs are their investment process and philosophy, risk management methods and procedures, historical performance, investment strategy and style, fees and operating expenses, assets under management and number of clients, and tax-efficiencies. Our evaluation also may incorporate both qualitative and quantitative fundamental analysis to validate and confirm a TPMM's investment style and skill, as well as to compare them to other managers of similar style. We may utilize various research databases, proprietary models, financial periodicals, prospectuses and filings with the SEC, industry contacts and manager data, among other items, as part of the research process. Monitoring the TPMM's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment typically completes the analysis. As part of the due-diligence process, the TPMM's compliance and business enterprise risks may be surveyed and reviewed. We may engage a third party to assist in this review and due diligence process.

Methods of analysis such as charting, fundamental, technical, or cyclical analysis may be used by the TPMMs we recommend to clients. Please refer to the disclosure brochure of the TPMM for more information.

We typically use the following investment strategies in managing client accounts:

Long-term Purchases. We primarily take a long term, passive, "buy and hold" approach to investing client assets. In this type of investment strategy, we suggest the purchase of securities with the idea of holding them in a portfolio for a year or longer. Typically, we employ this strategy when (1) we

believe the securities to be currently undervalued, and/or (2) we want the portfolio to have exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the recommendation to sell.

Short-term purchases. When utilizing this strategy, we may suggest the purchase of securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we recommend for purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

We use our best judgment and good faith efforts in rendering investment advice to our clients. We cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment recommendation we make will be profitable. **Investing in securities involves risk of loss that clients should be prepared to bear.** You assume all market risk involved in the investment of your account assets. Investments are subject to various market, currency, economic, political, and business risks.

Except as may otherwise be provided by law, we are not liable to you for:

- any loss that you may suffer by reason of any investment recommendation we made with that degree of care, skill, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; or
- any independent act or failure to act by a custodian of your account(s).

Summary of Investment Risks. While all investing involves risks and losses can and will occur, our advisory services generally recommend a broad and diversified allocation of mutual funds and other securities intended to reduce the specific risks associated with a concentrated or undiversified portfolio. Nonetheless, you should consider the following high-level summary of investment risks. **This list is not intended to be an exhaustive description of all risks you may encounter in engaging our firm for advisory services. We encourage you to inquire with us frequently about the risks related to any investments in your account.**

Risk of Loss. Securities investments are not guaranteed, and you may lose money on your investments. As with any investment manager that invests in common stocks and other equity securities, our investment recommendations are subject to market risk—the possibility that securities prices will decline over short or extended periods of time. As a result, the value of your account(s) will fluctuate with the market, and you could lose money over short or long periods of time. You should recognize whenever you determine to invest in the securities markets your entire investment is at risk. Clients should not invest money if they are unable to bear the risk of total loss of their investments.

Cybersecurity Risk. In addition to the Material Risks listed above, investing involves various operational and “cybersecurity” risks. These risks include both intentional and unintentional events at BR Wealth Management or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise our Firm’s ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients’ information, including social security numbers, home addresses, account numbers, account balances, and account holdings. Our Firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because our Firm does not directly control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

Economic Risk. The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

Exchange-Traded Funds. ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets, and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund’s shares trading at either a premium or a discount to its “net asset value.”

Financial Risk. Financial risk is represented by internal disruptions within an investment or the issuer of an investment that can lead to unfavorable performance of the investment. Examples of financial risk can be found in cases like Enron or many of the dot com companies that were caught up in a period of extraordinary market valuations that were not based on solid financial footings of the companies.

Market Risk. The value of your portfolio may decrease if the value of an individual company or multiple companies in the portfolio decreases or if our belief about a company’s intrinsic worth is incorrect. Further, regardless of how well individual companies perform, the value of your portfolio could also decrease if there are deteriorating economic or market conditions. It is important to understand that the value of your investment may fall, sometimes sharply, in response to changes in the market, and you could lose money. Investment risks include price risk as may be observed by a drop in a security’s price due to company specific events (e.g., earnings disappointment or downgrade in the rating of a bond) or general market risk (e.g., such as a “bear” market when stock values fall in general). For fixed-income securities, a period of rising interest rates could erode the value of a bond since bond values generally fall as bond yields go up. Past performance is not a guarantee of future returns.

Performance of Underlying Managers. We select the mutual funds and ETFs in the asset allocation portfolios. However, we depend on the manager of such funds to select individual investments in accordance with their stated investment strategy.



TPMM Risk. A TPMM's past track record of success cannot be relied upon as a predictor of success in the future. In addition, the underlying holdings of your TPMM account(s) are determined by the TPMM directly, and may change overtime without advance warning to us, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that a TPMM may deviate from the stated investment mandate or strategy of the account, which could make the holding(s) less suitable for the client's portfolio. Our firm does not control any TPMM's daily business and compliance operations, and thus our firm may be unaware of any lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks Related to Analysis Methods. Our analysis of securities relies in part on the assumption that the issuers whose securities we recommend for purchase and sale, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Securities Transactions at the Direction of Clients. Irrespective of whether you engage us on a discretionary or non-discretionary basis, you always maintain the concurrent ability to direct transactions within your account held at the Custodian. We are not responsible for the consequences of your self-directed investment decisions or the costs and fees they generate within your account.

Interim Changes in Client Risk Tolerance and Financial Outlook. The particular investments recommended by our firm are based solely upon the investment objectives and financial circumstances disclosed to us by the client. While we strive to meet with clients at regular intervals (at least annually, unless otherwise agreed, either in person, telephonically, or by electronic means) to discuss any changes in the client's financial circumstances, the lack of constant and continuous communication presents a risk insofar as your liquidity, net worth, risk tolerance and/or investment goals could change abruptly, with no advance notice to our firm, resulting in a mis-aligned investment portfolio and the potential for losses or other negative financial consequences.

**It is your continuing and exclusive responsibility to give us complete information and to notify us of any changes in your financial circumstances, income level, investment goals or employment status. We encourage you to contact us regularly and promptly to discuss any such changes.**

## **Item 9 – Disciplinary Information**

BRWM is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with our firm has any information to disclose which is applicable to this Item.

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

Compensation for Sales of Securities or Insurance Products. Certain investment advisor representatives of BRWM are also registered representatives of Private Client Services, LLC ("PCS") (such persons being referred to herein as "Dually Registered Persons"), an SEC registered broker-dealer and member FINRA/SIPC. We are not otherwise affiliated with PCS. While our

Dually Registered Persons primarily maintain this relationship for purposes of collecting trailing commissions on legacy sales of securities products to clients, it is possible that new securities business may be transacted with advisory clients for which our Dually Registered Persons may receive commissions or other compensation. For example, it is possible that certain clients may elect to enter into a separate commission-based arrangement with such Dually Registered Persons (but not our firm directly) and PCS (“Brokerage Arrangement”). Under a Brokerage Arrangement, our financial professionals, acting as registered representatives of PCS, may receive commissions, ongoing distribution fees (i.e., trails), and other compensation based on new sales of securities to clients.

These arrangements create a conflict of interest insofar as such Dually Registered Persons may have a financial incentive to sell securities to clients. You should also understand that investments made exclusively under a Brokerage Relationship may be separate from the advisory services we provide to you, and therefore, the firm does not have a fiduciary duty over such recommendations. Clients are advised that the fees paid to BRWM for investment advisory services are separate and distinct from the commissions or other compensation that may be earned by any Dually Registered Persons for selling securities products through PCS to clients.

Certain associated persons of BRWM are independently licensed to sell insurance in one or more states acting as a direct agent representative of a specific insurance company or companies. Insurance related business may be transacted with advisory clients and licensed individuals may receive commissions and fees from insurance products sold to clients. Clients are advised that the fees paid to BRWM or its associated persons for investment advisory services are separate and distinct from any commissions and fees earned by BRWM or its associated persons for selling insurance products to clients.

The receipt of securities and/or insurance related commissions or fees by any individual associated with our firm presents a conflict of interest. As fiduciaries we must act primarily for the benefit of our investment advisory clients. As such, we will only transact securities and/or insurance related business with clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions or fees paid to our associated persons are appropriate. Clients are informed that they are under no obligation to use any individual associated with our firm for the purchase of any securities or insurance products or services. Clients may use any broker-dealer, broker-dealer registered representative, insurance firm or insurance agent they choose for purchase of these products and services. We encourage you to ask us about the conflicts of interest presented by the broker-dealer and insurance licensing of our associated persons.

Registrations. Our firm and our associated persons are not registered, nor do they have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

Additional Compensation. We do not receive any additional compensation, either directly or indirectly, in connection with referrals of our clients to any TPMs, attorneys, tax advisors, accountants, or any other third parties. We will only recommend and refer such third parties to you when we believe the same to be in your best interests.

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

Our Code of Ethics. We subscribe to an ethical and high standard of conduct in all our business activities in order to fulfill the fiduciary duty we owe to our clients. Included in these ethical

obligations is the duty to put our clients' interests ahead of our own along with duties of loyalty, fairness, and good faith towards our clients. We disclose to client's material conflicts of interest which could reasonably be expected to impair our rendering of unbiased and objective advice.

BRWM has a Code of Ethics ("Code") which all employees are required to follow. The Code outlines proper conduct related to all services provided to clients and will be made available to you, free of charge, upon request by contacting us at the phone number listed on the cover page of this brochure. Prompt reporting of internal violations is mandatory. BRWM's Chief Compliance Officer, Brian E. Randolph evaluates employee performance to ensure compliance with our Code.

Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm and its staff, the Code requires, among other procedures, our "access persons" to report their personal securities transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities which may be purchased or sold for client accounts. The Code is required to be reviewed annually and updated as necessary.

Material/Proprietary Interests in Securities Recommended to Clients. Our firm and individuals associated with our firm do not have any proprietary or material interests in or any role in the management of any companies or investments that we recommend to our clients.

Personal Trading; Participation or Interest in Client Transactions. As described in Item 6 of this firm brochure, BRWM and/or individuals associated with our firm may manage Proprietary Accounts. Proprietary Accounts may buy and sell some the same securities as we buy or sell for client accounts. This practice creates an actual conflict of interest with our clients insofar as our firm or individuals associated with our firm may have a financial incentive to trade in securities for Proprietary Accounts in advance of or opposite to transactions in the same securities for client accounts. To address this conflict, our policy is that, assuming the purchase or sale is otherwise appropriate for the subject client accounts, we will purchase or sell securities for our clients' accounts, as the case may be, before purchasing or selling any of the same securities for any Proprietary Accounts. In some cases, we may buy or sell securities for our own account for reasons not related to the strategies adopted by our clients. The only exception to this general rule is where our Proprietary Accounts may participate in an aggregate ("block") trade simultaneously with client accounts.

In summary, our practice of buying and selling for Proprietary Accounts the same securities that we buy or sell for client accounts is restricted by the following controls:

- We are required to uphold our fiduciary duty to our clients;
- We are prohibited from misusing information about our clients' securities holdings or transactions to gain any undue advantage for ourselves or others;
- We are prohibited from buying or selling any security that we are currently recommending for client accounts, unless we participate in an aggregated trade with clients, or unless we place our orders after client orders have been executed; and
- We are required to periodically report our securities holdings and transactions to the firm's Chief Compliance Officer, who must review those reports for improper trades.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interest of all the accounts we advise.

We will disclose to advisory clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

## Item 12 – Brokerage Practices

Recommendation of Broker-Dealers; Best Execution; Directed Brokerage; and Soft Dollar Practices. Although clients may request us to execute transactions for their account through any broker-dealer of their choosing, we generally recommend that clients engage the custodial and brokerage services of TD Ameritrade Institutional (“TDA”), a division of TD Ameritrade, Inc., an independent SEC-registered broker-dealer and Member FINRA/SIPC. We are not affiliated with TDA and TDA does not monitor or control the activities of our firm or its personnel. We do not have the discretion to determine the broker to be used for the execution of client transactions or the commission rates at which such transactions are to be effected for the client. The client has the sole discretion to select the Custodian to be used for custody and execution of transactions for the client’s account. The client engages the Custodian by executing the appropriate account opening documentation and authorizes our firm to direct the execution of transactions for the account through the services of the selected Custodian.

In recommending broker-dealers, we have an obligation to seek the “*best execution*” of transactions in your account. This duty requires that we seek to execute securities transactions for clients such that the total costs or proceeds in each transaction are the most favorable under the circumstances. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the recommended broker-dealer’s services. The factors we consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer’s:

- Execution capability;
- Commission rate;
- Financial responsibility;
- Responsiveness and customer service;
- Custodian capabilities;
- Research services/ancillary brokerage services provided; and
- Any other factors that we consider relevant.

Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for specific account transactions. With this in consideration, our firm will continue to recommend that clients use TDA until their services do not result, in our opinion, in best execution of client transactions.

If the client selects a Custodian other than our recommended Custodian for execution of transactions (*i.e.*, directed brokerage), you are advised that we may be unable to seek best execution of your transactions and your commission costs may be higher than those of our recommended Custodian. For example, in a directed brokerage account, you may pay higher brokerage

commissions and/or receive less favorable prices on the underlying securities purchased or sold for your account because we may not be able to aggregate your order with the orders of other clients. In addition, where you direct brokerage, we will typically place orders for your transactions after we place transactions for clients using our recommended Custodian. We reserve the right to reject your request to use a particular Custodian if such selection would frustrate our management of your account, or for any other reason.

The Custodian(s) we recommend to you may provide us with certain brokerage and research products and services that qualify as “brokerage or research services” under Section 28(e) of the Securities Exchange Act of 1934 (“Exchange Act”). This is commonly referred to a “soft dollar” arrangement. These research products and/or services will assist us in our investment decision making process. Such research generally will be used to service all of our client accounts, but brokerage charges and similar fees paid by the client may be used to pay for research that is not used in managing that specific client’s account. Your account may pay the recommended Custodian a charge greater than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the charge is reasonable in relation to the value of the brokerage and research services received.

BRWM participates in TDA’s Institutional program. TDA offers independent investment advisors like BRWM services which include custody of securities, trade execution, clearance and settlement of transactions. BRWM receives some benefits from TDA through its participation in the program. Our receipt of these benefits creates conflicts of interest that are described in Item 14 of this firm brochure. Please see Item 14, “Client Referrals & Other Compensation” for further details.

BRWM does not process transactions through TDA in return for TDA referring new clients to BRWM.

Trade Aggregation. We may aggregate client orders, so long as it is done for purposes of achieving best execution, and so long as no client is systematically advantaged or disadvantaged. Before aggregating client orders, we document the participating accounts and the allocation instructions. We submit allocation instructions to the broker-dealer before the market closes on the day of the order. We allocate aggregated orders to client accounts at the average price obtained. We allocate partially filled orders pro-rata based on the size of the order placed by each account. If we judge that we cannot or should not allocate a partially filled order pro-rata (e.g., if the quantity of securities obtained is too small or would not have a material impact if distributed among each account), then we apply the following procedures:

- We allocate the order to client accounts only (i.e., no employees that participated in the order may receive any allocation); and
- We document our allocation decision.

#### Betterment Brokerage Services

Betterment Securities is responsible for execution of securities transactions and maintains custody of client assets. Betterment Securities exercises no discretion in determining if and when trades are placed; it places trades only at the direction of Betterment. Clients should understand that the appointment of Betterment Securities as the broker for their accounts held at Betterment may result in their receiving less favorable trade executions than may be available through the use of broker-dealers that are not affiliated with Betterment.

### Item 13 – Review of Accounts

Account Review Policy. Portfolio management and pension consulting accounts are generally reviewed by the investment advisor representative(s) who are primarily responsible for overseeing the client's account. The specific individuals conducting account reviews may vary from time to time, as personnel join or leave our firm. The frequency of reviews is determined based on each client's investment objectives and investment profile. Accounts are generally reviewed quarterly, but in any event, no less than annually.

Annual retainer financial planning and consulting clients receive comprehensive, written financial plans that are formally reviewed and updated annually. Our investment advisor representatives conduct these reviews in person, over the phone and/or via the internet. One-time financial planning and consulting client do not receive updates or account reviews following delivery of our written investment recommendations unless the client specifically requests such review and pays an additional advisory fee.

More Frequent Account Reviews. More frequent reviews of portfolio management and pension consulting accounts may be triggered by a change in the client's investment objectives; risk/return profile; tax considerations; significant account contributions and/or withdrawals; large sale or purchase transactions; security specific events; or changes in the economy more generally.

Reporting to Clients. Clients will receive standard account statements and trade confirmations from their Custodian at least quarterly. We will provide you with independently prepared written reports periodically at our discretion, and as you may otherwise reasonably request from time to time. The reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, as examples.

### Item 14 – Client Referrals and Other Compensation

Receipt of TDA Institutional Program Benefits. As referenced in Item 12 above, BRWM participates in TDA's institutional customer program and may recommend TDA to clients for custody and brokerage services. There is no direct link between TDA and BRWM in connection with the investment advice BRWM provides to clients. BRWM receives economic benefits through the custody and operating relationships it has with TDA that are not typically available to retail investors. These benefits include the following products and services, provided by TDA without cost or at a discount: duplicate client statements and confirmations, research related products and tools, consulting services, access to a trading desk serving BRWM's associated persons, access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares directly to or from client accounts), the ability to have advisory fees deducted 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 discounts or no fees on compliance, marketing, research, technology, and practice management products and services provided by third-party vendors.

TDA may also pay for business consulting, professional services, and research received by BRWM and its associated persons and may also pay or reimburse expenses (travel, lodging, meals, and entertainment expenses) for BRWM's personnel to attend conferences or meetings relating to their service platforms or to their advisor custody and brokerage services generally. Some of the products and services made available by TDA through the program may benefit BRWM but may not benefit its clients. These products or services may assist BRWM in managing and administering client



accounts, including accounts not maintained at TDA. Other services made available by TDA are intended to help BRWM manage and further develop its business enterprise. The benefits received by BRWM or its personnel through participation in the institutional program do not depend on the amount of brokerage transactions directed to TDA.

As part of its fiduciary duties to clients, BRWM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our related persons in and of itself creates a potential conflict of interest and may indirectly influence BRWM's choice to recommend TDA to clients for custody and brokerage services.

Additional Services Received from TDA. BRWM also receives from TDA certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisors participating in the program. Specifically, the Additional Services include access to Junxure Cloud (client relationship management software), MoneyGuide PRO (web-based financial planning and retirement planning software), ValueLine Research (investment research database), ThinkPipes (investment trading platform), Morningstar Advisor (web-based investment research and planning platform) and Fi360 (practice management tools and reporting software). TDA provides the Additional Services to BRWM in its sole discretion and at its own expense, and BRWM does not pay any fees to TDA for the Additional Services. BRWM and TDA have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

BRWM's receipt of the Additional Services raises potential conflicts of interest. In providing Additional Services to BRWM, TDA most likely considers the amount and profitability to TDA of the assets in, and trades placed for, BRWM's client accounts maintained with TDA. TDA has the right to terminate the Additional Services Addendum with BRWM, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TDA, BRWM may have an incentive to recommend to its clients that the assets under management by BRWM be held in custody with TDA and to place transactions for client accounts with TDA. Notwithstanding BRWM's receipt of the Additional Services, the firm always acts in a fiduciary capacity and in the best interests of its clients. Accordingly, we will only recommend TDA's services in line with our duty to seek best execution of trades for client accounts.

Other Services and Potential Conflicts:

As part of our relationship with Betterment and Betterment Securities, Betterment may offer BRWM educational services, such as access to webinars and research information. Betterment may offer BRWM different or expanded services in the future. These services could create an incentive for us to recommend our Clients to invest through the Betterment for Advisors platform. As mentioned above, the firm always acts in a fiduciary capacity and in the best interests of its clients. Accordingly, we will only recommend Betterment services in line with our duty to act in the best interest of our clients.

Except as disclosed in this Item 14, we have no other arrangements, written or oral, in which we compensate others or are compensated for client referrals.

## **Item 15 – Custody**

Our Firm is deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and, under that SLOA, it authorizes us to designate the amount or timing of transfers

with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow. We do not have a beneficial interest on any of the accounts we are deemed to have custody where SLOAs are on file. In addition, account statements reflecting all activity on the account(s) are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us, your Advisor or the qualified custodian preparing the statement.

With the exception of our ability to directly debit fees as outlined in Item 5, we do not hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them. All client assets are held at the qualified Custodian, usually TDA. We currently recommend TDA to act as your qualified Custodian to hold your assets and execute securities transactions for your account.

We shall have no liability to you for any loss or other harm to any property in your account held by any Custodian, including any harm to any property in the account resulting from the insolvency of any Custodian (including, without limitation, TDA) or any acts of the agents or employees of any Custodian, whether or not the full amount of such loss is covered by the SIPC or any other insurance which may be carried by such Custodian. Clients understand that the SIPC provides only limited protection for the loss of property held by a Custodian.

#### Betterment Custody Services

Betterment Securities maintains custody of our Client's assets that are managed by Betterment. Clients receive periodic emails from Betterment with information about their accounts as well as links to account statements. We encourage our Clients to carefully review those statements promptly.

### **Item 16 – Investment Discretion**

Portfolio management clients have the option to grant our firm ongoing and continuous discretionary authority to execute our investment recommendations within the client's account held at the Custodian *without* obtaining the client's prior approval for each specific transaction. In a discretionary arrangement, you authorize us to purchase and sell securities and instruments in your account(s), arrange for delivery and payment in connection with the foregoing, and act on your behalf in all matters necessary or incidental to the handling of the account, including monitoring of your assets. Except for direct deductions of its advisory fees, BRWM will not be permitted to initiate transfers of funds in or out of client accounts. Our discretionary management of your account will be conducted in strict accordance with your investment objectives and suitability.

Financial planning and consulting services and portfolio consulting services are non-discretionary in nature. The client always makes the ultimate investment decision, and we will not take any action with respect to the client's investments without the client's prior consent.

#### Betterment Investment Discretion:

Betterment for Advisors, under its discretionary authority, will automatically adjust and rebalance the Client's accounts daily based on the drift tolerance established for the positions in the investment portfolio. Betterment Advisor's investment philosophy is generally long-term, but the Advisor may make such tactical overrides to take advantage of market pricing anomalies, strong market sectors, and tax loss harvesting. Each portfolio is associated with a target allocation of



investment types and/or asset classes but you can modify Betterment's initial allocation recommendation as BRWM, and you see fit. In the absence of a contrary direction, Betterment will periodically rebalance your portfolio so that in the face of fluctuating market prices each Client's portfolio remains within a range of the target allocation.

### **Item 17 – Voting Client Securities**

We will not vote proxies on behalf of clients and will not provide advice to clients on how the client should vote.

We do not have or accept authority to vote client securities. Most clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a client, they will be sent directly to the client or a designated representative of the client, who is responsible to vote the proxy.

**Class Action Suits** A class action is a procedural device used in litigation to determine the rights of and remedies, if any, for large numbers of people whose cases involve common questions of law and/or fact. Class action suits frequently arise against companies that publicly issue securities, including securities recommended by investment advisors to clients. With respect to class action suits and claims, you (or your agent) will have the responsibility for class actions or bankruptcies, involving securities purchased for or held in your account. We do not provide such services and are not obligated to forward copies of class action notices we may receive to you or your agents.

#### Betterment Voting Client Securities

For assets managed on the Betterment for Advisors platform, our Client's delegate to Betterment the authority to receive and vote all proxies and related materials. Betterment will only vote on proxies and respond to corporate actions associated with securities that Betterment recommends be purchased for client accounts.

### **Item 18 – Financial Information**

BRWM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Advisors who have discretionary authority over client accounts, custody of client assets, or who require or solicit pre-payment of more than \$1,200 in fee per client, six months or more in advance, are required to disclose any financial condition that is reasonably likely to impair their ability to meet contractual commitments to clients. BRWM maintains discretionary authority over client funds and securities. We have no financial commitments that would impair our ability to meet contractual and fiduciary commitments to our clients.

Neither BRWM nor any of its principals, have been the subject of a bankruptcy petition at any time in the past.