

MB, Levis & Associates, LLC

ADV Part 2A Brochure Dated: August 23, 2023

Contact: Leslie Childs, Chief Compliance Officer
4647 Saucon Creek Road, Suite 101
Center Valley, PA 18034
(610) 419-9690

This brochure provides information about the qualifications and business practices of MB, Levis & Associates, LLC. If you have any questions about the contents of this brochure, please contact us at (610) 419-9690 or lchilds@mblevis.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about MB, Levis & Associates, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

References herein to MB, Levis & Associates, LLC as a "registered investment adviser" or any other reference to being "registered" does not imply a certain level of skill or training.

Item 2 Material Changes

There are no reportable material changes made to MB, Levis' disclosure statement since our last annual amendment filing on March 10, 2022.

Item 3 Table of Contents

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

Item 4 **Advisory Business**

- A. MB, Levis & Associates, LLC (hereafter, “MB, Levis,” “we,” or “us”) is a limited liability company formed in 2012 in the Commonwealth of Pennsylvania. MB, Levis’s principal owner is J. Bruce Levis, Jr.

B.

INVESTMENT MANAGEMENT SERVICES

You can determine to engage our firm to provide discretionary investment advisory services on a *fee only* basis. Our annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under our management, generally between negotiable and 1.00%.

Our annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by you, financial planning and consulting services. In the event that you require extraordinary planning and/or consultation services (to be determined in our sole discretion), we may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to you.

MISCELLANEOUS

Non-Investment Consulting/Implementation Services. Neither we, nor any of our representatives serves as an attorney, accountant, or licensed insurance agent, and no portion of our services should be construed otherwise. To the extent requested by you, we may recommend the services of other professionals for certain non-investment implementation purposes (i.e., attorneys, accountants, insurance agents, etc.). You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from us.

If you engage any such recommended professional, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional. It remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives for the purpose of reviewing/evaluating/ revising our previous recommendations and/or services.

Retirement Rollovers-Potential for Conflict of Interest: A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer’s plan, if permitted, (ii) roll over the assets to the new employer’s plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account (“IRA”), or (iv) cash out the account value (which could, depending upon the client’s age, result in adverse tax consequences). If we recommend that a client roll over their retirement plan assets into an account to be managed by us, such a recommendation creates a conflict of interest if we will earn new (or increase its current) compensation as a result of the rollover. If we provide a recommendation as to whether a client should engage in a rollover or not, we would be acting as a fiduciary 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. No client is under any obligation to roll over retirement plan assets to an account managed by us.

Cash Positions. We continue to treat cash as an asset class. As such, unless determined to the contrary by the Firm, all cash positions (money markets, etc.) shall continue to be included as part of assets under management for purposes of calculating our advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), we may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, our advisory fee could exceed the interest paid by the client's money market fund.

Availability of Mutual Funds. While we may allocate investment assets to mutual funds that are not available directly to the public, we may also allocate investment assets to publicly available mutual funds that the client could purchase without engaging the Firm as an investment adviser. However, if a client or prospective client determines to purchase publicly available mutual funds without engaging us as an investment adviser, the client or prospective client would not receive the benefit of our initial and ongoing investment advisory services with respect to management of the asset.

Portfolio Activity. We have a fiduciary duty to provide services consistent with the client's best interest. We will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, market conditions, fund manager tenure, style drift, account additions or withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when We determine that changes to a client's portfolio are neither necessary, nor prudent. Clients remain subject to the fees described in Item 5 below during periods of account inactivity.

Asset Aggregation / Reporting Services. In conjunction with the services currently provided by ByAllAccounts, Inc., we may provide access to reporting services that can reflect all of the client's investment assets, including those investment assets that are not part of the assets managed by the Firm (the "Excluded Assets"). Our service relative to the Excluded Assets is limited to reporting service access only, which does not include investment implementation. Because we do not have trading authority for the Excluded Assets, the client (and/or another investment professional), shall be exclusively responsible for directly implementing any recommendations relative to the Excluded Assets. Further, the client and/or their other advisors that maintain trading authority, shall be exclusively responsible for the investment performance or related activity (such as timing and trade errors) pertaining to the Excluded Assets. The third-party reporting platform may also provide access to financial planning information and applications, which should not be construed as services, advice, or recommendations provided by us. Accordingly, we shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the third-party reporting platform without our participation or oversight.

Client Obligations. In performing our services, we will not be required to verify any information received from you or from your other professionals, and we are expressly authorized to rely thereon. Moreover, you are advised that it remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

Disclosure Statement. A copy of our written Brochure and Client Relationship Summary, as set forth on Part 2A of Form ADV and Form CRS, respectively, shall be provided to you prior to, or along with, the execution of the *Investment Advisory Agreement*.

- C. We will provide investment advisory services specific to your needs. Prior to providing investment advisory services, we will ascertain your investment objective(s). Thereafter, we will allocate and/or recommend that you allocate investment assets consistent with your designated investment objective(s). You may, at any time, impose reasonable restrictions, in writing, on our services.
- D. We do not participate in a wrap fee program.
- E. As of December 31, 2022, we had \$307,933,325 in discretionary assets under management.

Item 5 Fees and Compensation

A.

INVESTMENT MANAGEMENT SERVICES

If you choose to engage our firm to provide discretionary investment advisory services on a *fee only* basis, we shall generally price our advisory services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the type, amount and market value of their assets, the anticipated complexity of the engagement, the anticipated level and scope of the overall investment advisory services to be rendered, negotiations. Additional factors affecting pricing can include related accounts, employee accounts, competition, and negotiations. As a result of these factors, similarly situated clients could pay diverse fees, and the services to be provided by the Firm to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

Our annual investment management fee will vary but will generally not exceed 1.00% of the total assets placed under our management.

- B. You may elect to have our advisory fees deducted from your custodial account. Our *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of our investment advisory fee and to directly remit that management fee to us in compliance with regulatory procedures. In the limited event that we bill you directly, payment is due upon receipt of our invoice. We will deduct fees and/or bill you quarterly in arrears, based upon the market value of the assets on the last business day of the previous quarter, including any accrued interest.
- C. As discussed below, unless you direct otherwise or your circumstances require, we will generally recommend that Charles Schwab and Co., Inc. ("*Schwab*") serve as the broker-dealer/custodian for your investment management assets. Schwab charges brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to our investment management fee, brokerage commissions and/or transaction fees, you will

also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g., management fees and other fund expenses).

- D. Our annual investment advisory fee will be prorated and paid quarterly in arrears based upon the market value of the assets on the last business day of the previous quarter. We generally require an annual minimum fee of \$5,000. Therefore, in certain limited cases, clients will pay a higher percentage annual fee than referenced in item 5.A. above. However, the effective annual investment management fee shall not exceed 2% of the total assets under our management. We, in our sole discretion, may charge a lesser investment management fee and/or waive or reduce our minimum fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with you, etc.).

The *Investment Advisory Agreement* between us and you will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, we will debit the account for the pro-rated portion of the unpaid advanced advisory fee based upon the number of days services were provided during the billing quarter.

- E. Neither we, nor our representatives accept compensation from the sale of securities or other investment products.

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

Neither we, nor our representatives accept performance-based fees.

Item 7 Types of Clients

Our clients shall generally include high net worth individuals, corporate pension and profit-sharing plans, charitable organizations, and trusts and estates.

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

- A. We may utilize the following methods of security analysis:
- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
 - Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
 - Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
 - Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

We may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by us) will be profitable or equal any specific performance level(s).

Investing in securities involves risk of loss that you should be prepared to bear.

- B. Our methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis, we must have access to current/new market information. We have no control over the dissemination rate of market information; therefore, unbeknownst to us, certain analyses may be compiled with outdated market information, limiting the value of our analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Our primary investment strategies - Long Term Purchases and Short-Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

- C. Currently, we primarily allocate client investment assets among various individual equity (stocks), debt (bonds) and fixed income securities, mutual funds and/or exchange traded funds ("ETFs"), on a discretionary basis in accordance with the client's designated investment objective(s).

Item 9 Disciplinary Information

Neither we, nor our representatives have been the subject of any disciplinary action.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither we, nor our representatives are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither we, nor our representatives are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

- C. Neither we, nor our representatives have any relationship or arrangement with any other financial industry entity that is material or germane to our business.
- D. We do not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. We maintain an investment policy relative to personal securities transactions. This investment policy is part of our overall Code of Ethics, which serves to establish a standard of business conduct for all of our representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.
In accordance with Section 204A of the Investment Advisers Act of 1940, we also maintain and enforce written policies reasonably designed to prevent the misuse of material non-public information by us or any person associated with us.
- B. Neither we, nor any related person of our firm recommends, buys, or sells for client accounts securities in which we or any related person of our firm has a material financial interest.
- C. We and/or our representatives *may* buy or sell securities that are also recommended to clients. This practice may create a situation where we and/or representatives of our firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if we did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of our clients) and other potentially abusive practices.

We have a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of our “Access Persons”. Our securities transaction policy requires that an Access Person of our firm must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings quarterly and at least once each twelve (12) month period thereafter on a date we select; provided, however that at any time that our firm has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. We, and/or representatives of our firm *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where we and/or representatives of our firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11 C, we have a personal securities

transaction policy in place to monitor the personal securities transaction and securities holdings of each of our Access Persons.

Item 12 Brokerage Practices

The custodian and brokers we use

- A. We do not maintain custody of your assets that we manage or advise although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we or you instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client Referrals and other compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your accounts, as described below (see “Your brokerage and custody costs”).

How we select brokers/custodians

We seek to recommend Schwab, a custodian/broker that will hold your assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability

- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”).

Your brokerage and custody costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. Schwab’s commission rates applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. In addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). By using another broker or dealer you may pay lower transaction costs.

Products and services available to us from Schwab:

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

Services that Benefit You. Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we may not otherwise have access or that would require a significantly higher minimum

initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that do not directly benefit you. Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

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

Services that generally benefit only us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

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

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. Schwab also provides us with other benefits such as occasional business entertainment of our personnel. If you did not maintain your account with Schwab, we would be required to pay for these services from our own resources.

Our interest in Schwab's services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as we keep a total of at least \$10 million of client assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The fact that we receive these benefits from Schwab is an incentive for us to recommend the use of Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is conflict of interest. We believe, however, that taken in the aggregate, our recommendation of Schwab as custodian and broker is in the best interests of our clients. Our selection is

primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/custodians") and not Schwab's services that benefit only us.

Tradeaway/Prime Broker Fees. Relative to our discretionary investment management services, when beneficial to you, individual fixed income transactions may be effected through broker-dealers other than the account custodian such as ICE Bond Securities Corporation, in which event, you generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate "tradeaway" and/or "prime broker fee" charged by Schwab.

Our Chief Compliance Officer, Leslie Childs, remains available to address any questions that you may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

We do not generally accept directed brokerage arrangements (when you require that account transactions be effected through a specific broker-dealer). In such client directed arrangements, you will negotiate terms and arrangements for your account with that broker-dealer, and we will not seek better execution services or prices from other broker-dealers or be able to "batch" your transactions for execution through other broker-dealers with orders for other accounts managed by us. As a result, you may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that you direct us to effect securities transactions for your account through a specific broker-dealer, you acknowledge that such direction may cause the account to incur higher commission or transaction costs than the account would otherwise incur had you chose to effect account transactions through alternative clearing arrangements that may be available through us.

Our Chief Compliance Officer, Leslie Childs, remains available to address any questions that you may have regarding the above arrangement.

To the extent that we provide investment management services to you, the transactions for your account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may (but are not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. We shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom we provide investment supervisory services, account reviews are conducted on an ongoing basis by our firm's Principals and/or representatives. All investment supervisory clients are advised that it remains your responsibility to advise us of any changes in your investment objectives and/or financial situation. All clients (in

person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with us on an annual basis.

- B. We *may* conduct account reviews on an other-than periodic basis upon the occurrence of a triggering event, such as a change in a client's investment objectives and/or financial situation, market corrections and client request.
- C. You are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for your accounts. We may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the referral arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (see Item 12- Brokerage Practices).

Our Chief Compliance Officer, Leslie Childs, remains available to address any questions that you may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

- B. Neither we nor any of our related persons directly or indirectly compensates any person for client referrals

Item 15 Custody

We have the ability to have our advisory debited from your account by the custodian on a quarterly basis. We also have custody of client funds in certain accounts which J. Bruce Levis, Jr. serves as trustee, co-trustee, or executor. For those accounts, a surprise annual audit of the account is performed by an independent accountant.

Custody Situations: We engage in other practices and/or services on behalf of our clients that require disclosure at ADV Part 1, Item 9, but which practices and/or services **are not** subject to an annual surprise CPA examination in accordance with the guidance provided in the SEC's February 21, 2017 Investment Adviser Association No-Action Letter.

Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them

To the extent that we provide you with periodic account statements or reports, you are urged to compare any statement or report provided by us with the account statements received from the account custodian.

The account custodian does not verify the accuracy of our advisory fee calculation.

Item 16 Investment Discretion

You can choose to engage our firm to provide investment advisory services on a discretionary basis. Prior to us assuming discretionary authority over your account, you will be required to execute an *Investment Advisory Agreement*, naming us as your attorney and agent in fact, granting us full authority to buy, sell, or otherwise effect investment transactions involving the assets in your name found in the discretionary account.

You may, at any time, impose restrictions, **in writing**, on our discretionary authority (i.e., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe our use of margin, etc.).

Item 17 Voting Client Securities

We exercise voting authority in our own corporate account and trust accounts where J. Bruce Levis, Jr. serves as trustee, co-trustee, or executor. In other accounts, it is the client's responsibility, as noted in the account application, to vote proxies.

In the limited event where our firm votes proxies, we will do so in a manner which we reasonably believe will maximize shareholder value, which is defined as long-term value accretion through dividend and price appreciation. Our policy is to vote in favor of specific or non-recurring management proposals where the proposals are reasonable and appear to be in the best interest of shareholders. Conversely, where management has submitted proposals that restrict shareholder rights or diminish shareholder value, we would oppose such proposals. To retain effective top management, a company must provide protection against the fear of peremptory dismissal if a hostile takeover attempt is successful. Therefore, while we generally oppose structural anti-takeover provisions including "poison pills," we will support a Board of Directors that enters into employment agreements for limited, rolling time periods (such as three years) and provides reasonable "parachutes" or termination compensation for an effective top management team. Our firm realizes that compensation that relies heavily on stock options can be dilutive over time and, therefore, favors the adoption or continuation of reasonable non-super dilutive stock option plans.

Because of the nature of our business, it is unlikely that we will ever have a material conflict when voting proxies. If a conflict would arise, we would obtain the client's informed consent to vote a proxy in a specific manner.

We will maintain records pertaining to proxy voting as required pursuant to Rule 204-2 (c) (2) under the Advisers Act. Copies of Rules 206(4)-6 and 204-2(c) (2) are available upon written request. In addition, information pertaining to how we voted on any specific

proxy issue is also available upon written request. Requests should be made by contacting our firm's Chief Compliance Officer, Leslie Childs.

Item 18 Financial Information

- A. We do not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. We are unaware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments relating to our discretionary authority over certain client accounts.
- C. We have not been the subject of a bankruptcy petition.

Our Chief Compliance Officer, Leslie Childs, remains available to address any questions that you may have regarding the above disclosures and arrangements.