



Form ADV Part 2 Brochure

August 7, 2023

Goelzer Investment Management, Inc.
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This Form ADV Part 2 (“Brochure”) provides information about the qualifications and business practices of Goelzer Investment Management, Inc. (“Goelzer”). If you have any questions about the contents of this Brochure, please contact us at (317) 264-2600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any other state securities authority.

Goelzer is a registered investment adviser. However, please note that registration as an investment adviser does not imply any level of skill or training.

Additional information about Goelzer is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 - Material Changes

The information contained in this section relates only to material changes that have occurred since the last annual update to this Brochure. The following are short summaries of the changes that have occurred since our last annual update on March 31, 2023, with regard to our services or business operations. We encourage you to read the full Brochure.

In this version, we have updated our disclosures related to our Goelzer Private Office service.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year.

To obtain our firm brochure and brochure supplements (including, for example, information about each of our financial advisors), our Code of Ethics, or our Privacy Policy, please visit our website at www.goelzerinc.com, e-mail us at jbush@goelzerinc.com, or call us at (317) 264-2600.



ITEM 3 – Table of Contents

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ITEM 4 – Advisory Business

Goelzer Investment Management, Inc. (“Goelzer”) is an investment advisory firm registered with the SEC, whose Principal Officers include Gregory W. Goelzer, Chief Executive Officer, Brett D. McKamey, President, Chris W. Cotterill, Chief Operating Officer, J. Andrew Concannon, Chief Investment Officer, and Jeffrey A. Bush, General Counsel & Chief Compliance Officer. Goelzer is an employee-owned company, with controlling interest held by the Goelzer family.

Formed in 1969, Goelzer provides services to private and institutional clients, which include Investment Advisory Services and discretionary and non-discretionary Asset Management Services. In addition, the firm may provide Consulting Services to clients that wish to have Goelzer monitor and report on investments held at a third-party asset manager, adviser, custodian, or trust company. These services are more fully described below, as well as in the advisory contract applicable to each account.

As of 12/31/2022, the firm advises on a total of \$2,360,180,744 in assets under management, \$53,870,707 in Non-Discretionary assets that it monitors, and \$149,338,321 in consulting assets for a total of \$2,563,389,772 in assets under advisement.

Goelzer’s Investment Advisory Services are divided among three separate teams that provide different aspects of Goelzer’s advisory offerings. These include Goelzer’s Institutional Advisory Services team, which provides services tailored for institutional clients, Goelzer’s Private Client team, which offers comprehensive wealth management services specific to private clients, and Goelzer’s Investment Management team, which provides research and analysis to support the other teams.

Institutional Advisory Services

Goelzer’s Institutional Advisory Services Team offers investment consulting and custom-tailored portfolios to institutions, including pension and profit-sharing plans, foundations and endowments, primary, education institutions, corporate accounts, and other institutional accounts.

Goelzer has served the institutional marketplace for over 30 years, offering comprehensive investment advice. Goelzer offers a customized approach, tailored to each client’s needs and objectives, not a mass generated solution.

OCIO Discretionary Services

Goelzer can serve as an Outsourced Chief Investment Officer (“OCIO”) for institutions where we serve as a co-fiduciary next to the client, saving the client’s time by allowing it to focus on more important priorities. Goelzer serves as a close partner with its institutional clients by providing OCIO services that help to alleviate the burdens that client’s face.

OCIO Services include:

- Development of the Investment Policy Statement
- Asset Allocation Study and Liability Analysis
- Investment Manager Searches, Monitoring, and Supervision
- Portfolio Implementation and Rebalancing and Tactical Shifts
- Customized Portfolio Construction
- Research and Education
- Portfolio Compliance and Risk Management
- Performance Reporting and Monitoring
- Spending Policy Analysis
- Annual Fee Analysis

The average client size for OCIO Discretionary Services is \$7.6 million.

Traditional Consulting Services

Goelzer also offers any of the above services individually or in a group as part of a consulting relationship. For instance, Goelzer can provide assistance with the Investment Policy Statement, Investment Manager Monitoring, and Performance Reporting. Goelzer can contract to provide any and all of these services according to the needs of the client.

The average client size for Traditional Consulting Services is \$73.1 million.

Private Client Services

Goelzer's Private Client Team provides comprehensive wealth management services to high net worth individuals, which includes individualized investment and financial planning advice tailored to each client's needs. Each portfolio is structured to conform to the client's investment objectives and risk tolerances. This service is typically available to persons wishing to invest a minimum of \$1,000,000, but this amount can be waived. The investment objectives and risk tolerances may differ from client to client, and portfolios may differ among clients.

Goelzer's private client services include:

- Development of Personal Investment Plan
- Plan updates and Revisions
- Asset Allocation
- Custom Portfolio Creation
- Performance Reporting

Financial Planning

Goelzer also provides wholistic financial planning services to help the client evaluate their current income, financial condition, and spending by using current known variables and the client's financial goals to assess potential future income, asset values, and withdrawal plans. Goelzer works with the client to understand and identify his or her current financial situation and specific goals. The adviser then analyzes the current course of action and potential alternative courses of action to develop an appropriate and mutually agreed upon financial plan. Throughout the relationship, Goelzer's advisers will monitor the plan, updating it as necessary. As part of its financial planning services, Goelzer may provide clients advice on various subjects including: education savings, debt management, funding retirement plans, estate planning concepts, charitable giving, business exit strategies, and other relevant subjects.

Goelzer Private Office

For clients with more complex financial estates, Goelzer provides specialized Private Office services to meet the needs of these clients. These services include some or all of the following: generational wealth planning, philanthropic legacy, consolidated reporting, institutional investing consulting, alternative investments, business advisory, curated wealth solutions, and Goelzer Wealth Vision, a planning tool that provides clients a wholistic view of their personal finances. Goelzer Private Office is a tailored approach focusing on the needs of these complex situations.

G•PRO

Goelzer markets itself specifically to professional athletes under the name G•PRO. G•PRO offers financial planning, investment advisory, and asset management services that are tailored to the needs and financial situations of professional athletes.

Investment Management

Goelzer offers investment management services in support of the Institutional Advisory Services and Private Client Teams in which Goelzer provides research and portfolio management to Goelzer clients. Goelzer's Investment Management Team maintains Goelzer's proprietary investment strategies, which include core equity strategies, government, corporate, and municipal fixed income, mutual funds, and private investments.

Please see Items 8 and 13 below for more information on Goelzer's Investment Management Team and its investment process.

Unmanaged Assets

From time to time, clients may ask Goelzer to include assets for which Goelzer does not provide ongoing management or advisory services ("unsupervised assets") in client reports. As Goelzer may include these unsupervised assets in its reports to clients and may consider these unsupervised assets in making asset allocation decisions or recommendations for clients, Goelzer may, but

typically does not, include these unsupervised assets when determining the total assets under management upon which the client's fee is based, depending on the complexity of including the assets in the report.

However, Goelzer does not regularly research, review, or otherwise evaluate a client's unsupervised assets. Clients holding unsupervised assets should recognize that Goelzer may be unaware of factors that could lead an unsupervised asset to rapidly decline in value and that Goelzer should not be expected to alert the client should such a decline be in progress. The client has the sole responsibility to monitor and request trades in unsupervised assets.

Miscellaneous

Sub-Adviser Relationships

For a number of accounts, Goelzer serves as a sub-adviser to another investment adviser. Additionally, for other clients, Goelzer either contracts with a sub-adviser to manage the account on behalf of Goelzer or recommends other advisers to the client to manage certain aspects of the account.

Co-Adviser Relationships

For a specific number of clients, Goelzer contracts to work as a co-adviser with another registered investment adviser. With these clients, Goelzer provides investment management services, and the other investment adviser provides investment advisory services.

Other

Goelzer may be engaged to recommend one or more investment advisers to the client. If authorized by the client, Goelzer may recommend itself as an investment adviser, if that recommendation is in the client's best interest, and Goelzer may earn an additional advisory fee for those relationships. The option of recommending itself among other advisers is a conflict of interest because there is an incentive to choose itself instead of the other advisers. Goelzer discloses the potential of additional fees in this Brochure and again to affected clients prior to entering the relationship.

Fiduciary Duty Related to Retirement Accounts

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. Similarly, any recommendation to open an account with Goelzer that results in the client paying fees to Goelzer is an inherent conflict of interest.

ITEM 5 – Fees & Compensation

All clients are required to enter into a written advisory agreement or financial planning agreement prior to the establishment of an investment advisory relationship. Goelzer offers its Investment Advisory Services based upon a percentage of assets under management, hourly charges, a fixed fee, or a combination of those forms of compensation (as outlined below). Investment advisory fees are divided into quarterly installments and are payable in advance of each quarter based on market values as of March 31, June 30, September 30, and December 31.

Investment Advisory Fees

For Goelzer's private clients, we charge fees according to a standard fee schedule with standard fees ranging from .5% to 1.5% of assets under management and annual minimums ranging from \$3,500 to \$6,000. In addition, the client will incur costs, such as brokerage, custodial, and ancillary costs charged by their broker and/or custodian as well as transaction costs depending on their broker/dealer. For the client accounts that are invested in mutual funds and ETFs, the client also will bear any direct shareholder charges of the mutual fund and will indirectly bear internal mutual fund fees and expenses.

For Goelzer's institutional clients, our standard fees range from .10% to .70%. For client accounts that are invested in mutual funds and ETFs, the client also will bear any direct shareholder charges of the mutual fund and will indirectly bear internal mutual fund fees and expenses.

Consulting Services

Fees for Consulting Services may be based upon a percentage of assets under management with a standard fee schedule beginning at .50% of the first \$1,000,000 of assets under advisement, hourly charges, a fixed fee, or a combination of those forms of compensation. Fixed fees and hourly charges are determined by the duration and complexity of the arrangement among other factors. Consulting Services fees are divided into quarterly installments and are payable in advance of each quarter as of March 31, June 30, September 30, and December 31.

Financial Planning Fees

Goelzer will charge a flat fee to clients who engage Goelzer to prepare a financial plan but who do not utilize any of Goelzer's other services. The fee is determined based on the scope of the financial plan, complexity of the client's financial situation, the length of the engagement, and other factors. At the end of the engagement, if appropriate, the clients paying a flat fee for a financial plan may enter into an advisory agreement for Goelzer to provide management services.

Additional Fee Information & Disclosures

All advisory fees are negotiable. As such, in certain cases, investment advisory fees may be modified based on a pre-existing or employee relationship, the nature of services to be provided, types of investments, portfolio makeup, size of the account, the complexity of the client's situation,



and/or other competitive factors. Investment advisory fees and services to be provided are determined at the time of engagement.

The client may choose to have fees deducted directly from their accounts, or clients can choose to be billed directly. A client can choose at any time to change the method of fee deduction/billing for their account. If a client opens an account during a quarter, fees for that quarter are pro-rated to the end of that quarter. Note that the custodian does not verify advisory fees; therefore, clients are encouraged to direct any questions regarding fees to their advisor at Goelzer directly and are advised to carefully review each statement received by the custodian firm to ensure accuracy.

The aforementioned advisory fees do not include fees or expenses paid to other service providers (if applicable on accounts). Investors are strongly encouraged to read any offering document or prospectus for additional information.

Goelzer employs both Chartered Financial Analysts® and Certified Financial Planners®. Goelzer and its employees provide services on a fee-only basis, and neither Goelzer nor any related parties receive sales-related compensation from any other source. Employees may receive periodic bonuses based on performance as well as referral compensation for successfully referring and opening accounts with Goelzer.

Goelzer will not enter into an investment advisory relationship with any prospective client whose investment objectives may be considered incompatible with Goelzer's basic investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Fees will not be based upon a share of capital gains or capital appreciation of the funds of any portion of a client's account (known as "performance fees"). Goelzer reserves the right to modify fees with at least 30 days' advance written notice.

The fees associated with Goelzer's services may be higher or lower than at other financial institutions. Clients are encouraged to discuss any questions that may arise regarding services and fees throughout the course of our engagement. Additionally, clients are welcome to utilize a broker/dealer of their choice for execution of securities transactions.

Termination of Services

Investment Advisory Services are continuous and on-going in nature, but either party may terminate the Advisory Agreement with at least 90 days prior written notice to the other party's last known legal address. As fees are levied on a quarterly basis in advance, a pro-rata refund will be made to the client in the event of termination of the Advisory Agreement prior to the end of a calendar quarter.



ITEM 6 – Performance Based Fees & Side-by-Side Management

Goelzer does not charge any performance-based fees of any kind. (Those fees that are based upon a share of capital gains or capital appreciation of client assets.)

Goelzer does manage client accounts that may pay different fees. This is a conflict of interest in that Goelzer has an incentive to favor accounts that pay higher fees. Goelzer has developed trade allocation policies designed to ensure that clients are treated equitably over time. Goelzer does not trade shares in its own principal accounts in a manner that would intentionally disadvantage clients.

Goelzer employees may trade individual securities in their personal accounts that are held in client accounts. Goelzer's policies prohibit portfolio managers from trading securities in his or her own personal on the same day that he or she trades the same security in client accounts. If the employee trades along with clients, the employee's trade will be included in the average price calculation so that the employee will receive the same price as the clients. However, if a portfolio manager trades a security for a client, and another employee without knowing what the portfolio manager has decided to do, trades in the same security in his or her personal account, then the employee may receive a better price than the client if that is the result of the trades.

ITEM 7 – Types of Clients

Investment Advisory Services are generally provided to individuals, high net worth individuals, families, institutions, and institutional investors. These may include accounts for retirement plans, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, partnerships, or other business entities.

If an account is subject to the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), the plan sponsor or investment committee is typically a named fiduciary with respect to the control or advice of the assets in the Account and Goelzer acknowledges that it is a fiduciary within the meaning of the Act. Goelzer requests that the client agrees to obtain and maintain a bond satisfying the requirements of Section 412 of ERISA and to include Goelzer, and Goelzer's principals, agents, and employees under those insured under that bond and will deliver to Goelzer a copy of the governing plan documents. If the account assets for which Goelzer provides services represent only a portion of the assets of an employee benefit plan, the client will remain responsible for determining an appropriate overall diversification policy for the assets of such plan. Goelzer will maintain appropriate bonding and insurance for the types of clients it has.

Goelzer typically requires a minimum investment account size of \$1,000,000. This minimum may be reduced at Goelzer's discretion.



ITEM 8 – Methods of Analysis, Investment Strategies, & Risk of Loss

Investing in securities of any kind involves risk of loss that clients must be prepared to bear.

Goelzer's approach to security analysis is based primarily on fundamental analysis. Goelzer attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

In addition, Goelzer utilizes 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 movements. Technical analysis does not consider the underlying financial condition of a company. Technical analysis relies on historical market trading patterns, which may not be predictive of future performance of an issuer.

The principal sources of information that Goelzer uses are: company prepared information (annual reports, proxy materials, prospectuses, press releases, etc.); SEC filings; management interviews and contacts; financial industry related press, newspapers, and magazines; and industry trade research from various sources, including FactSet, Bloomberg, Morningstar, and investment banking firms.

When providing Investment Advisory Services, Goelzer analyzes information provided by the client and evaluates and identifies each individual client's goals, risk tolerances, and time horizon through an extensive due diligence process to determine an investment objective that is appropriate given the individual client's needs and circumstances. Therefore, the client's active participation in the review and analysis process is crucial. Investment strategies used to implement investment advice are generally long-term in nature, though certain investment strategies may include short-term purchases depending upon the individual needs and objectives of the client.

In a long-term strategy, Goelzer purchases securities with the idea of holding them in the client's account for a year or longer. Goelzer may do this because it believes the securities to be currently undervalued. Goelzer may do this because it wants 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, Goelzer may not take advantages of short-term gains that could be profitable to a client. Moreover, if Goelzer's projections are incorrect, a security may decline sharply in value before Goelzer makes the decision to sell.



In a short-term strategy, Goelzer purchases securities with the idea of selling them within a relatively short time (typically a year or less). Goelzer does this in an attempt to take advantage of conditions that it believes will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, Goelzer is 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.

Generally, the firm provides advice on the following types of securities: stocks, bonds, mutual funds and exchange traded funds (ETFs), liquid non-traditional assets, government and municipal securities, mortgage securities, corporate bonds, private investments, preferred stock, options contracts, and warrants. Limited partnerships, private placement offerings, and alternative investments may involve higher degrees of risk than other investments (including potential liquidity risks).

Margin

Upon occasion, clients' investment goals and objectives may warrant the use of margin accounts and/or the use of equity options. Because the use of margin accounts and options entail increased risk, they are only recommended when consistent with client's stated risk tolerance and investment objectives.

To facilitate mandatory distributions or other liquidity needs, Goelzer may advise clients to open a margin account. In a margin account, the securities will serve as collateral for the borrowed funds. A client may at his or her discretion, direct the opening of a margin account to facilitate the purchase additional securities without selling the holdings in the account.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in a client's account minus what the client owes the broker falls below a certain level, the broker will issue a "margin call", and the client will be required to sell the position in the security purchased on margin or add more cash to the account. In some circumstances, the client may lose more money than was originally invested.

Goelzer may recommend, where appropriate, that a client establish a margin account with the client's broker, even though a margin strategy is not being followed. In this situation, if Goelzer is selling one stock and purchasing another stock with the proceeds, Goelzer can use the margin account to make certain that the client is not left out of the purchase if Goelzer has difficulty completing the sale.

Options

Goelzer may, from time to time if circumstances warrant, use options as an investment strategy after discussion and mutual agreement with the client. An option is a contract that gives the buyer



the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives the holder the right to buy an asset at a certain price within a specific period of time. Goelzer may buy a call based on research indicating that the stock will increase substantially before the option expires.
- A put gives the holder the right to sell an asset at a certain price within a specific period of time. Goelzer may buy a put if research indicates that the price of the stock will fall before the option expires.

Goelzer may use options to speculate on the possibility of a sharp price swing. Goelzer may also use options to “hedge” a purchase of the underlying security; in other words, Goelzer may use an option purchase to limit the potential downside of a security purchased for a client’s portfolio.

Goelzer may use “covered calls,” in which Goelzer may sell an option on a security the client owns. In this strategy, the client receives proceeds for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if the client wants to sell the stock prior to the end of the option agreement, the client will have to buy the option back from the option holder, for a possible loss.

Goelzer may use a “spreading strategy,” in which Goelzer purchases two or more option contracts (for example, a call option that Goelzer buys and a call option that Goelzer sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Global markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises, and similar “Act of God” events have led, and may lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on world economies and markets generally. Clients may have exposure to countries and markets impacted by such events, which could result in material losses.



ITEM 9 – Disciplinary Information

Firms are required to report any legal or disciplinary events that are material to a client's evaluation of our advisory business and the integrity of our management.

Goelzer does not have anything to report.

ITEM 10 – Other Financial Industry Activities & Affiliations

Neither the firm nor any individual associated with the firm is registered with any other investment adviser, brokerage firm, insurance agency or company, of any kind, and the firm does not permit any individual to maintain outside registrations of any kind (dual registrations) with any other registered investment advisory firm or broker/dealer.

Goelzer also compensates other advisory firms for client referrals to this firm under a written agreement. All disclosures about compensation to the other advisory firms will be made at the required time. This arrangement is more fully described in Item 14.



ITEM 11 – Code of Ethics, Participation/Interest in Client Transactions, & Personal Trading

Code of Ethics

Goelzer has adopted a Code of Ethics that obligates the firm and its related persons to put the interest of the firm's clients before their own interests, and to act honestly and fairly in all aspects of client servicing. Clients or prospective clients can always obtain a copy of the firm's Code of Ethics by contacting Mr. Jeffrey A. Bush, General Counsel & Chief Compliance Officer, at the address or phone number listed on the cover page of this Brochure. Additionally, Goelzer has also adopted the Asset Manager Code of Professional Conduct published by the Chartered Financial Analyst Institute.

Participation/Interest in Client Transactions & Personal Trading

Goelzer and its related persons may invest in the same or similar types of securities, investment products, or market segments as clients are invested in. As such, at times the interests of Goelzer or related persons' accounts may coincide with, or conflict with, the interests of clients' accounts. Because of this, employee trades in securities reportable under the Code of Ethics are reviewed on a periodic basis to ensure that front-running and other potential conflicts can be prevented. In addition, our Code of Ethics requires that all supervised personnel pre-clear all reportable personal securities transactions with the Chief Compliance Officer or his designee prior to order execution. Finally, our Code of Ethics also requires that all outside brokerage accounts be approved by the Chief Compliance Officer prior to opening.

The Code also requires covered transactions to be reported quarterly and holdings to be reported annually. Goelzer employees, other than portfolio managers, may trade in the same securities as clients on the same day. Our Code prohibits portfolio managers from trading reportable securities under the Code in their personal accounts on the same that the portfolio manager is trading that security in his/her client accounts. As a matter of policy, Goelzer employees should not receive a better price than clients for the same security on the same day. Some employees choose to aggregate their trades along with clients so that all receive the same average price. However, if an employee makes a trade in a security on the same day as another employee trades on behalf of a client in the same security without the knowledge of the first employee, then that employee may receive a better price.

Goelzer does not conduct "principal" transactions, does not engage in cross-trades between advisory clients, and does not participate in agency cross transactions.



ITEM 12 – Brokerage Practices

Typically, clients must direct Goelzer as to the broker/dealer to be used. In directing the use of a particular broker/dealer, clients should understand that Goelzer will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients.

Certain institutional clients may direct Goelzer to select broker/dealers. In these client relationships, Goelzer shall utilize factors included in the Advisory Agreement with the client. The firm considers the following factors before suggesting a particular brokerage firm to clients: the products offered, the level of service, the quality of trade execution, the record keeping and reporting capabilities, the trading platforms offered, and the ability to meet client needs. In assessing the reasonableness of their commissions, the firm periodically compares various brokerage firm rates.

Each client must evaluate each broker/dealer carefully to determine if the broker/dealer selected provides the client with an optimal blend of cost, clearance and settlement, client service and responsiveness, and other services.

Fidelity Relationship

If the client does not direct a broker/dealer, Goelzer recommends that clients use the brokerage services of Fidelity Institutional Wealth Services. Fidelity Institutional Wealth Services is a division of Fidelity Investments, member FINRA/SIPC/NFA (“Fidelity”), an unaffiliated SEC-registered broker-dealer and FINRA member. Goelzer generally recommends Fidelity to clients for brokerage and custody services.

Goelzer receives some benefits from Fidelity through its relationship, including economic benefits that are typically not available to Fidelity retail investors. These benefits include consulting services provided without cost or at a discount as well as monetary assistance in implementing recommendations due to those consulting services. These consulting services may benefit Goelzer but may not directly benefit its client accounts by assisting Goelzer in managing and administering client accounts, including accounts not maintained at Fidelity. As part of its fiduciary duties to clients, Goelzer endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Goelzer or its related persons based on the assets held at Fidelity creates a conflict of interest and may indirectly influence Goelzer’s recommendation of Fidelity for custody and brokerage services. Clients who want to use “discount” or other brokerage firms that may charge lower commissions, or provide other services the client wants, may direct Goelzer to do so.

Additionally, Fidelity receives benefits from its arrangement from Goelzer, including commissions from some clients and sundry fees such as wire transfer fees. Depending on the transaction, Fidelity may receive additional compensation from mutual funds held in Goelzer client accounts in the form of 12b-1 fees or other service fees. These mutual funds may or may not have



transaction charges for clients, but clients should be aware that Fidelity may be compensated from the mutual fund families based on Goelzer's discretionary purchase or non-discretionary recommendation of the mutual fund. Goelzer does not receive any compensation from mutual fund families. Other broker/dealers that a client may utilize for clearing and custody services may receive similar fees as Fidelity.

Goelzer may also receive client referrals from Fidelity, and Clients should be aware that there may be a conflict of interest between Goelzer obtaining best execution and receiving future referrals from Fidelity.

Clients should note, while Goelzer has a reasonable belief that Fidelity is able to obtain best execution and competitive prices, our firm will not be independently seeking best execution price capability through other brokers on a trade-by-trade basis.

Directed Brokerage

Clients may direct Goelzer to utilize a certain broker/dealer, however, Goelzer reserves the right to refuse to work with any broker/dealer chosen by a client if the broker/dealer does not meet Goelzer's standards as described in Goelzer's Best Execution Policy. If a client directs Goelzer to use a specific broker/dealer, no attempt will generally be made to negotiate commissions on behalf of that client and therefore that client may pay materially disparate commissions relative to other clients depending on the compensation arrangement with that broker/dealer depending on the transaction. Goelzer may aggregate or batch transactions directly for clients who utilize Fidelity, averaging the price over the entire aggregated transaction, and therefore clients who have directed a different broker/dealer may not receive the same price.

Similarly, as a result of the batched transactions, Goelzer may be able to negotiate a better commission with Fidelity for clients who have custodied more than \$1 million with Fidelity and who opt for paper statements and confirmations, and clients who have directed another broker/dealer will not receive the negotiated commission. In any transaction where a client has a directed a broker/dealer, Goelzer may not be obtaining best execution on behalf of that client.

Furthermore, Goelzer buys and sells individual fixed income securities for its clients from various broker/dealers. Goelzer purchases some of those fixed income securities through a network run by Fidelity, but this network is only available to clients who custody at Fidelity. Therefore, clients who direct brokerage other than Fidelity will not be able to participate in those fixed income trades. As a result, those clients may receive a different price in fixed income transactions. Goelzer will work to prioritize accounts not custodied at Fidelity in any trade that is not on the Fidelity network.

Best Execution

For a client where we have discretion to select brokers on a trade-by-trade basis, in seeking best execution, the determinative factor is not solely the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker/dealer's services, including the value of research provided, execution capability,



commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Order Aggregation

When the same security is bought and sold for many accounts on the same day, certain trades may be aggregated and those clients that have directed the use of Fidelity as the broker/dealer will receive an average price for the trades in securities that were aggregated and executed through Fidelity on that date. When Goelzer chooses to aggregate trades for the purposes of average pricing, Goelzer will identify each client account participating in the order and the proposed allocation of the order, upon completion, to those clients. If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts. No client or account will be favored over another when allocating aggregated transactions.

Not all trades may be aggregated due to various reasons and aggregation will only occur when Goelzer deems the aggregation appropriate at the time the trades are executed. Due to this practice, certain client trades may be executed before others, and clients that have directed the use of other brokerage firms apart from Fidelity may receive a different price and/or commission rate. Goelzer generally aggregates trades at the portfolio manager level rather than at the firm level. If two portfolio manager or management teams decide to buy or sell the same security on the same day without consulting the other portfolio manager or management team, the trade will be aggregated for average price purposes by each separate decision of the portfolio manager or management team. Due to this practice, certain client trades may be executed before others, and clients that have directed the use of other brokerage firms apart from Fidelity may receive a different price and/or commission rate.

Additionally, Goelzer's clients may not receive volume discounts available through other investment advisers who utilize block trading. However, when executing transactions in the same security for clients at different broker/dealers, Goelzer follows a trade rotation policy to ensure that Goelzer treats clients fairly. GIM reserves the ability to deviate from its strict rotation policy in the event that circumstances demand to be fair to all clients over time.

Trade Error

As a fiduciary, Goelzer has the responsibility to effect orders correctly, promptly, and in the best interests of clients. However, during the course of business, errors occur in the handling of client transactions due to the actions or inactions of Goelzer or any of its service providers. Goelzer's policy is to correct these errors as quickly as possible without disadvantaging the client. If the



error is due to an action or inaction by Goelzer, then Goelzer will correct the error and will be responsible for any loss as a result of the error.

For all clients custodied at Fidelity, Goelzer participates in Fidelity's mandatory trade correction policy where all gains and losses are netted against each other at the end of a certain period. All net losses at the end of the period are the responsibility of Goelzer, and all net gains are donated to charity. Goelzer utilized Fidelity to select the charity, which currently is the American Red Cross. Any gains from trade errors will be distributed to the American Red Cross or other selected charity on a quarterly basis.

ITEM 13 – Review of Accounts

Discretionary & Non-Discretionary Investment Management Accounts

Reviews: Each investment advisory account is reviewed frequently by the portfolio manager together with the client adviser of Goelzer specifically in charge of that account. This portfolio manager also keeps a separate inventory of each advisory account under his or her care. Further, the Investment Management Team reviews each account on a periodic basis, with a focus on managing the account according to the Investment Management Team's models together with adherence to client objectives and directives. Goelzer portfolio managers in charge of an investment strategy also meet periodically, and in most cases weekly, to discuss market conditions and potential investments.

Reports: The custodial firm will provide investment advisory clients with a monthly statement for any month during which there is trading activity in the client's account. In addition, Goelzer will provide clients with periodic reports, which will include an account summary and performance history. Whenever transactions are effected for their account, the client receives confirmation from the broker/dealer or custodian firm. At calendar year end, all taxable client accounts receive a Form 1099 reflecting net tax effects of all transactions during the year from the broker/dealer or custodian firm.

Portfolio Monitoring & Consulting Services

Reviews: While reviews may occur at different stages depending on the nature and terms of the specific engagement and the needs of the client, typically no formal reviews will be conducted for Consulting Services private clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative. Goelzer endeavors to formally meet with all clients at least annually, in person, by phone or by virtual meeting, but whether the meeting takes place is at the client's discretion.

Reports: Portfolio Monitoring & Consulting Services clients will typically receive reports unless those reports are otherwise excluded through the Advisory Agreement.

ITEM 14 – Client Referrals & Other Compensation

Goelzer contracts with other advisory firms to refer suitable potential advisory clients to Goelzer, and Goelzer in turn compensates those firms for that referral. All these relationships are subject to a written agreement.

These advisory firms are paid a percentage of the annual fee on assets under management, collected from clients referred to Goelzer. The relationship, including the compensation to both firms, is outlined and disclosed to each client and potential client at the time of the referral.

ITEM 15 – Custody

All funds are held by the broker/dealer or custodian firm. We previously disclosed in the Fees and Compensation section (Item 5) of this brochure that our firm directly debits advisory fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send reports directly to our clients or provide them in person on a periodic basis. We urge our clients to carefully compare the information provided on these statements to ensure that all holdings and values are correct and current.

Due to allowing standing letters of authorization, Goelzer has custody of some client funds. Goelzer follows the conditions described in the SEC's no-action letter of February 21, 2017, and believes that it is not required to have a surprise examination, which is otherwise required for custody.

ITEM 16 – Investment Discretion

Goelzer Investment Management provides both Discretionary and Non-Discretionary Investment Advisory Services to its clients. Clients choose at the inception of the relationship whether they prefer to grant discretion to Goelzer, or whether their account will be non-discretionary in nature.

If a Discretionary account is chosen, clients specifically provide this discretionary authority in the Advisory Agreement that must be signed. Discretionary authority can be revoked at any time in writing to this firm. Discretion is limited discretion, allowing this firm to execute trades, rebalance accounts, and buy and sell investments within client accounts, in accordance with the Advisory Agreement and client investment objectives. As noted in Item 4 of this Brochure, firm advisory services can be tailored to each client – as such, if any client requires any restrictions on any types



of investments, stocks, or market segments, the client needs to inform their advisory representative of the restrictions in writing. If, for any reason, the firm is not able to meet the client restrictions, the firm will notify the client of that fact so that the client can determine whether Goelzer meets their requirements and needs.

In very limited circumstances, an institutional client may give Goelzer discretion to choose a broker/dealer as discussed in Item 12 above.

ITEM 17 – Voting Client Securities

In the vast majority of instances, clients retain the authority to vote proxies and will be responsible for ensuring that all proxy materials are sent directly to them. For those clients, Goelzer does not and will not vote proxies on behalf of the client.

However, in very limited instances, an institutional client may delegate proxy voting authority to Goelzer. Those institutional clients work closely with this firm to ensure that the authority and scope of the delegated authority is noted in the client account file. Goelzer will vote proxies according to its Proxy Voting Policy; however, clients may contact the firm to direct how it would like its securities voted either generally or for specific votes. For those clients, a copy of the firm's Proxy Voting Policy can be obtained by contacting the firm's Chief Compliance Officer at the address and phone number on the front cover or in Item 2 of this Brochure. Those clients may also contact the Chief Compliance Officer for a copy of how their securities were voted.

ITEM 18 – Financial Information

Goelzer does not require prepayment of more than \$1,200 in fees per client 6 months or more in advance – as such, a Balance Sheet is not required and therefore not attached. There is also no known financial condition that is reasonably likely to impair this firm's ability to meet contractual commitments to clients, and the firm has not been the subject of a bankruptcy proceeding.

