

## Item 1: Cover Page

### Cedar Valley Wealth Advisors

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This brochure provides information about the qualifications and business practices of Cedar Valley Wealth Advisors. If you have any questions about the contents of this brochure, please contact us at (319) 266-6507 or [karla@cedarvalleywealth.com](mailto:karla@cedarvalleywealth.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.

Cedar Valley Wealth Advisors is a registered investment advisor. Being a “registered investment advisor” or describing ourselves as being “registered” does not imply a certain level of skill or training.

Additional information about Cedar Valley Wealth Advisors is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number known as a CRD number. The CRD number for Cedar Valley Wealth Advisors is 115511.

To obtain our firm brochure and brochure supplements (information regarding each of our investment advisor representatives), our Code of Ethics, or our Privacy Policy, please send your request to or call Karla R. Hoppes, Chief Compliance Officer, using the address or phone number listed above. Requests may also be sent via email to [karla@cedarvalleywealth.com](mailto:karla@cedarvalleywealth.com).

This brochure was updated on October 15, 2023.

## Item 2: Summary of Material Changes

Our firm brochure has been modified from its prior version and contains new information for the benefit of our clients.

In this “Summary of Material Changes” we discuss only the material changes since the last update of this brochure on March 17, 2023:

- (1) General Information on Fees. Additional details have been provided on when a fee may be reduced or waived. Please see Item 5: Fees and Compensation.
- (2) Item 5: Fees and Compensation was updated to include updated information about Products and Custodians. Schwab bought out and replaced custodian TD Ameritrade. See Item 12 for additional information.

For a copy of our current firm brochure, please see the instructions in Item 1 Cover Page.

We encourage our clients to review any questions they may have regarding our firm brochure, with their Investment Advisor Representative.

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## **Item 4: Advisory Business**

### **Our Firm's History**

Heaton Adams Financial Services, LC was formed in 2001 by Robert M. Heaton to provide clients of Heaton Adams & Co., a Professional Corporation of Certified Public Accountants, with a choice for competent, independent and knowledgeable investment advice.

July 1, 2014, Heaton Adams Financial Services, LC became The Heaton Hoppes Group, LLC and began doing business as Cedar Valley Wealth Advisors. The Registered Investment Advisor firm located in Waterloo was also moved to 411 Viking Road, Suite A, Cedar Falls, IA 50613.

### **Our Firm's Principal Owners**

Karla R. Hoppes is the Managing Member of Cedar Valley Wealth Advisors and serves as the Chief Compliance Officer. Karla R. Hoppes has been a CERTIFIED FINANCIAL PLANNER <sup>TM</sup> since 2017 and has worked in the financial services industry since 1993. We encourage our clients to read Karla R. Hoppes' Investment Advisor Representative Biography found at the end of this document.

Robert M. Heaton, while still a Member, retired as the Managing Member of Cedar Valley Wealth Advisors on January 1, 2023. Robert M. Heaton is the Managing Member of Cedar Valley Tax & Accounting, LLC. Robert M. Heaton has been a Certified Public Accountant since 1975 and a CERTIFIED FINANCIAL PLANNER <sup>TM</sup> since 1987.

As Robert M. Heaton is an owner in both firms and receives remuneration from both firms, we have disclosed details about this conflict of interest and how we address it in Item 10: Other Financial Industry Activities and Affiliations.

### **Advisory Programs (Types of Services) Offered**

As a Registered Investment Advisor, Cedar Valley Wealth Advisors and our investment professionals act as fiduciaries to our clients and prospective clients, when providing investment advice. Cedar Valley Wealth Advisors and our investment professionals are also fiduciaries under ERISA and the Internal Revenue Code, as applicable, with respect to fiduciary investment advice provided to retirement investors.

We offer the following advisory services to clients:

#### **Portfolio Management Services**

We provide Investment Supervisory Services, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. Our process for providing this service begins with having personal discussions with a client and their professional advisors. A client's goals and objectives are established through these discussions. From the client's goals and objectives, we develop the client's financial plan and investment policy schedule. We then create and manage the client's portfolio per their personal financial plan and investment policy schedule.

We create client portfolios consisting mainly of mutual funds and individual fixed income vehicles such as bonds and CDs. We primarily recommend mutual funds offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover. We allocate the client's assets among various investments taking into consideration the overall investment and financial plan for the client.

To learn more about how we create portfolios and why we use mostly DFA funds, please see Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss.

Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on their behalf. Clients will retain ownership of all investments.

We provide Portfolio Management Services to individuals, pension and profit sharing plans, trusts, and businesses. We manage advisory accounts on a discretionary basis.

See the table in Item 5: Fees and Compensation for the advisor fee that is applied to client accounts using Portfolio Management Services.

#### Employee Benefit Plan Services

We provide Employee Benefit Plan Services to participant-directed employee retirement benefit plans. We analyze the plan's current investment platform and assist the plan in creating an investment policy schedule defining the types of investments to be offered and the restrictions that may be imposed. We recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment offerings.

See the table in Item 5: Fees and Compensation for the advisor fee for Employee Benefit Plan Services.

#### Financial Planning

Financial planning is a core component of the services we provide to our Portfolio Management clients. We do not offer this service as a stand-alone service.

Steps we may take with our Portfolio Management clients in the Financial Planning process include the following as appropriate:

1. Understanding the Client's Personal and Financial Circumstances – We will use forms and discussions to gather the appropriate data from our clients.
2. Identifying and Selecting Goals – Clients identify their goals, and we help to identify reasonable assumptions and estimates associated with their goals.
3. Analyze the Client's Current Course of Action and Potential Alternative Courses of Action - Using the data provided by our clients, we will identify existing or potential problems.
4. Develop Financial Planning Recommendation(s) – We will develop a course of action, and possibly alternative courses, to help our client meet their financial goals.
5. Present the Financial Planning Recommendation(s) – We will discuss our recommendation(s) with our client.
6. Implement the Financial Planning Recommendations – We will make the appropriate changes to our clients' portfolios and coordinate necessary activities with our clients and their other advisors.
7. Monitor the Progress and Update Financial Planning Recommendations – We will monitor our clients' investments that we manage, changes in tax laws, and the general economic environment.

#### Retirement Account Portfolio Management – IRA Fiduciary Advisors Services

For our clients who are not in need of financial planning and are only needing Investment Supervisory Services for their retirement type accounts (IRAs and Roth IRAs), we offer our IRA Fiduciary Advisors level of service.

Our process for providing this service begins with having personal discussions with a client. A client's age and projected account inflows and outflows as well as the client's risk tolerance is discovered through these discussions. From this information, we develop the client's personal asset allocation. We then manage the client's portfolio per their personal asset allocation.

We create diversified client portfolios consisting of a limited number of mutual funds. We will primarily recommend funds of funds offered by Dimensional Fund Advisors (DFA) taking into consideration the personal asset allocation of the client. DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover.

To learn more about how we create portfolios and why we use mostly DFA funds, please see Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss.

Clients will retain ownership of all investments.

We provide Retirement Account Portfolio Management – IRA Fiduciary Advisors services to individuals. We manage advisory accounts on a discretionary basis.

See the table in Item 5: Fees and Compensation for the advisor fee that is applied to client accounts using Retirement Account Portfolio Management – IRA Fiduciary Advisors services.

### Non-Participation in Wrap Fee Programs

Our firm does not participate in any wrap fee programs.

### Amount of Assets under Management

As of December 31, 2022, Cedar Valley Wealth Advisors had \$144,774,955 in discretionary assets under management.

## Item 5: Fees and Compensation

### Portfolio Management Services/Employee Benefit Plan Services

For clients who engage us for Portfolio Management Services or Employee Benefit Plan Services our annual advisor fee is based on a client's total advised assets. Advised assets generally consist of the client's securities accounts on which we provide advice and/or manage the assets. The annual fee applies as follows:

<u>Advised Assets</u>	<u>Annual Fee (%)</u>
First \$600,000	1.00%
Assets over \$600,000	0.50%

Clients are billed at the end of each calendar quarter for one quarter of the annual fee. If we only provide Portfolio Management Services for a part of the previous quarter, the fees are prorated for the specific number of days the services were provided. If we only provide Employee Benefit Plan Services for a part of the previous quarter, the fees are prorated for only the months in which the services were provided.

Fees are calculated based on the value of the client's account(s) at the end of the previous quarter. The client's custodian (brokerage firm holding the client's assets for safekeeping) serves as the primary pricing source for the valuation of the securities held and provides the value of the account(s) to us. We have adopted procedures to handle any pricing errors, adjustments or corrections that may occur.



After each quarter end, we provide clients with quarterly consolidated reports showing the amount of our fee, the value on which our fee is based, and how the fee was calculated. The custodian then deducts the fee directly from a client's account and pays it to us. As a part of their normal reporting, the custodian will show all amounts paid from a client's account, including our fees. We encourage our clients to verify the fee computations and to compare our quarterly consolidated reports to the statements issued by their custodian.

The following is an example of how our advisor fee is calculated:

Client A hires us to manage their investment portfolio beginning January 1. On March 31, the market value of their portfolio is \$1,000,000. The fee for the first quarter will be \$2,000. The quarterly fee is calculated as follows:  $(\$600,000 \times 1.00\%) + (\$400,000 \times 0.50\%) = \$8,000$ .  $\$8,000 / 4 \text{ quarters} = \$2,000$ .

Although there is no minimum account size required, we do require a minimum quarterly fee of \$1,500. Our fee will never exceed 3.00% of a client's assets under management per annum.

Along with our advisory fee described above, we may also charge a one-time administrative fee not to exceed \$1,000. This fee is based on each client's individual circumstances and reflects the time required to establish new accounts and to transfer in assets. The fee is determined and charged following the establishment and funding of new accounts.

All individual or small business clients retaining us for Portfolio Management Services will receive financial planning and advice as a part of the above-stated fee. Participant-directed employee benefit plans and other businesses or foundations will receive other similar planning advice applicable to such entities such as investment policy development and employee seminars as a part of the above-stated fee.

### Retirement Account Portfolio Management – IRA Fiduciary Advisors Services

For clients who engage us for Retirement Account Portfolio Management – IRA Fiduciary Advisors services our annual advisor fee is based on a client's total advised assets. Advised assets generally consist of the client's securities accounts on which we provide advice and/or manage the assets. The annual fee applies as follows:

<u>Advised Assets</u>	<u>Annual Fee (%)</u>
First \$400,000	0.70%
Assets over \$400,000	Service Generally Not Available

Clients are billed an annual fee, after the end of each calendar year. If we only provide Retirement Account Portfolio Management - IRA Fiduciary Advisors services for a part

of the previous year, the investment management fees (but not the minimum) are prorated for the specific number of days the services were provided. The investment management fee is also pro-rated in final year for the period of service.

Fees are calculated based on the value of the client's account(s) as of the end of the previous year. The client's custodian (brokerage firm holding the client's assets for safekeeping) serves as the primary pricing source for the valuation of the securities held and provides the value of the account(s) to us. We have adopted procedures to handle any pricing errors, adjustments or corrections that may occur.

After each year end, we provide clients with annual reports showing the amount of our fee, the value on which our fee is based, and how the fee was calculated. The custodian then deducts the fee directly from a client's account and pays it to us. As a part of their normal reporting, the custodian will show all amounts paid from a client's account, including our fees. We encourage our clients to verify the fee computations and to compare our annual consolidated reports to the statements issued by their custodian.

Although there is no minimum account size required, we do require a minimum annual fee of \$100. Combined fees (set up, investment management and a la carte services) for a calendar year will not exceed 3.00% of the value of the account(s) as of December 31 of that year.

Along with our advisory fee described above, we may also charge a one-time administrative fee not to exceed \$150. This fee would cover the set-up of one Traditional IRA or Roth IRA and transfer of assets. If at the same time, we are setting up both a Traditional IRA and a Roth IRA, together with funding, the one-time administration fee will not exceed \$250.

In addition to our advisory fee and administration fee described above, we may charge the following fees when the corresponding services are provided:

<u>IRA Fiduciary Advisors Service Provided</u>	<u>Fee in Dollars</u>
Additional account set-up	\$100 per account
Transfer of assets	\$50 per transfer
One-time additions to account	\$25
One-time distributions from account	\$25
Set up periodic additions to account	\$50
Set up periodic distributions from account	\$50
Address change	\$25
Standard beneficiary change	\$25
Custom beneficiary change	\$50
Client initiated contacts	\$100 per hour after first hour per calendar year.

## General Information on Fees

In certain circumstances, all fees (including minimum fees) may be negotiable. Minimum fees are generally only negotiable where an account belongs to the family member of another client. For example, when the family member (generally a child or grandchild) of a Wealth Advisory Client hires Cedar Valley Wealth Advisors to manage the family member's assets, our minimum fee may be waived due to our existing relationship with a Wealth Advisory Client. In some cases, the value of a Wealth Advisory Client's portfolio along with the value of the family member's portfolio will be considered to determine the advisory fee paid by the family member.

At the discretion of Cedar Valley Wealth Advisors, we can reduce or waive a fee when it is not cost effective for us to collect the entire fee. We may also choose to reduce or waive a fee in unique situations of client hardship.

Associates of Cedar Valley Wealth Advisors are not charged fees on either their personal accounts or accounts of immediate family members.

A client agreement may be canceled at any time, by either party, for any reason upon written notice. Upon termination of any account, unpaid fees will be due and payable. We do not charge any prepaid fees; all fees are charged after services are provided.

## Other Fees or Expenses Paid in Connection with Advisory Services:

### Products and Custodians

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. Mutual fund expenses are generally described in each fund's prospectus. These expenses will generally include a management fee, other fund expenses, and possibly a distribution fee. In addition, mutual funds incur transaction costs and opportunity costs, which are not disclosed in the fund's prospectus or Statement of Additional Information, but which may be estimated.

Clients will incur transaction fees or commissions in connection with trading mutual funds, ETFs, individual stocks and bonds (and/or principal mark-ups and mark-downs for principal trades) which are charged by the custodian.

To fully understand the total amount of fees and costs paid by a client, in connection with any recommended transaction, the client should review the following:

- fees charged by the funds (including transaction and opportunity costs within funds which are not included in a fund's annual expense ratio),
- transaction fees charged by the custodian, and
- fees charged by us.

For a discussion of our practice recommending brokers (custodians) to our clients and negotiating brokerage fees on their behalf, please see Item 12: Brokerage Practices.

Clients who transfer assets from their current custodian to Fidelity, Schwab, or another custodian we recommend may incur “account termination fees” at their current custodian. The range for these account termination fees is believed to range from \$0 to \$200 at present, but at times may be much higher. Clients should contact their current custodians (brokerage firms, bank or trust company, etc.) to determine the amount of account termination fees which may be charged and deducted from their accounts for any existing accounts which may be transferred to Fidelity Investments or Schwab.

Our existing clients that choose to transfer their assets from Fidelity or Schwab to another custodian may also incur account termination fees like those mentioned above.

For participant-directed employee retirement benefit plans that use our Employee Benefit Plan Services, other fees are involved that are not set by us. Services such as record keeping, third party administration, and custody are typical services that are required for these types of plans. These service providers typically have fee schedules that vary depending on the size of the plan.

For participant-directed employee retirement benefit plans, we work with the custodian recommended by the third-party administrator which may be Fidelity, Schwab, Newport Trust or Broadridge Matrix Trust Company. Each custodian has their own fee schedule that may be based partially on the assets in the plan.

## Comparable Services

We believe that the charges and fees offered within our programs are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources. A client could invest in mutual funds directly, without our services. In that case, the client would not receive the services provided by us which are designed, among other things, to

- assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives,
- undertake a disciplined approach to portfolio rebalancing while taking into account the tax ramifications of same, and
- avoid ad hoc emotional reactions to shorter-term market events.

Also, the funds of Dimensional Fund Advisors may not be available to the client directly without the use of an investment advisor granted access to such funds.

## Proper Management of Conflicts of Interest Relating to the Fees We Receive from You, Relating to the Receipt of Percentage-Based Compensation

The vast majority of our clients pay us fees based upon a percentage of the assets we advise upon. This is a very common form of compensation for registered investment advisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation. (We do not accept commission-based compensation of any nature, nor do we accept 12b-1 fees. The mutual funds we recommend are no-load, institutional funds.) However, because our advisor fee is calculated as a percent of assets under management, the more managed assets our clients have in their account(s), the more our clients will pay us for our investment management services.

As with any advisor that charges asset-based fees, there are other times when this fee method can lead to conflicts of interest between our firm and our client as to the advice we provide. For example, conflicts of interest may arise relating to the following financial decisions in life:

- incur or pay down debt,
- gift funds to charities or to individuals,
- purchases of a (larger) home or cars or other non-investment assets,
- the purchase of a lifetime immediate annuity,
- expenditures of funds for travel or other activities,
- investment in private equity investments (private real estate ventures, closely held businesses, etc.), and
- the amount of funds to place in non-managed cash reserve accounts.

We have adopted internal policies to properly manage these and other potential conflicts of interest. Our goal is that our advice to our clients remain in their best interests at all times, disregarding any impact of the decision upon our firm.

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

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client.) All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

We also do not have any supervised person who manages any account that pays performance-based fees.

## **Item 7: Types of Clients**

We provide investment advisory services to individuals, pension and profit sharing plans, trusts, and corporations. We will manage advisory accounts on a discretionary basis. As a Registered Investment Advisor, Cedar Valley Wealth Advisors and our investment professionals act as fiduciaries to our clients and prospective clients, when providing investment advice. Cedar Valley Wealth Advisors and our investment professionals are also fiduciaries under ERISA and the Internal Revenue Code, as applicable, with respect to fiduciary investment advice provided to retirement investors.

### **No Required Minimum Client Assets under Management**

There is no minimum account size required for our services. As mentioned in Item 5: Fees and Compensation, there is a minimum quarterly fee requirement of \$1,500 for Portfolio Management Services. For Retirement Account Portfolio Management – IRA Fiduciary Advisors services, there is a minimum annual fee requirement of \$100.

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

We provide the investment strategy and its implementation for all clients using mostly mutual funds. Our clients receive the benefit of our developed investment philosophies and strategies, research and due diligence, account monitoring, and personal financial planning recommendations.

Our Investment Committee establishes the overall investment strategies employed by the firm, reviews the brokerage firms we recommend to our clients, and approves of particular investments which may be used by advisors of our firm. The Investment Committee includes Robert M. Heaton and Karla R. Hoppes.

Expansive academic research, investment information, and certain proprietary analyses are drawn upon by us in order to provide innovative investment advisory services. Each of our clients receives a written Investment Policy Schedule, which sets forth a recommended strategic asset allocation.

Specific no-load (no commissions, no 12b-1 fees) mutual funds and other investment products and securities are then recommended to clients. Clients' portfolios are then periodically monitored, and changes to investment portfolios are suggested when appropriate. A disciplined approach to rebalancing is employed in order to maintain asset class exposures within desired risk tolerances, subject to variances permitted for tax reduction, tax planning or other reasons.

## Methods of Analyses and Investment Strategies

In designing investment plans for clients, we rely upon the information supplied by the client and the client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management planning, short-term and long-term lifetime financial goals and objectives, investment time horizon, and agreed upon risk tolerance.

This information becomes the basis for the strategic asset allocation plan which we believe will best meet the client's stated long term personal financial goals. The strategic asset allocation provides for investments in those asset classes which we believe (based on historical data and our proprietary analysis) will possess attractive combinations of return, risk, and correlation over the long term.

A tremendous amount of academic research reveals that strategic asset allocation is determinative of the majority of the expected long-term gross returns of investor's portfolios. Our selection of asset classes is driven by research into global asset classes by such academics as Professor Eugene Fama, Sr. of the University of Chicago Booth School of Business and the Center for Research in Security Prices, Professor Kenneth French of Dartmouth College, and many other academics and researchers.

The investment advice which we provide is based upon long-term investment strategies which incorporate the principles of Modern Portfolio Theory. The utilization of several different asset classes as part of an investor's portfolio is emphasized, as this has been shown to usually effect a reduction in portfolio volatility (*i.e.*, the standard deviation of the portfolio returns) over long periods of time. We allocate and diversify the client's assets among various asset classes following the investment policy agreed to by the client.

Our investment approach is firmly rooted in the belief that markets are fairly efficient (although not always rational) and that investors' gross returns are determined principally by asset allocation decisions. A focus is provided on developing and implementing globally diversified portfolios, principally through the use of low-cost and tax-efficient passively managed stock mutual funds that are generally available only to institutional investors and clients of advisors granted access to such funds.

Investment policy and overall portfolio weightings as between equities and fixed income investments are based upon each client's financial goals, projected cash flow to/from the portfolio, and investment time horizon. Investment policy is also determined by the agreed upon risk tolerance for the portfolio which is the client's perceived risk tolerance balanced with the need to assume various risks to achieve the client's financial goals. If this balance cannot be achieved through the education process and personal conversations during the first stages of the relationship, we will decline to accept the client.

The portfolios of clients may follow models designed by us to fit the overall weightings of equities (stocks, stock mutual funds, etc.) and fixed income investments (notes, bonds,

bond funds, CDs, etc.) in an investor's portfolio. For other clients, the investment portfolio's strategic asset class allocation is customized to meet the specific circumstances of a client, the presence of investments in 401(k) or other accounts, as well as a perception of the client's understanding of the fundamental forces affecting risk and return in the capital markets.

In addition, a client's initial or revised strategic asset allocation may be influenced by a review of the relative valuation levels of various asset classes and the investment time horizon of that client.

## Methods of Analysis; Sources of Information

Our investment analysis is based upon a number of factors including those derived from commercially available software technology, general economic and market and financial information, and due diligence reviews. The main sources of information include commercially available investment information and evaluation services, financial newspapers and journals, academic white papers and periodicals. Prospectuses, Statements of Additional Information, and other issuer-prepared information are also utilized. Investment Committee members and advisors also attend various in-person and/or online investment and financial planning conferences.

For new clients bringing in individual securities, our analysis to determine whether a security should be sold immediately or over time will include a review of the tax consequences. We will typically recommend selling all individual stocks in order to purchase mutual funds to create a better diversified portfolio.

Research is also received from consultants, including financial economists affiliated with Dimensional Fund Advisors (DFA) and other firms. DFA provides historical market analysis, risk/return analysis, and continuing education services. Various computer software programs from DFA and from other third parties may also be utilized to better model the historical and/or expected returns of designed portfolios.

## Types of Investments

Each client typically receives an investment portfolio which consists mainly of no-load stock mutual funds. The passively managed stock mutual funds offered by Dimensional Fund Advisors (DFA) are generally recommended. DFA mutual funds offer broad diversification and most are structured for low turnover. Their low turnover substantially reduces the often high transaction costs incurred by other mutual funds and ETFs as they trade securities within the fund. Consequently, the DFA stock mutual funds' total fees and costs are believed to be generally lower than the total fees and expenses incurred by most other stock mutual funds (including many ETFs and index funds) when comparing funds in the same asset class(es).



Some investment portfolios may also include individual fixed income investments (bonds, C.D.'s, etc.) and/or bond funds (primarily from DFA). In addition to equity and fixed income exposure, a client's portfolio may include real estate in the form of mutual funds (primarily DFA) made up of publicly traded real estate investment trusts (REITS). A client's portfolio may include individual equities, but these are generally part of the clients' investment holdings prior to becoming our client.

On occasion, a client will hold a variable annuity or other insurance product and may ask for our advice. Under Iowa law, variable annuities are considered an insurance product. As we do not hold an insurance license under the state of Iowa and strive to be compliant with state law, we will not recommend the liquidation of an insurance policy, the lapsing of an insurance policy, the taking of policy loans, withdrawals, surrenders, or otherwise provide any insurance advice. We will generally recommend that a client have their insurance product reviewed by a licensed individual. As allowed by Iowa rules, we may discuss our client's tax status.

New clients' existing investments are evaluated in light of the desired investment policy objectives. We work with new clients to develop a plan to transition from a client's existing portfolio to the desired portfolio. Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Each client's portfolio holdings and strategic asset allocation are then monitored periodically, taking into account the cash flow needs of the client. Review meetings with clients are held regarding their investment assets under advisement and other personal financial planning issues. (For clients using only our Retirement Account Portfolio Management – IRA Fiduciary Advisors services, review meetings may be conducted over the phone or via email. Client initiated contacts beyond the first hour per calendar year will incur additional fees.)

### Risk of Loss, Generally

Investing in securities involves a risk of loss that clients should be prepared to bear. The investment recommendations seek to limit risk through broad global diversification in equities (through broadly diversified stock mutual funds) and investment in high quality fixed income securities or diversified bond funds.

However, the investment methodology will still subject the client to declines in the value of their portfolios, which can at times be dramatic. We believe there exists a high probability in most market environments of a long-term (15-year or greater) outperformance of small cap and value stocks, relative to large cap and growth stocks, and hence the stock (equities) portion of an investor's portfolio may be "tilted" toward small cap and value stocks. Accordingly, the normally greater expected returns of the equity portion of the portfolio will in turn often permit the overall allocation to equities (stocks, stock mutual funds) to be reduced, and the allocation to fixed income investments increased. We believe this is the best manner to temper the shorter-term volatility of the stock market, especially for clients who derive cash flow from their portfolios (such as clients who are in retirement years).

Given the long-term nature of the expected equity premium (*i.e.*, the additional expected return for investing in the overall stock market, relative to less “risky” U.S. Treasury bills), and the long-term nature of the expected value and small cap effects, our investment philosophy is best suited for investors who desire a buy and hold strategy for a substantial portion of their funds. We do not recommend frequent trading, which can increase brokerage and other costs and taxes. Our stock mutual fund strategies are usually appropriate for clients possessing an investment time horizon of a minimum of ten years, and preferably even longer. Even then, investing is inherently uncertain as to future returns.

While both macroeconomic and microeconomic risks are evaluated, for purposes of weighing risks and returns and for the computation of the expected returns of various asset classes (for use in financial planning decision-making), we do not generally engage in market-timing activities. We believe the equity, value and small cap effects are highly likely to occur in the future, over long periods of time. However, there can be no assurance that these effects will occur over any given time period. While we seek to reduce non-compensated risks to which a client may be exposed, other risks (including but not limited to the risk of a general stock market decline) may be assumed in order to seek to attain the client’s longer-term financial goals and objectives; however, we cannot provide any guarantee that the client’s goals and objectives will be achieved.

### Risk of Loss, Certain Higher-Risk Securities

Certain securities recommended, such as U.S. small cap value and mid cap value stock mutual funds, U.S. small cap and micro cap mutual funds, and similar pooled investment vehicles inside variable annuities, possess higher levels of volatility (as individual asset classes within a portfolio). We may employ these securities as part of an overall strategic asset allocation for a client, and when such is undertaken we possess a reasonable belief that the risk-return relationship for these securities will likely be beneficial for the investor over the long term.

While we do not recommend the purchase or holding of individual common stocks, clients at times desire to retain certain existing holdings, or to purchase same. Reasons for clients’ desires might include emotional ties to the stock and/or the presence of substantial unrealized capital gains, or other reasons. When individual common stocks (and related types of individual securities, such as American Depositary Receipts) are held in a client’s investment portfolio, the client remains exposed to “specific company risk.”

While all Certificates of Deposit (CDs) purchased for our clients are FDIC-insured, the pricing of certain of these CDs, which trade in the secondary market, can vary; accordingly, due to price declines and/or transaction costs associated with trading, these CDs could lose value if redeemed prior to maturity. When CDs are recommended to clients, it is our intent that clients hold the CDs to maturity.

## Cash Balances in Client Accounts

Cash in clients' investment accounts are typically swept into the bank or money market mutual fund accounts of the institutions (Fidelity Investments or Schwab). We discuss with each client, during the time of review conferences and at other times, upcoming cash flow needs and seek to plan accordingly to meet those needs. While it is not the practice to encourage clients to maintain a large amount of cash in their accounts, such may be undertaken at the request of the client.

Should the client desire a "cash reserve account," we will assist the client to establish a separate, non-managed cash reserve account, which is not monitored thereafter by us typically with the bank of their choice. We then seek to review with the client, during periodic conferences, whether any funds are needed to restore cash reserves. We exclude separate accounts established for cash reserve purposes in the calculation of assets under advisement and exclude the value of cash reserve accounts from a client's fee calculations.

Additionally, smaller cash amounts may be maintained in order to facilitate billing of our periodic fees, which may possess the effect of slightly reducing the portfolio's returns in periods when overall positive returns occur in the portfolio in excess of the interest rate paid on cash or cash equivalent deposits.

## Item 9: Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Cedar Valley Wealth Advisors or the integrity of our management. Cedar Valley Wealth Advisors and our investment advisor representatives currently have no material disciplinary information to disclose.

## Item 10: Other Financial Industry Activities and Affiliations

Robert M. Heaton, a Member in Cedar Valley Wealth Advisors is also a Certified Public Accountant. Robert M. Heaton is the Managing Member of Cedar Valley Tax & Accounting, LLC, and a consultant to Touchstone Tax & Accounting. Both tax and accounting firms are Iowa accounting firms. Robert M. Heaton provides accounting services and tax planning to select clients through Cedar Valley Tax & Accounting, LLC and Touchstone Tax & Accounting, LLC. Cedar Valley Wealth Advisors' advisory clients may also be Cedar Valley Tax & Accounting, LLC clients or Touchstone Tax & Accounting, LLC clients. However, no Cedar Valley Wealth Advisors' advisory client is obligated to use any Cedar Valley Tax & Accounting, LLC or Touchstone Tax & Accounting, LLC services, and no Cedar Valley Tax & Accounting, LLC or Touchstone Tax & Accounting, LLC client is obligated to use any Cedar Valley Wealth Advisors' investment advisory or financial planning services. Cedar Valley Wealth Advisors is not

utilized to solicit clients for Cedar Valley Tax & Accounting, LLC. No referral fees are paid to either of these entities from the other respective entity. All accounting fees charged by Cedar Valley Tax & Accounting, LLC and all fees charged by Touchstone Tax & Accounting, LLC are separate and distinct from all advisory fees charged by Cedar Valley Wealth Advisors.

Robert spends about 25% of his business time on the accounting practice.

Karla R. Hoppes, Managing Member and Chief Compliance Officer of Cedar Valley Wealth Advisors provides occasional support for the accounting services and tax planning services of Touchstone Tax & Accounting, LLC. See the description of conflicts and how they are addressed in the information provided for Robert M. Heaton above.

Karla spends about 5% of her business time on the accounting practice.

There is no common ownership between Cedar Valley Wealth Advisors and Touchstone Tax & Accounting, LLC.

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

Generally, we seek to avoid material conflicts of interest.

Accordingly, Cedar Valley Wealth Advisors and its investment advisor representatives do not receive any third party direct monetary compensation (*i.e.*, commissions, 12b-1 fees, or other fees) from brokerage firms (custodians) or mutual fund companies.

However, some additional services and non-direct monetary or other forms of compensation are offered and provided to us as a result of our relationships with custodian(s) and/or providers of mutual fund products. For example, our investment advisors and employees may be invited to attend educational conferences and/or entertainment events sponsored by such brokerage firms or custodians or mutual fund companies. Other services may be provided as outlined below. We believe that the services and benefits actually provided to us by brokerage firms (custodians) and mutual fund providers do not materially affect the investment management recommendations made to our clients. However, in the interest of full disclosure of any potential conflicts of interest, we discuss the possible conflicts herein.

Although we believe that our business methodologies, ethics rules, and adopted policies are appropriate to eliminate, or at least minimize, potential material conflicts of interest, and to appropriately manage any material conflicts of interest that may remain, clients should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest.

## Our Code of Ethics

We have adopted a Code of Ethics, to which all investment advisor representatives are bound to adhere. In brief, our Code of Ethics establishes rules of conduct for all employees of Cedar Valley Wealth Advisors. It is designed to govern personal securities trading activities in the accounts of employees, immediate family/household accounts and accounts in which an employee has a beneficial interest. The Code is based on the principle that Cedar Valley Wealth Advisors and its employees owe a fiduciary duty to Cedar Valley Wealth Advisors' clients to conduct their affairs, including personal securities transactions, in such a manner as to avoid 1) serving their own personal interests ahead of clients, 2) taking inappropriate advantage of their position with the firm and 3) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

Our Code of Ethics details the firm's commitment to ethical conduct and is used to guide the personal conduct of our various team members. This detailed Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth our practices of supervising the personal securities transactions of employees with prior or concurrent access to client trade information.

We will provide a complete copy of the Code of Ethics to any client or prospective client upon request.

## Participation or Interest in Client Transactions and Personal Trading

Cedar Valley Wealth Advisors does not currently participate in securities in which it has a material financial interest. Our firm and its related persons, as a matter of policy, do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest.

Our Code of Ethics provides that individuals associated with our firm may buy or sell securities for their personal accounts identical or different than those recommended to clients. However, it is the expressed policy of our firm that no person employed by the firm shall prefer his or her own interest to that of an advisory client nor make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with the Code of Ethics, our firm requires that anyone associated with this advisory practice and who possesses access to advisory recommendations (before or at the time they are entered into) ("access persons") to provide annual securities holding reports and quarterly transaction reports to our Chief Compliance Officer or his or her designee. We also require access persons to receive advance approval from our Chief Compliance Officer or her designee prior to investing in any initial public offerings or private placements, and with regard to trading of certain individual securities.

The Code of Ethics further includes our firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

It is Cedar Valley Wealth Advisors' policy that the firm will not affect any principal or agency cross securities transactions for client accounts. We will also not cross trade between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12: Brokerage Practices**

### **Use of Brokerage Firms (Custodians)**

Generally, we recommend that our clients use the services of Fidelity Investments or Schwab. These custodians provide our registered investment advisor representatives with access to institutional trading and custody services, which services are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis and at no charge to them. However, not all independent investment advisors recommend their clients use particular custodians.

#### Fidelity Investments Institutional Services

Cedar Valley Wealth Advisors participates in the Fidelity Institutional Wealth Services (FIWS) program. FIWS is a provider of trading, custody and brokerage services to Registered Investment Advisors. FIWS is a division of Fidelity Brokerage Services, LLC, member NYSE, SIPC. Please see the disclosure under Item 14 below.

#### Schwab Institutional Services

Cedar Valley Wealth Advisors participates in the Schwab Advisor Services (SAS) program offered to independent investment advisors by Schwab & Company, Inc. (Schwab). ("Schwab") member FINRA/SIPC. Schwab is an independent [and unaffiliated] SEC-registered broker-dealer. Schwab offers to independent Investment Advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. Advisors receive some benefits from Schwab through its participation in the program. Please see the disclosure under Item 14 below.

## Our Recommendations of Brokerage Firms

As we will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid for client securities transactions, clients must direct us as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that we will not have the authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisors require clients to direct the use of specific brokers.

Clients are permitted to direct us to use brokers other than Fidelity Investments and Schwab. However, if such brokers are used, we may not possess access to certain mutual funds and other investments that are generally available only to institutional investors or which would require a significantly higher minimum initial investment, and commission rates paid or transaction fees paid may be higher than the fees negotiated by our firm.

While as a fiduciary we endeavor to act in our clients' best interests, our desire that clients maintain much of their assets in accounts at Fidelity Investments or Schwab may be based in part on the benefit provided to our firm. This benefit includes the availability of some products and services (previously described) at no cost to us or at reduced costs. Our desire that clients maintain accounts at Fidelity Investments or Schwab is not based solely on the nature, cost, or quality of custody and brokerage services provided by the brokers, and this may create a potential conflict of interest. Our clients may, therefore, pay higher transaction fees, commissions (for individual stock and ETF trades), and principal mark-ups and mark-downs (relating to purchases and sales on a principal, as opposed to an agency, basis), than those charged by other discount brokers. However, we have negotiated fees with the custodian we recommend, and we have selected the custodian for their generally low fees relative to other large custodians. Also, please note that we prefer to recommend custodians whom possess significant size and financial resources, for purposes of enhanced safety of clients' funds. For all of these reasons, the lowest cost custodian for clients may not be recommended to clients by us.

## Non-Aggregation of Client Trades

We have negotiated substantially reduced transaction costs with our recommended custodians (Fidelity and Schwab), however, we have chosen not to aggregate (combine for purposes of securing reduced commissions or transaction fees) our clients' individual security trades. This is due to the fact that all trade decisions are reviewed for near-term and long-term tax efficiency, which requires individual analysis of most trading decisions. This individual analysis of trades does not lend itself to computer software programs or manual entry processes which would aggregate trades. As a result, our clients do not receive the benefits of reduced transaction fees such aggregation of trades could provide to our clients, generally. However, our clients may receive benefits from

enhanced tax-efficient portfolio management, which clients of other investment advisors may not be receiving.

Mutual funds are not eligible for trade aggregation at our client's custodians (Fidelity and Schwab).

### Non-Participation in Client Referral Program of Custodian

Cedar Valley Wealth Advisors will continue to avoid certain relationships with custodians (brokerage firms, etc.) and investment product providers which it believes might materially hamper its independence in its providing advice to its clients or result in clients paying higher mutual fund management, administrative, or other product-related fees and costs. For this and other reasons, Cedar Valley Wealth Advisors does not participate in the client referral program which may be sponsored by such custodian.

### Our Relationship with Investment Product Providers

Following a stringent interview process, we were granted access by Dimensional Fund Advisors (DFA) to its mutual funds at the time of our inception of operations. Dimensional Fund Advisors is an Austin, Texas-based mutual fund company with over 100 funds and \$584 billion of assets under management (as of December 31, 2022).

While there is no direct linkage between the investment advice given and the approval of our Registered Investment Advisory firm to access the mutual funds of Dimensional Fund Advisors, economic benefits are received which would not be received if we did not give investment advice to clients.

These benefits, which are also received by other Registered Investment Advisor firms granted access to the DFA funds, include: (a) attendance at seminars hosted by Dimensional Fund Advisors at which the investment products of Dimensional Fund Advisors are explained, academic instruction is given on asset allocation strategies, and financial planning and practice management instruction is given. Our firm pays all of the travel and hotel costs for investment advisor representatives attending these seminars. Dimensional Fund Advisors provides, at no charge to us and the other attendees at such seminars, the speakers and facilities for the seminar, occasional luncheons or dinners, and the materials handed out at the seminar; (b) access to the "financial advisor" portion of the Dimensional Fund Advisors website ([www.dfaus.com](http://www.dfaus.com)), which contains additional academic research, practice management articles, newsletters, educational video presentations, software, and investment returns data; (c) use of the DFA Returns and DFA Allocation Evaluator software programs and accompanying data, which can be utilized to ascertain how different asset classes (as represented by various indices) and different mutual funds of Dimensional Fund Advisors have performed over time and which provide a method for calculation based upon historical results of rate of return and standard deviation for those asset classes and mutual funds; (d) various print materials (including article reprints and DFA brochures); (e) occasional practice management conferences and telephone conferences with Dimensional Fund Advisors' team members,



including Regional Directors, research staff, and tax staff, to discuss specific issues relating to academic research relating to investment theory and/or relating to practice development (marketing) and management issues; (f) participation in a regional study group sponsored and hosted by Dimensional Fund Advisors; and (g) other services and benefits.

We are under no obligation to recommend the mutual funds of Dimensional Fund Advisors to our clients. We recommend funds of Dimensional Fund Advisors or other mutual fund companies or other investment products only when we believe they best suit the client's objectives. We do not provide any payment to Dimensional Fund Advisors for the access provided to our clients. Dimensional Fund Advisors does not pay us any direct monetary compensation in order to recommend the funds of Dimensional Fund Advisors.

## **Item 13: Review of Accounts**

### Portfolio Management Services

For our clients that hire us to provide Portfolio Management Services, we continuously monitor the underlying securities in our client's accounts and formally review the accounts at least annually. Annual reviews are conducted by Robert M. Heaton or Karla R. Hoppes. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

In addition to the statements and confirmations of transactions that our clients receive from their custodian, we will provide written quarterly reports to clients consisting of internal rates of return (from inception, previous year, and previous quarter), positions, balances, additions/withdrawals, realized and unrealized gains and losses, cost-basis information, and interest/dividend information.

For Portfolio Management clients, financial planning reviews are periodically provided as necessary and as a part of these services. Generally, these financial planning reviews happen at least annually.

### Employee Benefit Plan Services

For our clients that hire us to provide Employee Benefit Plan Services, we continuously monitor the underlying securities in the retirement plan accounts and formally review the accounts at least annually. Annual reviews are conducted by Robert M. Heaton or Karla R. Hoppes. More frequent reviews may be triggered by material changes in variables such as the market, political or economic environment.

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Retirement Account Portfolio Management – IRA Fiduciary Advisors Services

For our clients that hire us to provide Retirement Portfolio Management – IRA Fiduciary Advisors services, we continuously monitor the underlying securities in our client's accounts and formally review the accounts at least annually. Annual reviews are conducted by Robert M. Heaton or Karla R. Hoppes. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

In addition to the statements and confirmations of transactions that our clients receive from their custodian, we will provide electronic annual reports to clients consisting of internal rates of return (from inception and previous year), balances, additions/withdrawals, and investment gains/losses (includes realized and unrealized gains and losses and interest and dividends).

Financial planning is not available for Retirement Account Portfolio Management – IRA Fiduciary Advisors clients.

**Item 14: Client Referrals and Other Compensation**

We do not have any arrangements to compensate any individual for client referrals.

Fidelity Investments Institutional Services

As disclosed under Item 12 above, Cedar Valley Wealth Advisors participates in the Fidelity Institutional Wealth Services (FIWS) program. While there is no direct linkage between the investment advice given and participation in the FIWS program, economic benefits are received which would not be received if Cedar Valley Wealth Advisors did not give investment advice to clients.

The benefits provided by Fidelity Investments to us include assistance with practice management and assistance with the management of client accounts, including but not limited to: (a) receipt of duplicate client confirmations; (b) receipt of electronic duplicate statements; (c) access to a trading desk serving investment advisor firm participants exclusively, and providing research, pricing information, and other market data; (d) access to the investment advisor portion of their websites which includes practice management articles, compliance updates, and other financial planning related information and research materials (including, for example, rating reports on individual companies from Standard and Poors' or other sources); (e) access to other vendors (such as insurance or compliance providers, or providers of research or other materials) on a discounted fee basis through discounts arranged by the custodians; (f) permitting us to access an electronic communication network for client order entry and to access clients' account information and information which may otherwise assist us with back-office functions, including recordkeeping and client reporting; and (g) conferences at which advisors and employees of our firm may attend (with no registration fees) and receive

education on issues such as practice management, marketing, investment theory, financial planning, business succession, regulatory compliance, and information technology.

Participation in the custodian's program also provides access to certain mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors, such as the mutual funds of Dimensional Fund Advisors.

The benefits received through participation in the custodian's program do not depend upon the amount of transactions directed to, or amount of assets placed in custody with, Fidelity Investments.

#### Schwab Institutional Services

As disclosed under Item 12 above, Cedar Valley Wealth Advisors participates in the Schwab Advisor Services program and we may recommend Schwab to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although Cedar Valley Wealth Advisors receives economic benefits through its participation in the program that are typically not available to Schwab retail investors.

These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our clients; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. Schwab may also have paid for business consulting and professional services received by Cedar Valley Wealth Advisors' related persons.

Some of the products and services made available by Schwab through the program may benefit us but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at Schwab. Other services made available by Schwab are intended to help us manage and further develop our business enterprise. The benefits received by us or our personnel through participation in the program do not depend on the amount of brokerage transaction directed to Schwab. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by Cedar Valley Wealth Advisors or its related person in and of itself creates a potential conflict of interest and may indirectly influence our choice of Schwab for custody and brokerage services.

Generally, many of these services may be utilized to service all or a substantial number of our clients' accounts. Educational, research, or other services provided by custodians (*i.e.*, Fidelity Investments, Schwab, etc.) or mutual fund companies may benefit all of our clients or may benefit only some clients.

As noted in Item 12: Brokerage Practices, we do not participate in the client referral program which may be sponsored by such custodian.

## **Item 15: Custody**

In most cases, clients authorize us to deduct advisor fees directly from the clients' accounts on which we provide investment advisory services.

In some cases, our clients authorize us to move cash from/to their investment account at a qualified custodian to/from their bank account or third party, by executing a Standing Letter of Authorization (SLOA). SLOA forms are provided by the qualified custodians. Clients identify the payee and either the third party's address or account number at the custodian when executing the SLOA. We do not have the discretion to change the payee name, address, or other information on a SLOA.

After the custodian performs their verification of the client instructions, the custodian will notify the client in writing to confirm the instructions. On an annual basis, the custodian will reconfirm the instructions with our client. The custodian will also provide a transfer of funds notice to the client promptly after each transfer.

Clients receive statements directly from the broker-dealer or other qualified custodian on at least a quarterly basis. Clients should carefully review these statements.

We also provide quarterly or annual reports showing clients their account performance and account values. We urge all clients to carefully compare our reports with those provided by the independent, qualified custodian or broker-dealer that hold the clients' accounts.

## **Item 16: Investment Discretion**

Generally, clients using our Portfolio Management Services (see Item 4: Advisory Business) grant us the discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for their accounts without first consulting with them. Clients grant this authority by executing a limited power of attorney provided by the custodian.

At times, clients may request to retain existing holdings that we would not recommend purchasing or holding. In this situation, we will typically recommend that these assets be liquidated, possibly over a period of several years. Special instructions or limits to managing a client's accounts are written in the client's Investment Policy Schedule.

**Item 17: Voting Client Securities**

Cedar Valley Wealth Advisors will not accept the authority to vote or advise clients about how to vote proxies for securities held in their accounts. The client's custodian will send all proxy and related shareholder communications to the client.

**Item 18: Financial Information**

As a registered investment advisor, we are required to provide our clients with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments, and we have not been the subject of a bankruptcy proceeding. Our financial condition allows a reasonable expectation that we will be able to meet our contractual commitments to our clients. We charge Portfolio Management fees after the fees are earned. (See Item 5: Fees and Compensation for further details.)