

# Westmount Asset Management, LLC

## Part 2A of Form ADV

### The Brochure

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This brochure provides information about the qualifications and business practices of Westmount Asset Management, LLC (“Westmount” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at 310-556-2502. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Registration with the SEC does not imply that Westmount Asset Management, LLC, or any employees of Westmount Asset Management, LLC possess a particular level of skill or training.

Additional information about Westmount Asset Management, LLC. is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **II." Material Changes**

Westmount is amending this Brochure to update our fee schedule (section V).

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## **IV. Advisory Business**

Westmount provides various investment advisory services to pension and profit-sharing plans, non-profits, estates and trusts, corporations, partnerships, and individuals.

The Firm assists clients in defining their investment objectives for those assets placed within the Firm's management. On a discretionary basis, the Firm then develops an appropriate portfolio of investments for the client's account, selecting specific investments (principally using no-load mutual funds) that are consistent with the client's investment objectives. Thereafter, the Firm monitors the client's investments, making changes in the client's specific investments or portfolio composition as deemed appropriate. The Firm also provides clients with quarterly reports concerning the value and performance of their investments.

Clients are allowed to place restrictions on accounts that the Firm manages. Westmount will discuss the potential restrictions with the client to confirm a clear understanding of what is being asked and to make sure that Westmount would be able to manage the assets in a manner consistent with the Firm's process and philosophy. Types of restrictions may include specific holdings and/or cash minimums and/or maximums.

Custody of client assets is maintained at a brokerage firm or bank selected by the client. Westmount manages the investments in the custodial account on a discretionary basis pursuant to a limited power of attorney (trading authorization) provided by the client.

On occasion, Westmount provides advice concerning private equity investments (such as those in venture capital, leveraged buyouts, and other private equity strategies), as well as hedge funds. These investments are frequently accessed through limited partnerships managed by firms that specialize in a particular strategy, financing stage or industry sector. Certain of Westmount's clients are invested in Westmount Capital Partners, L.P. (the "Partnership" or "Westmount Capital Partners"), a legacy fund of private equity funds. Westmount Asset Management Inc., an affiliate and owner of Westmount, serves as the investment manager for Westmount Capital Partners and is therefore deemed to be a relying adviser to Westmount and is reported in Westmount's Schedule R of Form ADV Part 1A. In its capacity as investment manager to Westmount Capital Partners, Westmount Asset Management Inc. is solely responsible for the investment objectives and strategies of the Partnership.

Where appropriate, Westmount presents certain clients (i.e., Accredited Investors or Qualified Clients or Qualified Purchasers) with opportunities to invest in alternative strategies through limited liability companies and limited partnerships. These investments include, among other things, real estate equity, real estate debt, private lending, and private equity (together "Private Funds" or "private investment funds").

Westmount serves as the Sub-advisor for several funds of funds. All funds are reported in Westmount's Section 7.B.(2) Private Fund Reporting of Form ADV Part 1A. The first, Century Park Opportunity Fund 2019 LP ("CPOF 2019"), was launched in 2019. CPOF 2019 investment is made into real estate and private debt funds utilizing many of the fund managers Westmount has used before. In 2020, the Century Park Opportunity Fund 2020 LP ("CPOF 2020") and the Century Park Opportunity Fund 2020 (QP), LP were launched. Investment in both funds is

composed of affordable housing, commercial and residential real estate loans, middle market corporate loans and secondary private equity across multiple managers. In 2021, the Century Park Opportunity Fund 2021, LP (“CPOF 2021”) was launched. CPOF 2021 investment is composed of privately held, pre-IPO companies and private equity LP interests through institutional secondary private equity funds across multiple managers.

The Century Park Income Fund (“CPIF”) was launched in 2021. CPIF investment is diversified, offering access to institutional strategies with a focus on income through multiple managers. That same year, the Century Park Income Fund II (“CPIF II”) was also launched. CPIF II investment is made into private equity and debt markets composed of real estate infrastructure, renewable green energy, commercial real estate loans, and alternative lending utilizing multiple managers. No new private funds were launched in 2022.

Westmount has discretion to utilize interval funds when appropriate for its investment portfolios. An interval fund is a type of investment company that periodically offers to repurchase its shares from shareholders. Shareholders are not required to accept these offers and sell their shares back to the fund. Although classified as closed-end funds, they are very different from traditional closed-end funds in that:

- Their shares typically do not trade on the secondary market. Instead, their shares are subject to periodic repurchase offers by the fund at a price based on net asset value.
- They are permitted to (and many interval funds do) continuously offer their shares at a price based on the fund’s net asset value.

Westmount also provides certain financial planning services to its clients, including retirement planning analysis, cash flow modeling, Monte Carlo projections and guidance on Social Security claiming strategies. Westmount relies on the accuracy of the information provided by the client and is not required to verify the information received from the client or their service providers. Clients are advised that it is their responsibility to promptly notify Westmount of any changes to their financial situation.

Westmount Asset Management, Inc. was founded in 1990. The current operating entity, Westmount Asset Management, LLC was established in 2011 and is owned by Westmount Asset Management, Inc. (majority owner) and Temperance Partners (minority owner). James Berliner through Westmount Asset Management Inc. is the principal owner of Westmount. As of December 31, 2022, Westmount managed approximately \$3,650,662,281 in regulatory assets under management. Approximately, \$3,030,887,852 on a discretionary basis and \$619,774,429 on a non-discretionary basis on behalf of approximately 1,384 clients.

## V. Fees and Compensation

New clients pay an investment advisory fee at the following annual rate based on the total asset value of the client's investment account:

Assets Under Management	Fee
Amounts up to \$10,000,000	1.00% of asset value

The next \$10,000,000	0.75% of asset value
The next \$30,000,000	0.50% of asset value
Amounts over \$50,000,000	0.25% of asset value

A minimum quarterly fee of \$5,000 may be charged to clients whose assets under management are less than Westmount's required minimum investment amount of \$5,000,000. Westmount has discretionary authority to waive or reduce its minimum fee, and also retains the authority to waive its minimum investment amount.

Fees are payable on a quarterly basis, in advance, at the beginning of each quarter. For purposes of calculating the fee, the asset value is measured as of the close of business of the last business day of the calendar quarter just ended. For purposes of computing the asset value of private equity investments (other than Westmount Capital Partners, L.P.), which are not regularly priced or valued on a daily, quarterly, or annual basis, Westmount will use the lower of cost (the amount of original investment) or the most recently available appraised value provided by the third-party private equity fund manager. For all other private equity investments, Westmount will use the most recently available appraised value provided by the third-party manager. Any fees charged in excess of a subsequent private equity investment valuation will be credited back to the client.

Fees for the first period covered by the agreement are prorated to cover only the period remaining in the current quarter. Westmount offers a discounted advisory fee to non-profits. In exceptional cases, Westmount will negotiate alternative fee arrangements. With the client's written consent, Westmount's fees can be withdrawn directly from the client's custodial account. Westmount does not charge a fee to manage accounts of Westmount officers, employees, and their family members.

The investment advisory fees due to Westmount are separate from, and in addition to, any transaction and/or custodial fees imposed by clients' account custodians and brokers, as well as any management fees and other expenses charged by open-end investment companies (mutual funds), separate account managers, and by the firms managing private investments, as set forth in their prospectuses. The section entitled **XII. Brokerage Practices** describes the factors that Westmount considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Investment advisory agreements between Westmount and clients are terminable at any time by clients by written or oral notice, effective upon receipt. The Firm may terminate the agreement at any time by providing written notice, effective fifteen days after receipt. Prepaid fees paid for services not performed after the effective date will be returned to clients on a prorated basis.

On occasion a client may elect to margin his or her account, and in those instances, we will continue to manage these accounts even if they have a margin debit balance. Westmount fees are based on the total invested asset value of the account, which includes the value of the securities purchased on margin.

While a negative amount may show on a client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value of the invested portion.

The Firm may not assign an investment advisory agreement without the written consent of the client; provided, however, that Westmount may assign an investment advisory agreement to an affiliate or successor without the written consent of the client.

## **VI. Performance Based Fees and Side-by-Side Management**

Westmount does not charge any performance fees. However, Westmount has the ability to charge Westmount Capital Partners a performance fee but never has and does not anticipate doing so. Some investment advisers experience conflicts of interest in connection with the side-by-side management of accounts with different fee structures. However, these conflicts of interest are not applicable to Westmount.

## **VII. Types of Clients**

Westmount provides various investment advisory services to pension and profit-sharing plans, non-profits, estates and trusts, corporations, partnerships, and individuals, as well as to Westmount Capital Partners.

## **VIII. Methods of Analysis, Investment Strategies and Risk of Loss**

The Firm assists clients in defining their investment objectives for those assets placed within the firm's management. On a discretionary basis, the Firm then develops an appropriate portfolio of investments for the client's account, selecting specific investments (principally using no-load mutual funds) that are consistent with the client's investment objectives. Thereafter, the Firm monitors the client's investments, making changes in the client's specific investments or portfolio composition as deemed appropriate. The Firm also provides clients with quarterly reports concerning the value and performance of their investments.

Westmount's investment strategy does not include the use of leverage (borrowing) through the margining of client accounts. However, from time to time our clients have short-term or longer-term needs for funds and decide to borrow money from their investment accounts, rather than sell securities to raise the funds. In these situations, clients may maintain margin debit balances on their accounts.

Although Westmount makes every effort to preserve each client's capital and achieve real growth of wealth, investing in the stock markets involves risk of loss that each client should be prepared to bear.

Where appropriate, Westmount presents certain clients with opportunities to invest in alternative strategies through limited liability companies and limited partnerships. These investments are made in Private Funds. Westmount's Investment Committee will source and vet Private Funds,

which includes the use of both qualitative and quantitative methods of analysis. Our diligence process includes multiple phone calls and meetings with the main principle(s) of the fund companies to understand their investment process and strategy, background checks, LP reference checks and thorough review of the funds' historical track record. We also perform onsite visits to conduct operational due diligence and to evaluate the staff, infrastructure, and deal underwriting process.

Below is a summary of potentially material risks for the investment strategies and methods of analysis used by Westmount. This list of risk factors does not purport to be a complete explanation of the risks involved in any investment. Where appropriate, clients should review each Private Funds' offering documents for a complete list of risks.

#### *Risk of stock investing*

Clients entering into a management agreement with Westmount should be aware that stock values fluctuate. Generally, their worth is based directly on the performance of the specific company. Individual stock values will also be impacted by the general movement of the stock market. Clients should be aware that when investing in stocks, the risk of significant loss exists.

#### *Risk of bond investing*

The value of bonds is subject to movements in interest rates, along with the all-important structure and the credit characteristics of the individual securities. Clients investing in bonds should be aware that there is moderate risk of loss. The value of both stocks and bonds are influenced by economic conditions both domestically and globally.

#### *Asset allocation risk*

The allocations to the various asset classes and market sectors could cause the accounts to underperform other strategies with a similar investment objective.

#### *Margin Risk*

It is important that you fully understand the risks involved in trading securities on margin.

These risks include the following:

- You can lose more funds than you deposit in your margin account
- The account custodian can force the sale of securities in your account
- The account custodian can sell your securities without contacting you
- You are not entitled to choose which securities in your margin account may be liquidated or sold to meet a margin call.
- The account custodian can increase its maintenance margin requirements at any time, and they are not required to provide you advance written notice.
- You are not entitled to an extension of time on a margin call

#### *Cybersecurity, Technology, and Vendor Risks*

Westmount relies on third-party vendors, some of which provide critical services to its clients. While Westmount has implemented reasonable practices to verify that its key vendors have implemented reasonable safeguards to protect the information or assets it maintains, there exists anticipated and unanticipated risks that could negatively impact Westmount and/or its clients in the event of a vendor cybersecurity breach, emergency, or outage.

In addition, despite its best efforts to identify and avoid fraudulent requests and adoption of reasonable verification efforts, risks exist that may lead to Westmount or its third-party vendors, to act on instructions that result in Westmount's clients becoming victim to fraud, cybersecurity breach or identity theft. In such cases, no assurances can be given by Westmount that its information safeguards and verification procedures will detect, protect, or prevent clients from all threats and vulnerabilities, particularly in instances in which a client is a victim of identity theft, which could result in losses or damages to the client.

#### *Private Funds Risks*

These investments, unlike stocks and bonds that are regularly traded, are typically illiquid and not priced daily. Consequently, and in compliance with existing regulations, private funds require a client's approval before any such investment is made. Any client who subscribes, or proposes to subscribe, for an investment in a private fund must be able to bear the risks involved and must meet the fund's suitability requirements. Some or all alternative investment programs may not be suitable for certain investors. No assurance can be given that a private fund's investment objectives will be achieved. Private fund investments can be speculative and involve a substantial degree of risk, including a total loss of principal.

Private funds are generally highly illiquid, with each private fund investment having varying degrees of illiquidity depending on the type of fund and its underlying investments. There is generally no secondary market for a private fund, and none should be expected to develop, so investors cannot sell their positions and must wait until the investment liquidates. Additionally, there are restrictions on withdrawal/redemption and transferring interests in a private fund, so investors may not have access to capital when it is needed. The processes and strategies for the private funds used by Westmount are disclosed in each private fund's offering documents.

A fund's concentration in a certain sector and lack of diversification across other sectors present risks specific to its strategy and should be carefully considered. Private funds utilized by Westmount are subject to these as well as various other risk factors and conflicts of interest. Risks specific to each private fund are outlined in each fund's offering documents and should be reviewed by the client prior to investment.

#### *Interval Funds Risks*

Investing in interval funds involve a higher degree of illiquidity than investments with daily liquidity. An interval fund will make periodic repurchase offers to its shareholders, generally every three, six or twelve months, as disclosed in the fund's prospectus and annual report. Interval funds are suitable only for investors who can bear the risks associated with the limited liquidity of the funds and should be viewed as a long-term investment. Limited liquidity is provided to shareholders only through the interval funds' quarterly repurchase offers for as little as 5% of the Fund's shares outstanding at net asset value. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer. Given the lack of secondary market, the infrequent nature of the offers to buy back shares, and the liquidity gates (or repurchase limits), shareholders should consider the shares of interval funds to be illiquid.



## **IX. Disciplinary Information**

Westmount and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

## **X. Other Financial**

One of the founding principals of Westmount Asset Management, LLC, James Berliner is also principal of WCP Management, LLC and Westmount Asset Management Inc. WCP Management, LLC is a management company that serves as the general partner and management company for Westmount Capital Partners, and Westmount Asset Management Inc. serves as the investment manager for the Partnership. Both the Partnership and the affiliated entity were created in 2000 to provide access to a diversified portfolio of private equity investment opportunities, all of which are accessed through partnerships managed by well-established specialist firms (that are unrelated to Westmount). These firms and their funds are completely independent of Westmount Asset Management, LLC, and its principal(s).

The Partnership invests in a diversified portfolio of these partnerships, representing different private equity strategies, such as early or late-stage venture capital, leveraged buyouts, acquisitions/consolidations, growth capital, and others. In 2000 only, (when the fund was open for investment), Westmount recommended that some of its clients invest in the Partnership.

The Partnership was only offered to "accredited investors" as defined under Rule 501 Reg. D promulgated by the Securities and Exchange Commission under the Securities Act of 1933. Before recommending that a client invest in the Partnership, Westmount first evaluated whether it was suitable for the client to make this type of investment (assessing, among other things, the client's overall financial net worth and income, capacity for investment risks, the appropriate portfolio allocation, and liquidity issues). The legal documents for the Partnership fully disclosed the relationship between Westmount Asset Management Inc., WCP Management, LLC, principals of both of these entities, and Westmount Capital Partners, L.P.

Westmount Asset Management, Inc. is also invested as a limited partner in Westmount Capital Partners. It invested on the same basis as every other limited partner and its investment has no impact on the availability, pricing, or performance of the partnership.

One of the founding principals of Westmount Asset Management, LLC, James Berliner, is also principal of Westmount Pacific, LLC. Westmount Pacific LLC holds an interest in UOB Capital Partners, LLC, an investment adviser, and general partner to the ASEAN-China Investment Fund I L.P., ASEAN-China Investment Fund II, L.P., ASEAN-China Investment Fund III, L.P. and ASEAN-China Investment Fund IV, L.P. (collectively, the "ASEAN-China Funds"), private equity funds for non-U.S. institutional investors. Investors in the ASEAN-China Funds are not clients of Westmount. Further, Westmount and its employees do not provide investment advice to the ASEAN-China Funds. Westmount does not believe that the investments for such pooled investment vehicles to be suitable for Westmount's clients since they have distinct investment objectives. However, certain Westmount employees provide limited non-investment advisory services to both Westmount Pacific and UOB Capital Partners in which Westmount receives

compensation including a portion of the management fee for such services. These services generally include administrative support. The legal documents for the private equity funds fully disclosed the relationship between Westmount, Westmount Pacific, LLC, and the principals of both these entities.

Westmount Asset Management, LLC launched its first multi manager fund, Century Park Opportunity Fund 2019 LP (“CPOF 2019”), in 2019. Westmount Asset Management, LLC serves as the Sub-advisor for CPOF 2019. CPOF 2019 makes direct investments in private funds on behalf of individual investors as well as for-profit and non-profit institutional investors to provide access to a diversified private investment portfolio. This is a continued demonstration of Westmount’s belief that alternative investment strategies can add valuable diversification and return benefits to portfolios that cannot be obtained through investments in only stocks and bonds. CPOF 2019 was offered to “qualified clients” as defined under Rule 205-3(d)(1) of the Investment Advisers Act of 1940 and “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940. Westmount waives its management fees for clients, while non-Westmount clients pay a management fee of 1.5% per annum on their investments in the fund. Westmount as a firm is not an investor in the fund, but individual Westmount employees do have access to invest in the fund. Employee access comes secondary to client access.

Westmount also serves as the Sub-advisor for Century Park Opportunity Fund 2020 LP (“CPOF 2020”) and Century Park Opportunity Fund 2020 (QP), LP (“CPOF 2020”), multi manager funds launched in 2020. CPOF 2020 makes direct investments in private funds on behalf of individual investors as well as for-profit and non-profit institutional investors. CPOF 2020 was offered to “qualified clients” as defined under Rule 205-3(d)(1) of the Investment Advisers Act of 1940 and “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940. Westmount waives its management fees for clients, while non-Westmount clients pay a management fee of 1.5% per annum on their investments in the fund. Westmount as a firm is not an investor in the fund, but individual Westmount employees do have access to invest in the fund. Employee access comes secondary to client access.

Westmount also serves as the Sub-advisor for Century Park Opportunity Fund 2021, LP (“CPOF 2021”), a multi manager fund launched in 2021. CPOF 2021 makes direct investments in private funds on behalf of individual investors as well as for-profit and non-profit institutional investors. CPOF 2021 was offered to “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940. Westmount waives its management fees for clients, while non-Westmount clients pay a management fee of 1.5% per annum on their investments in the fund. Westmount as a firm is not an investor in the fund, but individual Westmount employees do have access to invest in the fund. Employee access comes secondary to client access.

Westmount Asset Management, LLC is the Sub-advisor for Century Park Income Fund (“CPIF I”), a multi manager fund launched in 2021 offering access to institutional strategies with a focus on income. CPIF makes direct investments in private funds through retirement accounts. CPIF was offered to “qualified clients” as defined under Rule 205-3(d)(1) of the Investment Advisers Act of 1940 and “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940. Westmount waives its management fees for clients, while non-Westmount clients pay a management fee of 1.25% per annum on their investments in the fund. Westmount is

not a direct investor in CPIF I, although its pension fund invests in some of the underlying holdings. Individual Westmount employees do have access to invest in the fund. However, employee access comes secondary to client access.

Westmount Asset Management, LLC is also the Sub-advisor for Century Park Income Fund II, LP (“CPIF II”), a multi manager fund launched in 2021. CPIF II makes direct investments in private funds on behalf of individual investors as well as for-profit and non-profit institutional investors to provide access to a diversified private investment portfolio with a focus on income. CPIF II was offered to “qualified clients” as defined under Rule 205-3(d)(1) of the Investment Advisers Act of 1940 and “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940. Westmount waives its management fees for clients, while non-Westmount clients pay a management fee of 1.25% per annum on their investments in the fund. Westmount as a firm is not an investor in the fund, but individual Westmount employees do have access to invest in the fund. Employee access comes secondary to client access.

Clients are generally required to maintain an account at a brokerage firm or bank for trading and custodial purposes. Westmount maintains a relationship with Charles Schwab & Co., Fidelity and TD Ameritrade and recommends that whenever possible, clients maintain their account(s) at one of these firms (see **XII. Brokerage Practices** and **XIV. Client Referrals and Other Compensation** below).

The Firm also generally requires clients to execute a limited power of attorney (trading authorization) to enable the Firm to manage and serve client accounts on a discretionary basis.

## **XI. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Westmount’s Code of Ethics also requires Employees to:

1. Pre-clear certain personal securities transactions,
2. Report personal securities transactions on at least a quarterly basis, and
3. Provide Westmount with a detailed summary of certain holdings and securities accounts (both initially upon commencement of employment and annually thereafter) over which such employees have direct or indirect beneficial interest.

A copy of Westmount’s Code of Ethics is available to any client or prospective client upon request by calling the telephone number on the Cover Page of this Form ADV Part 2.

One of the founding principals of Westmount, James Berliner, is also principal of WCP Management, LLC, a management company that serves as the general partner and management company for the partnership, Westmount Capital Partners, L.P., a private equity fund.

## **XII. Brokerage Practices**

The only limitations on the Firm's trading authority will be that the Firm will only direct the trading of securities of the types identified in **IV. Advisory Business**, above, and that it will follow any written guidelines and instructions submitted by clients concerning their investment accounts.

Westmount may recommend that clients establish brokerage accounts with either Fidelity, the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab" or "Schwab Institutional"), a registered broker-dealer, Member SIPC/NYSE or TD Ameritrade, to maintain custody of clients' assets and to effect trades for their accounts. These brokerage relationships provide Westmount with access to institutional trading and operations services, which are typically not available to retail investors. These services include research, brokerage, custody, and access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Some broker-dealers also make available to Westmount other products and services that benefit Westmount but may not benefit its clients' accounts. Some of these other products and services assist Westmount in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, provide research, pricing information and other market data, facilitate payment of fees from its clients' accounts, and assist with back-office support, recordkeeping, and client reporting. Many of these services generally may be used to service all or a substantial number of Westmount's accounts, including accounts not maintained at Schwab Institutional, Fidelity, or TD Ameritrade. These broker-dealers may also provide Westmount with other services intended to help Westmount manage and further develop its business enterprise. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, broker-dealers may make available, arrange and/or pay for these types of services to Westmount by independent third parties.

Westmount can access institutional share classes of mutual funds through Schwab, Fidelity and TD Ameritrade which have reduced expenses. Westmount has negotiated reduced transaction fees for its clients.

Westmount has long maintained a strict arms-length business relationship with Schwab. Neither Westmount nor its principals receive any fee, commission, preferential rate, products or other economic benefit for having firm clients maintain their accounts at Charles Schwab & Co. Beginning in 1995, however, at Schwab's invitation, Westmount entered into an agreement with Schwab to participate in Schwab's advisor referral service, Schwab Advisor Network. The service is designed to help investors find independent advisors in their area. Westmount's participation in Schwab's referral service may raise potential conflicts of interest. Westmount receives introductions to potential clients and pays Schwab a percentage of our quarterly fees for clients gained through the program (see **XIV. Client Referrals and Other Compensation**). In addition, although not required by Schwab, Westmount will likely execute transactions for these referral clients at Schwab as long as Westmount believes that Schwab continues to represent the best custodian for its clients, in terms of overall cost, products and services. Westmount acknowledges its duty of best execution for its clients.

Westmount has clients who have a contract directly with Westmount but where the client's assets are custodied outside of Schwab, Fidelity, or TD Ameritrade. Because we are unable to aggregate these accounts with others for trading, we may or may not receive similar execution results, which would have an impact on the performance of the account.

Westmount may aggregate client purchase and sale orders of securities with those of other clients if such aggregation is reasonably likely to result in an overall economic benefit to its clients, lower commission expenses, beneficial timing of transactions, or a combination of these and other factors.

### **XIII. Review of Accounts**

#### Reviews

Client accounts are reviewed at least quarterly to determine whether each client's investment portfolio remains suitable in light of the client's current investment objectives. A more frequent or immediate review which could result in a change in one or more of clients' investments--can be triggered by any one of the following events:

- a. Changes in a client's situation or investment objectives made known to the Firm;
- b. Changes involving an investment held by a significant number of Firm clients (such as significant changes in an investment's performance or risk level relative to other investments or changes in the management of a mutual fund);
- c. Changes in the Firm's economic or investment outlook or in its decisions concerning clients' portfolio compositions, and results from analysis of financial planning projections or modeling; or
- d. Economic and market conditions, data, movements, and other information that may indicate the appropriateness of increasing or decreasing clients' investments in certain types of securities (such as equity mutual funds). In this regard, the Firm intends to use market valuation data and other market information in order to evaluate whether to increase, decrease or otherwise modify clients' investments in certain types of securities (such as equity mutual funds).

#### Reviewers

Members of the Wealth Planning Committee supervise the management and monitor the performance of all clients' investments and perform the periodic review of each client's investment portfolio. They also monitor other securities, the relevant markets, and other economic conditions. Separately, the Investment Committee originates new investment ideas and determines the appropriate mix of investment strategies broadly and determines when to make changes to the overall portfolio.

Westmount provides each client with a quarterly report which indicates the current value (at the end of the calendar quarter just ended) of the client's portfolio investments and the quarterly performance for these investments as well as an overview of the market performance in general. Also included at year end is a benchmark report comparing the performance of Westmount holdings to their benchmarks.

Clients will receive monthly statements indicating the status of account investments as well as confirmation reports following any account trades. Periodic reports will also be made available in accordance with the practices of the brokerage firm or bank.

#### **XIV. Client Referrals and Other Compensation**

Westmount has arrangements with third parties under which Westmount compensates them for client referrals. The fee under these arrangements is a percentage of the investment advisory fee received by Westmount from the client referred. Westmount also has implemented a revenue sharing program whereby a portion of the investment advisory fee received by Westmount is paid to the Westmount employee responsible for obtaining that client. In addition, Westmount has a referral arrangement with Schwab, which is described in more detail below.

In the arrangement with Schwab and in any other such arrangement, the advisory fees paid by clients so referred to Westmount will be exactly the same as the fees paid by clients who are not referred pursuant to such an arrangement. In addition, all such arrangements will be in strict compliance with Rule 206(4)-3 under the Investment Advisers Act of 1940, including the requirement that the arrangement be disclosed to prospective clients.

Westmount receives client referrals from Schwab through its participation in Schwab Advisor Network® (“the Service”). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Westmount. Schwab does not supervise Westmount and has no responsibility for Westmount’s management of clients’ portfolios. Westmount pays Schwab fees to receive client referrals through the Service. Westmount’s participation in the Service may raise potential conflicts of interest described below.

Westmount pays Schwab Participation Fees on all referred clients’ accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. Participation Fees are a percentage of the value of the assets in the client’s account. Westmount pays Schwab Participation Fees for so long as the referred client’s account remains in custody at Schwab. Participation Fees are billed to Westmount quarterly and may be increased, decreased, or waived by Schwab from time to time. Participation Fees are paid by Westmount and not by the client. Westmount does not charge clients referred through the Service fees or costs greater than the fees or costs it charges clients with similar portfolios who were not referred through the Service.

Westmount generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client’s account is not maintained by, or assets in the account are transferred from Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Westmount generally would pay in a single year. Thus, Westmount will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees are based on the amount of assets in accounts of Westmount clients who were referred by Schwab and those referred clients’ family members

living in the same household. Thus, Westmount will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts with Schwab.

*For accounts of Westmount clients maintained in custody at Schwab, Schwab generally does not charge the client separately for custody but receives compensation from the client in the form of commissions or other transaction-related compensation on securities trades Schwab executes for the client's account. Clients also pay Schwab a fee for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, Westmount may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Westmount, nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for Westmount's other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.*

## **XV. Custody**

Westmount is deemed to have custody as a result of standing letter of authorization ("SLOA") in place from clients that allow Westmount to direct the custodian to send client funds based on the SLOA. In reliance of the SEC Staff's no action letter to the investment Adviser Association dated February 21, 2017 ("No Action Letter"), Westmount currently meets all of the conditions set forth under the No Action Letter for the accounts that utilize SLOAs to make certain disbursements on behalf of a client. Therefore, the accounts to which Westmount is deemed to have custody due solely to the fact that it maintains a SLOA arrangement, Westmount does not obtain a surprise asset verification for such accounts.

All client assets are held in custody by unaffiliated broker/dealers or banks; however, Westmount may have access to client accounts since an affiliated entity serves as the General Partner of the Partnership. Limited partners of the Partnership will not receive statements from the custodian. Instead, the Partnership is subject to an annual audit and the audited financial statements are distributed to each limited partner. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 180 days of the Partnership's fiscal year end.

## **XVI. Investment Discretion**

The only limitations on the Firm's trading authority will be that the Firm will only direct the trading of securities of the types identified in **IV. Advisory Business**, above, and that it will follow any written guidelines and instructions submitted by clients concerning their investment accounts.

Westmount manages the investments in the custodial account on a discretionary basis pursuant to a limited power of attorney (trading authorization) provided by the client.

## **XVII. Voting Client Securities**

Westmount made a change to its proxy voting policy, effective March 31<sup>st</sup>, 2021. As of that date, new clients will retain the right and obligation to vote any proxies relating to the securities held in their own accounts as well as submit claims in class actions involving securities held.

For existing clients who signed on with Westmount prior to March 31<sup>st</sup>, 2021, Westmount will continue to vote client proxies in the interest of maximizing shareholder value. To that end, Westmount will vote in a way that it believes will cause the issue to increase the most or decline the least in value. Consideration will be given to both the short- and long-term implications of the proposal to be voted on when considering the optimal vote. With regards to ESG portfolios, Westmount's policy is to vote based on best ESG principals and socially responsible investing.

Certain principals of Westmount have overall responsibility for the firm's proxy voting policy and practices. Westmount has retained Broadridge Financial Solutions, Inc (Broadridge), a nationally recognized and independent proxy service firm, as its proxy administrator. In this role, Broadridge provides research, recommendations, and proxy voting services according to the proxy voting guidelines agreed to by Westmount for its clients' proxies. Westmount has also retained Broadridge to facilitate its submission of claims in class actions involving securities held by Westmount's clients.

Westmount is constantly monitoring for potential conflicts of interest between clients' interests and its own within the proxy voting process. Nevertheless, if Westmount's Proxy Administrator determines that Westmount, its affiliates, or its affiliated persons are facing a material conflict of interest in voting a proxy (e.g., an employee of Westmount may personally benefit if the proxy is voted in a certain direction), Westmount's procedures provide for a committee to determine the optimal vote. If the committee cannot come to a unanimous decision, the procedures provide for an independent third party to determine the appropriate vote. As an added protection, the third party's decision is binding.

Westmount's complete proxy voting policy and procedures are memorialized in writing and are available for review. In addition, Westmount's complete proxy voting record is available. Clients and investors should contact Westmount at the phone number listed on the Cover Page of this document if they have any questions or if they would like to review either of these documents.

## **XVIII. Financial Information**

Westmount has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.