

RIDGELINE WEALTH, LLC  
d/b/a  
**RIDGELINE PRIVATE WEALTH**

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October 17, 2023

Item 1: Firm Brochure (Form ADV Part 2A)

This brochure provides information about the qualifications and business practices of Ridgeline Private Wealth. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. 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. Registration (e.g., “registered investment adviser”) does not imply a certain level of skill or training.

Additional information about Ridgeline Private Wealth is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

Pursuant to SEC rules, Ridgeline Private Wealth will ensure that clients receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after the Firm's fiscal year end, December 31. This means that if there were any material changes over the past year, clients will receive a summary of those changes no later than April 30. At that time, Ridgeline Private Wealth will also offer a copy of its most current disclosure brochure and may also provide other ongoing disclosure information about material changes as necessary. If there are no material changes over the past year, no notices will be sent.

Clients and prospective clients can always receive the most current disclosure brochure for Ridgeline Private Wealth at any time by contacting their investment adviser representative.

Since the last amendment filing on August 9, 2023, the following changes were made:

- Item 12: Change to our Brokerage Services
- Item 14: Change to our Client Referrals and Other Compensation
- Item 15: Change to our Custody services



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## Item 4: Advisory Business

### A. Firm Description

Ridgeline Private Wealth (or the “Firm”) is an SEC registered investment adviser. Ridgeline Private Wealth was founded in August 2019.

The Owner and Chief Compliance Officer of Ridgeline Private Wealth is Caleb W. Huftalin.

### B. Types of Advisory Services

The Firm offers a large variety of services, including portfolio management, investment analysis and financial planning for individuals and high net worth individuals. The Firm offers these services to clients or potential clients (“clients”).

#### Investment Advisory Services: Direct Portfolio Management

Ridgeline Private Wealth specializes in quantitative, fundamental, technical, and economic analysis to determine what investments are in favor of Ridgeline Private Wealth’s investment models. Ridgeline Private Wealth clients’ current holdings ensure alignment with both short- and long-term goals. The Firm performs ongoing reviews of investment performance and portfolio exposure to market conditions.

Accordingly, the Firm is authorized to perform various functions without further approval from the client, such as the determination of securities to be purchased or sold without prior permission from the client for each transaction. Any and all trades are made in the best interest of the client as part of Ridgeline Private Wealth’s fiduciary duty. However, risk is inherent to any investing strategy and model. Therefore, Ridgeline Private Wealth does not guarantee any results or returns.

Prior to engaging Ridgeline Private Wealth to provide any investment advisory services, Ridgeline Private Wealth requires a written financial service agreement (“FSA”) signed by the client prior to the engagement of any services. The FSA will outline services to which the client is entitled and fees the client will incur.

Ridgeline Private Wealth is an asset-based fee investment management firm. The firm does not receive commissions for purchasing or selling stocks, bonds, mutual funds, real estate investment trusts, or other commissioned products for clients. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted.

Ridgeline Private Wealth does not act as a custodian of client assets. The client always maintains asset control. Ridgeline Private Wealth places trades for clients under a limited power of attorney through qualified custodian/broker.

#### Consulting Services: Direct Private Placement Investments

When suitable for clients, typically accredited investors only, Ridgeline may occasionally help clients make direct investments in private placement securities with a goal to identify non-correlated, or lesser correlated assets, to the broad publicly traded equity markets. These are typically real estate or private debt related, in one or more of the following structures:



- Real estate-focused private placements
- Delaware Statutory Trusts (DSTs) and 1031 exchanges
- Real estate investments such as LPs or LLCs
- Real estate investment trusts (REITs)
- Private Placement Credit Funds

In assisting clients in making these investments, Ridgeline Private Wealth completes the following:

- Due diligence trips and, where applicable, property visits
- Review of quarterly reports furnished by fund manager or sponsor
- Attendance of fund manager or sponsor update calls, webinars, or meetings
- Performance reviews: quarterly, semi-annual, or annual
- Obtaining tax documents and coordinating with CPAs
- Evaluation of applicable liquidity opportunities within the context of, but not limited to, client goals, objectives, tax situation, need for liquidity, and estate planning

#### **Consulting Services: DSTs & QOFs.**

Ridgeline Private Wealth offers to clients the opportunity to invest in Funds known as Delaware Statutory Trusts (DSTs) and Qualified Opportunity Funds (QOFs). Ridgeline Private Wealth will consult with clients with respect to the individual characteristics of the Fund, the history of the Fund Sponsor, potential growth rates, possible tax implications, Fund leverage profile, and client financial needs and investment goals. Our firm does not provide accounting or legal advice, or the legal documents required to create a DST/QOF. Clients are encouraged to work closely with their attorney and tax professional when considering investing in DSTs and QOFs.

Ridgeline intends to seek out arrangements with the following potential list of DST & QOF Sponsors, including but not limited to: Inland Private Capital Corporation, Cantor Fitzgerald, Ares Wealth Management Solutions, Pacific Oak Capital Markets, and Four Springs Capital Trust.

#### **Pontera**

Our firm will also provide service for accounts not directly held in our custody, but where we do have discretion, and may leverage an Order Management System (Pontera) to implement asset allocation and opportunistic rebalancing strategies on behalf of the client. Pontera is a clerical service that facilitates orders from Ridgeline Private Wealth to client accounts not held in our custody, for example: employer sponsored retirement plans like 401(k)s. This service does not facilitate account billing and fees are paid through a separate billing process.

The accounts that will utilize these services will be primarily 401(k) accounts, HSAs, and other assets that Ridgeline Private Wealth does not have custody of. Our firm will regularly review, rebalance, and implement our strategies using different tools as necessary.

We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools as necessary. Clients who chose to participate in this program will be notified when our firm places a trade through Pontera implementing any and all changes to your account. The fees charged in these situations are the same



as described in the table under “Fees and Compensation.” Fees are paid separately on the management of these “held away” assets and clients may be provided an invoice describing the fees. Suitability documentation will be held with the Plan Custodian and this documentation cannot be altered by Ridgeline Private Wealth.

### **Dual Financial Planning and Portfolio Management Services**

Ridgeline Private Wealth offers financial planning and portfolio management services as a combined service as designated by the client. The services provided depend on the nature and complexity of the client’s situation and could include some or all of the following: financial goal setting, portfolio design and asset allocation, risk tolerance and capacity analysis, investment management, cash flow and expense planning, debt management and planning, employee benefits planning, employer stock plan analysis, retirement planning, education planning, risk management and insurance planning, estate planning and beneficiary, income tax planning, trust planning, small business planning, and small business retirement plans.

Prior to engaging Ridgeline Private Wealth to provide financial planning and portfolio management services, the client will be required to enter into a Dual Financial Planning and Portfolio Management Investment Advisory Agreement with Ridgeline Private Wealth setting forth the terms and conditions of the engagement and describing the scope of the services to be provided. Ridgeline Private Wealth and the client will work together to determine the specific suite of services to be provided.

The recommendations provided by Ridgeline Private Wealth are focused solely on the individual needs of the client. Ridgeline Private Wealth engages in a client intake process involving communication with prospective clients and the collection of their financial information to help determine each client’s investment objectives and risk tolerance.

In performing its services, Ridgeline Private Wealth shall not be required to verify any information received from the client or from the client’s other professionals and is expressly authorized to rely thereon. If requested by the client, Ridgeline Private Wealth shall recommend the services of other professionals for implementation purposes.

Once the Financial Planning aspect has been discussed and agreed upon by the client, Ridgeline Private Wealth shall have discretion to implement such plan via discretionary portfolio management.

Ridgeline Private Wealth’s Dual Financial Planning and Portfolio Management Investment Advisory Agreement shall automatically renew on an annual basis for the purpose of reviewing and updating Ridgeline Private Wealth’s previous recommendations and/or services, unless otherwise stated by the client.

It remains the client’s responsibility to promptly notify Ridgeline Private Wealth if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising Ridgeline Private Wealth’s previous recommendations or services.

We will be serving the needs of business clients and real estate owners. Our fees are in line with the value provided. The services offered vary based on the breadth of scope of client objectives, which can range from Short-term cash management planning (Emergency / Opportunity Fund); Optimal College Education savings planning; Debt management and planning; Integrated retirement income planning with investments, including pension decisions and social security claiming decisions; and Collaboration with client’s professional advisory team such as CPAs, Attorneys, Insurance Advisors, Business Consultants; Focused tax planning strategies beyond just tax aware investing and asset location; Insurance review and analysis, including Auto, Homeowners, Liability, Disability, Life, and Long-term Care insurance.



## **Retirement Plan Consulting Services**

Ridgeline Private Wealth provides advisory services to plan sponsors of employer-sponsored retirement plans for which it has been specifically engaged, in addition to supporting affiliated companies through other non-advisory services to retirement plans for corporations and other business entities as a 3(21) and 3(38) fiduciary. Such advisory services can include selection and/or de-selection and replacement of individual investment options pursuant to agreed investment criteria.

In choosing and monitoring investment options for employer-sponsored retirement plans, we look for reliable fund companies with a consistent track record and steady performance. Once a fund company is identified for possible selection for a particular retirement plan product, we conduct an in-depth review of the company's operations, funds, and personnel before determining if the company's funds are investment options. Quantitative and qualitative factors, such as regional exposure, fund management, and asset size/growth, are also evaluated. The fund companies are monitored on a continuous basis at the firm level. We will assist in the construction of the portfolio by ensuring that all core asset classes are covered to offer full diversification opportunities. However, the final decision of which funds to select is up to the plan sponsor and/or consultant.

### **Sub-Advisors**

Ridgeline may utilize sub-advisors. The method of fee payment to the sub-advisors utilized by Ridgeline will be dependent on Ridgeline's agreement with that sub-advisor. For certain sub-advisors, the sub-advisor will be paid by Ridgeline Private Wealth for their services. Our firm will collect our fee from the client, and we pay the sub-advisor for their services directly. For other sub-advisors, the sub-advisor shall debit the sub-advisory fee as well as Ridgeline's fee. The sub-advisor will then remit Ridgeline portion of the fee to Ridgeline. These arrangements can provide incentive for Ridgeline Private Wealth and its representatives to utilize a sub-advisor. However, Ridgeline Private Wealth will always put the client's best interest before our own.

Sub-advisors that Ridgeline Private Wealth may recommend clients to include but are not limited to: 551 LLC, Betterment, and NovaPoint Capital. Clients of some sub-advisors will be required to sign an investment advisory agreement with that sub-advisor. For those sub-advisors that do not require the client to sign an investment advisory agreement, Ridgeline will establish a firm-level sub-advisory agreement. Ridgeline Private Wealth will assist with the management of the client's account.

### **C. Services Tailored to Clients' Needs**

Services are provided based on a client's specific needs within the scope of the services provided as discussed above. A review of the information provided by the client regarding the client's current financial situation, goals, and risk tolerances will be performed and advice will be provided that is in line with available information.

### **D. Wrap Fee Program versus Portfolio Management Program**

Ridgeline Private Wealth does not offer a Wrap Fee Program.

### **E. Assets Under Management**

As of July 3, 2023, Adviser has the following assets under management:

Discretionary assets:	\$91,778,155
Non-discretionary assets:	\$8,634,954
Total:	\$100,413,109



## Item 5: Fees and Compensation

In addition to the information provided in the Advisory Business section, this section provides details regarding Firm services along with descriptions of each service's fees and compensation arrangements.

### A. Advisory Services Compensation Description

For combined financial planning and investment management services, Ridgeline Private Wealth charges a flat monthly fee up to \$750 plus 1.00% of Net Worth (rounded down to the nearest million) per year based on services, types of planning and monitoring offered.

For investment management services only, Ridgeline Private Wealth bases its fees on a percentage of assets under management per annum.

<i>Assets Under Management</i>	<i>Investment Management Fee for Advisory Assets / Year *</i>
Up to \$500K	1.55%
\$500K to \$1M	1.35%
\$1M to \$3M	1.15%
\$3M to \$5M	0.95%
\$5M to \$7M	0.85%
\$7M to \$10M	0.75%
\$10M+	0.65%
* Custodial transaction costs, if applicable, are not included	

For Retirement Plan assets such as 401(k)s, Profit-Sharing Plans, and Cash Balance pension plans, Ridgeline Private Wealth bases its fees on a percentage of assets under management per annum.

<i>Plan Assets</i>	<i>Retirement Plan Consulting Fee/Year</i>
All Plan Assets	0.95%

Ridgeline Private Wealth, at its sole discretion, may charge a lesser advisory fee for any services listed above based upon certain criteria (e.g., historical relationship, types of assets, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, etc.).

As firm wide fee revisions occur, clients' account fee schedules may be "grandfathered" at their prevailing fee schedule and therefore not reflected in this current Brochure. These fees may be higher or lower than the current fee schedule.





## **B. Payment of Fees**

### **Combined Financial Planning and Portfolio Management Investment Advisory**

The Financial Planning and Portfolio Management Investment Advisory fees are payable monthly or quarterly. The fees charged for these services are negotiable and vary depending on the complexity of the process undertaken, the types of issues addressed, the scope of services provided, and the frequency with which the services are rendered.

### **Investment Management Only**

Investment management fees are billed quarterly in arrears for clients custodied with the Betterment Securities, meaning that Betterment will invoice you after the three-month billing period has ended based on the average daily balance during the quarter through Betterment's client portal. Payment in full is debited from the client account at that time. Fees may be deducted from a designated client account to facilitate billing.

For clients custodied with TD Ameritrade/Schwab/CNB Custody (Community National Bank), investment management fees are billed quarterly in advance, meaning that the invoice is due at the time the account is funded. The client must consent in advance to direct debiting of their investment account. Fees paid in advance will be prorated in the event of account closure, and any unearned portion thereof will be refunded to Client.

### **Retirement Plan Consulting Services**

Billing for retirement plan consulting fees vary by custodian/record keeper either on a monthly or quarterly basis either in advance or in arrears. Fees will either be billed directly to the plan sponsor or paid directly from the plan assets if authorized by the plan fiduciary.

For individual client accounts who utilize a qualified custodian, the Adviser will do the following:

- a. Ridgeline Private Wealth will possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- b. Ridgeline Private Wealth will send the qualified custodian a written invoice detailing the fee amount to be deducted from the client account; and,
- c. If required by jurisdiction, Ridgeline Private Wealth will concurrently provide the client a record of notice ("invoice") each billing period that describes the advisory fees to be deducted from your account at our direction.

In cases where the combined components of the Financial Planning and Portfolio Management Investment Advisory services fee outlined above will exceed 2.5% of Client's Assets Under Ridgeline Private Wealth's Management annually, the fee will be divided into two components, the first calculated and billed against managed assets at no greater than 2.5% of client's assets under management, to be charged and debited quarterly, and the second, flat monthly charge outlined above to be billed directly to the client and paid by ACH/check on a quarterly or monthly basis.

## **C. Third Party/Custodian Fees**

Custodians may charge transaction fees on purchases or sales of securities. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security. Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services per annum. These fees are in addition to the fees paid by a client to Ridgeline Private Wealth. will reduce net investment returns on clients' portfolios. Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.



Ridgeline Private Wealth and its supervised persons do not accept compensation for investment advisory services and our firm does not charge or accept performance-based fees.

#### **D. Sub-Advisor Fees**

The investment management fees charged by the designated sub-advisors, together with the fees charged by the corresponding designated broker dealer/custodian of the Client's assets, may be exclusive of, and in addition to, Ridgeline Private Wealth's investment advisory fee set forth above. For accounts custodied at TD Ameritrade/Schwab, portfolio implementation fees will be charged by a sub-advisor annually for up to 0.15% of assets under management, to be charged quarterly in arrears based on the average daily balance of the assets in the account during the previous quarter. For accounts custodied at Betterment Securities, portfolio implementation fees will be charged by a sub-advisor annually for up to 0.16% of assets under management, to be charged quarterly in arrears based on the average daily balance of the assets in the account during the previous quarter.

For clients who choose to have Ridgeline Private Wealth manage Held Away Accounts through Pontera, client will be charged one quarter of one percent (0.25%) of the Held Away Account assets under Advisor's management annually, which shall be charged quarterly in advance based on the balance of the assets in the Held Away Account on the last day of the previous quarter. This portion of the client's portfolio shall not be charged any additional fees by the Advisor. The Pontera Fee payable for any Held Away Account will be first paid by Ridgeline Private Wealth, and then billed to the client. If there are insufficient funds available in another Client Account or the Advisor believes that deducting the Advisory Fee from another Client Account would be prohibited by applicable law, it will invoice the Client.

Invoices for the Pontera Fee must be paid within thirty (30) days of receipt and will bear interest after it becomes due and payable and shall continue to accrue interest until payment is made at a rate equal to the lesser of either (a) two percent (2%) above the prime rate as reported by Federal Reserve Bank of New York, located in New York, New York, as of the date such payment was due and payable, or (b) the maximum rate permitted by Applicable Law. In the event Client terminates this Agreement, all prepaid Fees will be returned to the Client on a pro rata basis determined by the number of days remaining in the month of termination.

#### **E. Fees for Consulting Services: DSTs, QOFs, and all Private Placements.**

The total fee for these consulting services charged by Ridgeline will range from a \$5,000 minimum fee to a maximum total fee of \$75,000. No more than six DST/QOF funds will be evaluated and presented as part of a single engagement. The consulting fee for one 1031 Exchange Plan and/or Qualified Opportunity Fund Plan ranges \$5,000 to \$11,400. The top of the range for this fee will be applied to DSTs where the client's situation and objectives are more complex, including factors such as increased the tax complexity of the client, a greater number of properties being relinquished, whether debt is sought to be replaced, and the classification of capital gain tax being sought to defer. For private placements that do not fall within the DST or QOF categories, the fees for consultation shall not exceed \$7,900 per each placement evaluated and presented to the client.

##### **Fees for specific types of DST/QOF Implementation**

For 1031 Exchange Plans that do not require debt replacement and Qualified Opportunity Fund Plans, the firm will generally charge a fee of \$7,900 for each DST or QOF fund evaluated and presented to the client. DST funds that include debt replacement are significantly more complex. For these Ridgeline will charge a fee not greater than \$10,600 for each DST fund evaluated and presented to the client.



These fees are negotiable. The 1031 Exchange Plan /Qualified Opportunity Zone Plan consulting fee and the number of DST or QOF funds evaluated and presented to the client will be agreed upon in advance of establishing a 1031 Exchange Plan or Qualified Opportunity Fund Plan. The range is a result of a number of factors, including: the variability of the types of transactions, the amount of properties being sold, the amount of capital gain sought to be deferred, the number of DSTs/QOFs reviewed, analyzed, and considered by the client, the number of properties in each DST/QOF, the time, expertise and experience of the advisor, and many other factors. No compensation is received from any broker dealer or investment sponsor.

Clients do not pay fees directly to fund sponsors of DSTs/QOFs other than fees outlined in the Private Placement Memorandum (PPM) for each fund. These fees vary for each DST/QOF fund and can only be determined by reviewing the PPM at the time of consideration in advance of investing in any DST/QOF. For each DST/QOF being considered, clients are provided a PPM by each DST/QOF sponsor directly or by Ridgeline as part of a recommended investment strategy. The total fee for the DST/QOF will be a combination of fees charged by the individual DST/QOF fund and the fee charged by Ridgeline.

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

Ridgeline Private Wealth does not charge or accept performance-based fees.

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

Ridgeline Private Wealth provides investment advice to many different types of clients. These clients generally include individuals, trusts, estates, corporations, and other types of business entities.

### **A. Minimum Account Size**

The Firm does not require a minimum account size.

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

### **A. Methods of Analysis**

The Firm may use the following methods when considering investment strategies and recommendations.

#### **Charting Review**

Charting is a technical analysis that charts the patterns of stocks, bonds, and commodities to help determine buy and sell recommendations for clients. It is a way of gathering and processing price and volume information in a security by applying mathematical equations and plotting the resulting data onto graphs in order to predict future price movements. A graphical historical record assists the analyst in spotting the effect of key events on a security's price, its performance over a period of time, and whether it is trading near its high, near its low or in between. Chartists believe that recurring patterns of trading, commonly referred to as indicators, can help them forecast future price movements.

#### **Fundamental Review**

A fundamental analysis is a method of evaluating a company or security by attempting to measure its intrinsic value. Fundamental analysis attempts to determine the true value of a company or security by looking at all aspects of the company or security, including both tangible factors (e.g., machinery, buildings, land, etc.) and intangible factors



(e.g., patents, trademarks, “brand” names, etc.). Fundamental analysis also involves examining related economic factors (e.g., overall economy and industry conditions, etc.), financial factors (e.g., company debt, interest rates, management salaries and bonuses, etc.), qualitative factors (e.g., management expertise, industry cycles, labor relations, etc.), and quantitative factors (e.g., debt-to-equity and price-to-equity ratios).

The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price with the aim of determining what sort of position to take with that security (e.g. if underpriced, the security should be bought; if overpriced the security should be sold). Fundamental analysis uses real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for many types of securities.

### **Technical Review**

A technical analysis is a method of evaluating securities that analyzes statistics generated by market activity, such as past prices and volume. Technical analysis does not attempt to measure a security's intrinsic value, but instead uses past market data and statistical tools to identify patterns that can suggest future activity. Historical performance of securities and the markets can indicate future performance.

### **Cyclical Review**

A cyclical analysis assumes the market reacts in recurring patterns that can be identified and leveraged to provide performance. Cyclical analysis of economic cycles is used to determine how these recurring patterns, or cycles, affect the returns of a given investment, asset, or company. Cyclical analysis is a time-based assessment which incorporates past and present performance to determine future value.

Cyclical analyses exist because the broad economy has been shown to move in cycles, from periods of peak performance to periods of low performance. The risks of this strategy are two-fold: (1) the markets do not always repeat cyclical patterns; and (2) if too many investors begin to implement this strategy, it changes the very cycles of which they are trying to take advantage.

### **Economic Review**

An economic analysis determines the economic environment over a certain time horizon. This involves following and updating historic economic data such as U.S. gross domestic product and consumer price index as well as monitoring key economic drivers such as employment, inflation, and money supply for the world's major economies.

### **Private Placement Review**

For the private placement securities portion of a client's portfolio, Ridgeline employs a number of different means and accesses multiple outside resources to provide for an appropriate level of due diligence in identifying various private placement and direct participation investment offerings that may be recommended to our clients. This may include sponsor financial reviews, real estate demographic trends, site visits, attendance at sponsor provided due diligence meetings, attendance at industry sponsored due diligence conferences, access and review of third-party due diligence and review summaries, the hiring of our own due diligence counsel and review, consulting with other industry professionals as well as industry specialists. The due diligence process is ongoing and continual and may include the gathering of available information, such as; marketing materials, audited financial reports sponsor and investment entity operating statements, profit and loss statements, balance sheets, offering memorandums, subscription agreements, annual reports, industry outlook reports, economic studies, and others.



## **B. Investment Strategies**

When implementing investment advice to clients, the Firm may employ a variety of strategies to best pursue the objects of clients. Depending on market trends and conditions, Ridgeline Private Wealth will employ any technique or strategy herein described, at the Firm's discretion and in the best interests of the client. The Firm does not recommend any particular security or type of security. Instead, the Firm makes recommendations to meet a particular client's financial objectives. There is inherent risk to any investment and clients may suffer loss of ALL OR PART of a principal investment.

### **Long-Term Purchases**

Long-term purchases are securities that are purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen changes in the company in which a client is invested or in the overall market. Long-term trading is designed to capture market rates of both return and risk. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Due to its nature, the long-term strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include, but are not limited to, inflation (purchasing power) risk, interest rate risk, economic risk, and political/regulatory risk.

### **Short-Term Purchases**

Short-term purchases are securities that are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Short-term trading generally holds greater risk. Frequent trading can affect investment performance due to increased brokerage fees and other transaction costs and taxes.

### **Strategic Asset Allocation**

Asset allocation is a combination of several different types of investments; typically, this includes stocks, bonds, and cash equivalents among various asset classes to achieve diversification. The objective of asset allocation is to manage risk and market exposure while still positioning a portfolio to meet financial objectives.

## **C. Risk of Loss**

Investing inherently involves risk up to and including loss of the principal sum. Further, past performance of any security is not necessarily indicative of future results. Therefore, future performance of any specific investment or investment strategy based on past performance should not be assumed as a guarantee. Ridgeline Private Wealth does not provide any representation or guarantee that the financial goals of clients will be achieved.

The potential return or gain and potential risk or loss of an investment varies, generally speaking, with the type of product invested in. Below is an overview of the types of products available on the market and the associated risks of each:

**General Risks.** Investing in securities always involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives can or will be met. Past performance is in no way an indication of future performance. We also cannot assure that third parties will satisfy their obligations in a timely manner or perform as expected or marketed.



**General Market Risk.** Investment returns will fluctuate based upon changes in the value of the portfolio securities. Certain securities held may be worth less than the price originally paid for them, or less than they were worth at an earlier time.

**Common Stocks.** Investments in common stocks, both directly and indirectly through investment in shares of ETFs, may fluctuate in value in response to many factors, including, but not limited to, the activities of the individual companies, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject certain strategies to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for each strategy.

**Portfolio Turnover Risk.** High rates of portfolio turnover could lower performance of an investment strategy due to increased costs and may result in the realization of capital gains. If an investment strategy realizes capital gains when it sells its portfolio investments, it will increase taxable distributions to you. High rates of portfolio turnover in a given year would likely result in short-term capital gains and under current tax law you would be taxed on short-term capital gains at ordinary income tax rates, if held in a taxable account.

**Non-Diversified Strategy Risk.** Some investment strategies may be non-diversified (e.g., investing a greater percentage of portfolio assets in a particular issuer and owning fewer securities than a diversified strategy). Accordingly, each such strategy is subject to the risk that a large loss in an individual issuer will cause a greater loss than it would if the strategy held a larger number of securities or smaller positions sizes.

**Model Risk.** Financial and economic data series are subject to regime shifts, meaning past information may lack value under future market conditions. Models are based upon assumptions that may prove invalid or incorrect under many market environments. We may use certain model outputs to help identify market opportunities and/or to make certain asset allocation decisions. There is no guarantee any model will work under all market conditions. For this reason, we include model related results as part of our investment decision process but we often weigh professional judgment more heavily in making trades or asset allocations.

**ETF Risks.** including Net Asset Valuations and Tracking Error. An ETF's performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Adviser plus any advisory fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the ETF may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.



**Private Fund Risk.** Private funds present their own set of individual risks and investors must familiarize themselves with the fund, company, limited partnership, or limited liability company they are investing in by reviewing the fund documents (i.e., Private Placement Offering Memorandum). Often, funds charge additional expenses and fees and present liquidity risk as the investor is not able to liquidate outside of the fund's specific lockout period. Often these investments have no public market for Shares and have no operating history, thus offering prices and discounts can be calculated arbitrarily.

**REIT Risks.** REIT investments can present risks in illiquidity and the potential lack of diversity pending properties purchased. This results investments being more susceptible to fluctuations in the values of specific properties. Privately traded REITs, in particular, pay substantial fees and expenses to their Advisors and Advisor's affiliates which may increase the risk that individuals will not earn a profit on their investments. Most REITs are illiquid investments, and you may be unable to liquidate your investment until a certain maturity date.

**Inflation, Currency, and Interest Rate Risks.** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Adviser may be affected by the risk that currency devaluations affect Client purchasing power.

**Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash to prevent a loss, realize an anticipated profit, or otherwise transfer funds out of the particular investment. Generally, investments are more liquid if the investment has an established market of purchasers and sellers, such as a stock or bond listed on a national securities exchange. Conversely, investments that do not have an established market of purchasers and sellers may be considered illiquid. Your investment in illiquid investments may be for an indefinite time, because of the lack of purchasers willing to convert your investment to cash or other assets.

**Legislative and Tax Risk.** Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations, particularly for options, swaps, master limited partnerships, Real Estate Investment Trust, Exchange Traded Products/Funds/ Securities. We do not engage in tax planning, and in certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due. Clients and their personal tax advisors are responsible for how the transactions in their account are reported to the IRS or any other taxing authority.

**Foreign Investing and Emerging Markets Risk.** Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry.

Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.



**Information Security Risk.** We may be susceptible to risks to the confidentiality and security of its operations and proprietary and customer information. Information risks, including theft or corruption of electronically stored data, denial of service attacks on our website or websites of our third-party service providers, and the unauthorized release of confidential information are a few of the more common risks faced by us and other investment advisers. Data security breaches of our electronic data infrastructure could have the effect of disrupting our operations and compromising our customers' confidential and personally identifiable information. Such breaches could result in an inability of us to conduct business, potential losses, including identity theft and theft of investment funds from customers, and other adverse consequences to customers. We have taken and will continue to take steps to detect and limit the risks associated with these threats.

**Tax Risks.** Tax laws and regulations applicable to an account with Adviser may be subject to change and unanticipated tax liabilities may be incurred by an investor as a result of such changes. In addition, customers may experience adverse tax consequences from the early assignment of options purchased for a customer's account. Customers should consult their out tax advisers and counsel to determine the potential tax-related consequences of investing.

**Advisory Risk.** There is no guarantee that our judgment or investment decisions on behalf of any particular account will necessarily produce the intended results. Our judgment may prove to be incorrect, and an account might not achieve her investment objectives. In addition, it is possible that we may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to accounts' custodians' software. Adviser and its representatives are not responsible to any account for losses unless caused by Adviser breaching our fiduciary duty.

**Dependence on Key Employees.** An account's success depends, in part, upon the ability of our key professionals to achieve the targeted investment goals. The loss of any of these key personnel could adversely impact the ability to achieve such investment goals and objectives of the account.

Ridgeline Private Wealth does not primarily recommend a particular type of security.

## **Item 9: Disciplinary Information**

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of the advisory business or integrity of the Firm's management.

Ridgeline Private Wealth has no disciplinary disclosures. Caleb W. Huftalin, the owner and operator of Ridgeline Private Wealth, has no disciplinary disclosures.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Ridgeline Private Wealth is not registered and does not have an application pending to register, as a broker dealer and its management persons are not registered as broker/dealer representative.

### **B. Registration as an Investment Adviser Representative of another Investment Adviser**

Ridgeline Private Wealth and its management persons are not registered as Investment Adviser Representatives of another Investment Adviser.





### C. **Registration as a Futures Commission merchant, Commodity Pool Operator**

Ridgeline Private Wealth and its management persons are not registered and do not have application pending to register, as a futures commission merchant, commodity pool operator/adviser.

### D. **Selection of other Advisers**

#### **Third-Party Money Managers**

Ridgeline Private Wealth may refer clients to third-party money managers. Our firms will have a separate agreement with each manager and these agreements may have a different percentage of the fee paid to our firm, which is disclosed to the client in the money manager's paperwork. This can provide an incentive for representatives to recommend one money manager over another. However, Ridgeline Private Wealth and its representatives will always put the client's best interest before our own.

#### **Sub-Advisors**

Ridgeline may also utilize sub-advisors. For certain sub-advisors, the sub-advisor will be paid by Ridgeline Private Wealth for their services. Our firm will collect our fee from the client, and we pay the sub-advisor for their services directly. For other sub-advisors, the sub-advisor shall debit the sub-advisory fee as well as Ridgeline's fee. The sub-advisor will then remit Ridgeline portion of the fee to Ridgeline. This arrangement can provide incentive for Ridgeline Private Wealth and its representatives to utilize a sub-advisor. However, Ridgeline Private Wealth will always put the client's best interest before our own.

## **Item 11: Code of Ethics, Conflicts of Interest, and Personal Trading**

### **A. Fiduciary Status**

According to SEC law, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its clients. Ridgeline Private Wealth and its representatives have a fiduciary duty to all clients. Ridgeline Private Wealth and its representatives' fiduciary duty to clients is considered the core underlying principle for Ridgeline Private Wealth's Code of Ethics and represents the expected basis for all representatives' dealings with clients. Ridgeline Private Wealth has the responsibility to ensure that the interests of clients are placed ahead of it or its representatives' own investment interest. All representatives will conduct business in an honest, ethical, and fair manner. All representatives will comply with all federal and state securities laws at all times. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to services being conducted.

All representatives have a responsibility to avoid circumstances that might negatively affect or appear to affect the representatives' duty of complete loyalty to their clients.

**Retirement Plan Rollovers:** A client or prospective client leaving an employer has several options for the company retirement plan, which may include leaving the assets in the plan, moving to another employer's plan, moving the assets to an Individual Retirement Account (IRA), or withdrawing the assets altogether (which could have adverse tax consequences). Ridgeline Private Wealth reviews all these options with the client or prospective client including the costs and administrative and investment impact of each. If Ridgeline Private Wealth



recommends that the client roll over the retirement plan assets into an account managed by Ridgeline, such a recommendation creates a conflict of interest if Ridgeline Private Wealth will earn additional fees on the rolled over assets. No client is under any obligation to roll over any retirement plan assets to an account managed by Ridgeline.

Ridgeline Private Wealth and/or its investment advisory representatives may from time-to-time purchase or sell products or investments that they may recommend to clients. Adviser has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser.

In addition, the Code of Ethics governs personal trading by each employee of Adviser deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Adviser are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of the adviser or its affiliates.

Adviser collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve potential conflicts of interest. Adviser's Code of Ethics is available upon request.

## **Item 12: Brokerage Practices**

### **A. Selection and Recommendation**

Ridgeline Private Wealth has a duty to select brokers, dealers and other trading venues that provide best execution for clients. The duty of best execution requires an investment adviser to seek to execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The lowest possible commission, while very important, is not the only consideration. The broker dealers Ridgeline Private Wealth currently utilizes are Charles Schwab and Betterment Securities. CNB is our custodian for alternative investments.

It is the policy of the Firm to seek best execution in all portfolio trading activities for all investment disciplines and products, regardless of whether commissions are charged. This applies to trading in any instrument, security, or contract including equities, bonds, and forward or derivative contracts.

The standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, Ridgeline Private Wealth considers the following factors, without limitation, in selecting brokers and intermediaries:

1. Execution capability;
2. Order size and market depth;
3. Availability of competing markets and liquidity;
4. Trading characteristics of the security;
5. Availability of accurate information comparing markets;
6. Quantity and quality of research received from the broker dealer;
7. Financial responsibility of the broker-dealer;
8. Confidentiality;
9. Reputation and integrity;
10. Responsiveness;
11. Recordkeeping;
12. Ability and willingness to commit capital;



13. Available technology; and
14. Ability to address current market conditions.

Ridgeline Private Wealth evaluates the execution, performance, and risk profile of the broker-dealers it uses at least quarterly.

## **B. Research and Other Soft Dollar Benefits**

Soft dollar practices are arrangements whereby an investment adviser directs transactions to a broker-dealer in exchange for certain products and services that are allowable under SEC rules. Client commissions may be used to pay for brokerage and research services and products as long as they are eligible under Section 28(e) of the Exchange Act of 1934. Section 28(e) sets forth a “safe harbor,” which provides that an investment adviser that has discretion over a client account is not in breach of its fiduciary duty when paying more than the lowest commission rate available if the adviser determines in good faith that the rate paid is commensurate with the value of brokerage and research services provided by the broker-dealer.

Ridgeline Private Wealth will receive soft dollar benefit arrangements.

### **Products & Services Available to Us from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab’s business serving independent investment advisory firms like ours. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting, and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis and at no charge to us as long as we maintain a total of at least \$10 million of our clients’ assets in accounts at Schwab.

### **Services that Benefit Client**

Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access, or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit clients or their account(s).

### **Services that May Not Directly Benefit Clients**

Schwab also makes available to us other products and services that benefit us but cannot directly benefit the client or their account(s). These products and services assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third parties. We can use this research to service all or some substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provides access to client account data (such as duplicate trade confirmations and account statements);
- facilitates trade execution and allocates aggregated trade orders for multiple client accounts;
- provides pricing and other market data;
- facilitates payment of our fees from our clients’ accounts; and
- assists with back-office functions, recordkeeping, and client reporting.



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

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab can provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab can also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

Irrespective of direct or indirect benefits to our client through Schwab, we strive to enhance the client's experience, help reach their goals and put their interests before that of our firm or its associated persons.

### **C. Brokerage for Client Referrals**

Ridgeline Private Wealth does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services.

### **D. Directed Brokerage**

Securities transactions are executed by brokers selected by Ridgeline Private Wealth in its discretion and without the consent of clients. Ridgeline Private Wealth generally will not recommend, request, or require clients to direct the Firm to execute transactions through a specified broker-dealer. Not all investment advisers require their clients to direct brokerage.

### **E. Order Aggregation**

Ridgeline Private Wealth may, at times, aggregate sale and purchase orders of securities ("block trading") for advisory accounts with similar orders in order to obtain the best pricing averages and minimize trading costs. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to the client. Clients also benefit relatively from better purchase or sale execution prices, or beneficial timing of transactions or a combination of these and other factors. Aggregate orders will be allocated to client accounts in a systematic non-preferential manner. Ridgeline Private Wealth may aggregate or "bunch" transactions for a client's account with those of other clients in an effort to obtain the best execution under the circumstances.

### **F. Trade Error Policy**

Ridgeline Private Wealth maintains a record of any trading errors that occur in connection with investment activities of its clients. Both gains and losses that result from a trading error made by Ridgeline Private Wealth will be borne or realized by Ridgeline Private Wealth.



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

### **A. Periodic Reviews**

The Firm regularly reviews and evaluates client accounts for compliance with each client's investment objectives, policies and restrictions. The Firm analyzes rates of return and allocation of assets to determine model strategy effectiveness. Such reviews are conducted by the Chief Compliance Officer of Ridgeline Private Wealth and shall occur at least once per calendar year.

### **B. Intermittent Review Factors**

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or changes in the client's financial status (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify Ridgeline Private Wealth promptly if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

### **C. Reports**

Clients may receive confirmations of purchases and sales in their accounts and will receive, at least quarterly, statements containing account information such as account value, transactions, and other relevant information. Confirmations and statements are prepared and delivered by the custodian. These reports will be written.

### **D. Financial Plans**

All written financial planning accounts are reviewed upon financial plan creation and plan delivery by Caleb W. Huftalin. There are multiple levels of review for each written financial plan. Each written financial planning client will receive the financial plan upon completion.

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

### **A. Client Referrals**

Advisor will not receive any economic benefit from another person or entity for soliciting or referring clients.

### **B. Other Compensation**

Adviser will compensate investment adviser representatives of Ridgeline Private Wealth for referring or soliciting clients to the Firm.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain size. [In some cases, a recipient of such payments is an affiliate of ours or another party which has some pecuniary, financial, or other interests in us (or in which we have such an interest). You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be



borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

## **Item 15: Custody**

### **A. Custodian of Assets**

Custody means holding, directly or indirectly, client funds or securities or having any authority to obtain possession of them.

Ridgeline Private Wealth does not have direct custody of any client funds and/or securities. Ridgeline Private Wealth will not maintain physical possession of client funds and securities. Instead, clients' funds and securities are held by a qualified custodian.

While Ridgeline Private Wealth does not have physical custody of client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds client funds pursuant to the client's account application.

In certain jurisdictions, the ability of Ridgeline Private Wealth to withdraw its management fees from the client's account may be deemed custody. Prior to permitting direct debit of fees, each client provides written authorization permitting fees to be paid directly from the custodian.

As part of the billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. The custodian does not calculate the amount of the fee to be deducted and does not verify the accuracy of Ridgeline Private Wealth's advisory calculation. Therefore, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact Ridgeline Private Wealth directly if they believe that there may be an error in their statement.

The current custodians Ridgeline Private Wealth currently utilizes are Charles Schwab/Betterment Securities/CNB/NuView Trust.

## **Item 16: Investment Discretion**

Ridgeline Private Wealth may exercise full discretionary authority to supervise and direct the investments of a client's account. This authority will be granted by clients upon completion of Ridgeline Private Wealth's FSA. This authority allows Ridgeline Private Wealth and its affiliates to implement investment decisions without prior consultation with the client. Such investment decisions are made in the client's best interest and in accordance with the client's investment objectives. Other than agreed upon management fees due to Ridgeline Private Wealth this discretionary authority does not grant the Firm the authority to have custody of any assets in the client's account or to direct the delivery of any securities or the payment of any funds held in the account to Ridgeline Private Wealth. The discretionary authority granted by the client to the Firm does not allow Ridgeline Private Wealth to direct the disposition of such securities or funds to anyone except the account holder.

### **Pontera**

Our firm will also provide service for accounts not directly held in our custody, but where we do have discretion,



and may leverage an Order Management System (Pontera) to implement asset allocation and opportunistic rebalancing strategies on behalf of the client. Pontera is a clerical service that facilitates orders from Ridgeline Private Wealth to client accounts not held in our custody, for example, employer sponsored retirement plans like 401(k)s. This service does not facilitate account billing and fees are paid through a separate billing process. The accounts that will utilize these services will be primarily 401(k) accounts, HSAs, and other assets that Ridgeline Private Wealth does not have custody of. Our firm will regularly review, rebalance, and implement our strategies using different tools as necessary.

We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools as necessary. The fees charged in these situations are the same as described in the table under “Fees and Compensation.” Fees are paid separately on the management of these “held away” assets and clients may be provided an invoice describing the fees. Suitability documentation will be held with the Plan Custodian and this documentation cannot be altered by Ridgeline Private Wealth.

## **Item 17: Voting Client Securities**

The Firm does not perform proxy voting services on the client’s behalf. Clients are encouraged to read through the information provided with the proxy voting documents and to make a determination based on the information provided. Upon the client’s request, Firm representatives may provide limited clarifications of the issues presented in the proxy voting materials based on his or her understanding of issues presented in the proxy voting materials. However, clients have the ultimate responsibility for making all proxy voting decisions.

## **Item 18: Financial Information**

### **A. Balance Sheet Requirement**

Ridgeline Private Wealth is not the qualified custodian for client funds or securities and does not require prepayment of fees of more than \$500 per client, six (6) months or more in advance.

### **B. Financial Condition**

Ridgeline Private Wealth does not have any financial impairment that would preclude the Firm from meeting contractual commitments to clients.

### **C. Bankruptcy Petition**

Ridgeline Private Wealth has not been the subject of a bankruptcy petition at any time during the last 10 years.

