



# FORM ADV PART 2A: FIRM BROCHURE

March 27, 2024

## Quartz Partners, LLC

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SEC NUMBER: 801-80822  
CRD NUMBER: 174327

This brochure provides information about the qualifications and business practices of Quartz Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 800.433.0422 and/or [compliance@quartzpartners.com](mailto:compliance@quartzpartners.com). 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.

Additional information about Quartz Partners, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Throughout this Brochure, "Quartz Partners Investment Management", "Quartz Partners", "Quartz", "firm", "we", or "us" refer to Quartz Partners, LLC and "you", "your", and "client" refer to you as either the client or prospective client of our firm. Use of the term "registered investment adviser" or being "registered" with the SEC, any state securities authority or self-regulatory organization does not imply a certain level of skill or training but only indicates that Quartz Partners has registered our business with state and federal regulatory authorities. The most current version of this Brochure is available on our website, [www.quartzpartners.com/disclosures](http://www.quartzpartners.com/disclosures).

## Item 2 - Material Changes

This section addresses only those changes that have been incorporated since our last Brochure update on October 12, 2023, that we consider material or otherwise important to the total mix of information contained within.

Other immaterial changes were made throughout the document to present information clearly and concisely. This includes updating the firm's assets under management through 12/31/24.

Additionally, in lieu of providing clients with an updated firm Brochure each year, we provide existing advisory clients with this summary describing any material changes occurring since the last annual amendment. We will deliver the firm Brochure or summary each year to existing clients within 120 days of the close of the fiscal year, which ends December 31. Clients receiving the summary of material changes who wish to receive a complete copy of our then-current firm Brochure may request a copy at no charge by contacting our Compliance Department at 800.433.0422. Our current firm Brochure is also available through the SEC's Investment Adviser Public Disclosure website at [adviserinfo.sec.gov](https://adviserinfo.sec.gov), upon request through your financial advisor, or on the Quartz Partners public website: [quartzpartners.com/disclosures](https://quartzpartners.com/disclosures).

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## Item 4 - Advisory Business

### About Quartz Partners

Our firm is a limited liability company organized under the laws of the State of New York state. We commenced operations as an SEC registered investment adviser in 2015 pursuant to the Investment Advisers Act of 1940 (the “Act”) and offer fee-based investment advisory services. The firm is wholly owned by Etico Financial, LLC and is operated by Joseph Arena, Chief Investment Officer, Kyle Webber, Chief Operating Officer and Portfolio Manager, and Joseph Leo, Chief Executive Officer. Etico Financial, LLC is owned by Mr. Arena, Mr. Webber, Mr. Leo, and Scott Weisman, Chairman through Pterodactyl Holdings, LLC.

### Advisory Services Offered

We offer advisory services (hereafter “services”) to our clients through two primary business units: “Etico” our private wealth management division through Investment Adviser Representatives (hereafter “Financial Professionals”) affiliated with our firm and “Quartz Partners” our in-house investment management division. Our Etico division focuses on providing holistic solutions to our client’s unique financial needs through our affiliated Financial Professional’s acting in the capacity as either an employee or independent contractor on behalf of our firm. In contrast, our Quartz Partners division provides various asset-allocation investment strategies to both our clients and non-firm clients through model portfolios, separately managed accounts, and other investment management delivery methods that serve as the building blocks for our clients’ investment portfolios. Collectively, we refer to this herein as our “Strategies”. By combining our Quartz Strategies with third-party managers or our Financial Professionals acting as portfolio manager we seek to optimize our customized portfolio management capabilities for our clients. However, our clients utilizing Quartz investment management services will incur charges in addition to the Financial Professionals advisory fee. As a result, our Financial Professionals have a conflict of interest in recommending our Quartz Strategies. Clients are not obligated to participate in Quartz Strategies. **Please Note: This brochure is specific to our Quartz Partners investment management division, to review the brochure specific to our Etico private wealth management division, please visit [www.eticofinancial.com](http://www.eticofinancial.com) or contact us at: [riacompliance@eticofinancial.com](mailto:riacompliance@eticofinancial.com) or 518.348.0060.**

The following are descriptions of the primary advisory services we offer. Clients are typically introduced to our firm and our advisory services through registered representatives, investment adviser representatives, and solicitors (hereafter “Financial Professionals”) whom our firm has a contractual relationship with. “Non-discretionary” services require clients to initiate or pre-approve investment transactions in your account managed by our firm (hereafter “Account”) before they can occur, whereas “discretionary” services authorize the Financial Professional or other designated third-party investment advisor to buy, sell or hold investment positions without obtaining pre-approval from clients for each transaction. Financial Professionals are required by applicable rules and policies to obtain licenses and complete certain training in order to recommend certain investment products and services. You should be aware that your Financial Professional, depending on the licenses and training obtained, may or may not be able to recommend certain investments, models, programs, or services. Please ask your Financial Professional whether any limitations apply. Please understand that a written agreement, which details the exact terms of the Service and advisory fee schedule, must be signed by the client and, in most cases, accepted by our firm before we can provide the client with the Services described below.

Our Strategies are used to guide investment decisions in an attempt to dynamically monitor advisory clients’ investments and manage portfolio risk within a client account (hereafter “Account”) on an ongoing and continuous basis. We limit our investment advice and the securities that we utilize in client Accounts to exchange-traded products like exchange traded funds, exchange traded notes (hereafter “ETFs”), pooled investment vehicles defined under the Investment Company Act of 1940, (e.g., Mutual Funds, Variable Annuity Subaccounts) (hereafter “Funds”), equities publicly traded on a major U.S. stock exchange (e.g., New York Stock Exchange) and cash equivalents. Collectively, we refer to ETFs, Funds, and equities as “Securities”.

In addition to accounts held at traditional custodians, we also provide discretionary investment management to clients who have a variable annuity or held-away Account, like an individual 401(k) account. We refer to this scenario as a “Sub-Account Overlay”. In order to engage us to manage a non-fee based variable annuity whereas a commission was paid to a Financial Professional for the sale of the variable annuity, a client must hold the variable annuity contract for one (1) year. Due to the often-limited investment options, investment performance may differ significantly from a traditional brokerage Account. Due to investment and operational limitations certain Strategies or Portfolios may not be available as a Sub-Account Overlay. Please ask your Financial Professional for further information.

Clients are allowed to impose reasonable restrictions in accordance with their values, beliefs, or unique situation on the Services we provide and the investment management of their Account. If a proposed restriction is determined to be unreasonable, or we believe is not in the client's best interest, we will request the client to modify or withdraw the restriction. At our sole discretion, we reserve the right to end an advisory relationship if we believe a client-imposed restriction is detrimental.

We are not obligated to buy, sell, or recommend to our clients any security or other investment that we may buy, sell, or recommend for any other clients or for our own accounts. If we obtain material, non-public information about a Security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client and will not use it for our or any client's benefit. The simultaneous management of the different investment advisory services offered below creates certain conflicts of interest, as the fees for the management of certain types of Services are higher than others. Nevertheless, we seek to treat all such Accounts fairly and equitably over time and model-based Strategies aid in mitigating this conflict of interest.

## Model-Based Investment Strategies

The Strategies below are our core Strategies and are not inclusive of all Strategies that may be offered or developed, including custom Strategies developed as requested. There is no guarantee that our goals will be achieved. Our Investment Committee may periodically rebalance Strategies or portfolios to keep them within model allocation targets. For additional information regarding each model please refer to the corresponding fact sheet and GIPS presentation.

### Quartz Core Strategies

These Strategies primarily employ top-down analysis and active or tactical asset allocation in an effort to identify investment opportunities and risks. A top-down approach begins with analysis of Monetary Policy, Fiscal Policy, Economic Conditions, Earnings, Inflation, Interest Rates, Liquidity, Credit, and Market Dynamics. Market Dynamics measures such things as momentum, value, and investor sentiment. The resultant findings are the main driver of the asset allocation decisions within our Strategies. Technical analysis may be employed at times to seek inflection points, identify overbought and oversold conditions, and to conduct relative strength analyses. Using these inputs, we create Security allocations within the parameters of each Strategy. The general asset class mix is typically the first decision, i.e., the strategy allocations to ETFs, Funds, equities, and cash. Then, decisions are made on factors including but not limited to market capitalization, momentum, style, sector, geography, and credit quality. There are no minimum allocation parameters for any asset class, sector, or style. For example, if we determine that large cap stocks are more attractive than small cap stocks, we may maintain a 0% weighting in small cap stocks. Rather than a predetermined rebalancing schedule, Strategies are monitored and evaluated on a dynamic, ongoing basis. They will be modified (re-allocated or traded) when our Investment Committee determines that such a change is warranted based on changes to the market and/or economic outlook. Our Strategies do not attempt to target a particular level of risk over short periods. Instead, flexible risk levels are undertaken with a goal of aligning strategies with their stated risk objective over a full market cycle, which typically lasts more than 7-years. For example, a Strategy defined as having a moderately conservative risk profile over a full market cycle may at times be invested in line with an aggressive risk profile over a certain market period. Therefore, Clients should carefully consider their particular risk tolerance and have a time horizon of no less than 5-years to capture as much of a market cycle before investing in our Strategies.

Quartz Strategy Name	Description	Benchmark <sup>1</sup>	Risk Target
Quartz Equity	Global Tactical Equity	100% MSCI ACWI	Moderately Aggressive
Quartz Spectrum	Global Tactical All-Asset	60% MSCI ACWI / 40% Bloomberg US Aggregate Bond	Moderate
Quartz Yield Plus	Global Tactical Fixed Income	Bloomberg US Aggregate Bond	Moderately Conservative
Quartz High Yield Legacy	Global Tactical High Yield Bond	Bloomberg US Corporate High Yield Bond	Moderately Conservative

<sup>1</sup>Our strategies do not seek to track a particular benchmark. We have included benchmarks, including the risk benchmark, for reference purposes only to aid in understanding the overall risk profile and investment style of the Strategies.

### ***Asteria Core Strategies***

These Strategies primarily invest in individual U.S. stocks diversified across various market sectors within their relative benchmark. The portfolios are focused, typically holding 20 to 25 stocks and target an annual portfolio turn-over less than 50%. The Asteria Strategies have a primary goal of long-term capital appreciation with a secondary emphasis on reduced volatility. Portfolio construction utilizes a bottom-up analysis with active stock ranking process utilizing a repeatable process that allows our Investment Committee to have both a strict buy process and a specific, disciplined sell process as well. The Investment Committee analyzes a diverse set of fundamental factors to search for companies that demonstrate strong fundamentals relative to their peers and industry. Ultimately our selection process focuses on identifying value-creating firms through understanding the key drivers of corporate performance and market valuations by measuring the return a company earns relative to its actual cost of capital. When evaluating corporations, three key aspects are considered 1) the cash flow the firm is generating; 2) the capital base employed to produce the cash flow; and 3) the opportunity cost of employing the relevant capital. The connection of firm cash flow generation to the assets used to produce the cash flow links the balance sheet to the income statement allowing for more accurate identification of value. Please note that the Asteria Developed Markets Equity strategy invests in different regions throughout the globe excluding the U.S., and gains exposure using a diversified mix of ETF's rather than individual stocks.

Asteria Strategy Name	Description	Benchmark	Risk Target
Asteria US Dividend Equity	U.S. Large Value Stock	Russell 3000 Value	Moderately Aggressive
Asteria US Core Equity	U.S. Large Stock	Russell 3000	Aggressive
Asteria US Growth Equity	U.S. Large Growth Stock	Russell 3000 Growth	Aggressive
Asteria Equity Commodity	U.S. Stock Strongly Linked to Commodities	S&P GSCI	Aggressive
Asteria Developed Markets Equity	Foreign Stock	MSCI EAFE	Aggressive

### ***Multi-Strategy Portfolios***

Our multi-strategy Portfolios are built at the investment team's discretion through allocations to multiple Strategies to provide a more diversified and targeted total portfolio solution for the Client's unique investment risk target to help balance risk and return. Each target-risk portfolio offers an all-inclusive portfolio solution which seeks positive total returns within its asset class and risk constraints. We periodically rebalance adaptCORE Portfolios to maintain target percentages; however, the timing of rebalances is at the discretion of our Investment Committee.

adaptCORE Portfolio	Risk Benchmark (full cycle)	Primary Blended Index Benchmark	
		MSCI ACWI	Barclays US Aggregate Bond
Aggressive Growth	Aggressive	85%	15%
Long-Term Growth	Moderately Aggressive	70%	30%
Balanced Growth	Moderate	50%	50%
Conservative Growth	Moderately Conservative	15%	85%

## ***Benchmark Descriptions***

Please note that Strategy indexes and benchmarks described herein are unmanaged, do not incur management fees, costs, and expenses, and cannot be invested in directly.

- **Bloomberg Capital U.S. Aggregate Bond Index:** comprised of approximately 6,000 publicly traded bonds including U.S. Government, mortgage-backed, corporate, and Yankee bonds with an approximate average maturity of 10 years.
- **Bloomberg Capital U.S. Corporate High Yield Bond Index:** measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.
- **MSCI ACWI:** maintained by MSCI, Inc. and is stock index designed to track broad global equity-market performance. It comprised of stocks from 23 developed countries, including the U.S. and 25 emerging markets.
- **MSCI EAFE:** maintained by MSCI, Inc. and is a stock index that is designed to measure the equity-market performance of 21 developed markets outside of the U.S. and Canada. EAFE acronym stands for Europe, Australasia and Far East.
- **Russell 3000:** capitalization-weighted stock market index that seeks to be a benchmark of the entire U.S. stock market. It measures the performance of the 3,000 largest publicly held companies incorporated in America as measured by total market capitalization and represents approximately 97% of the American public equity market.
- **Russell 3000 Growth:** market capitalization-weighted index based on the Russell 3000 index. The Russell 3000 Growth Index includes companies that display signs of above-average growth, higher price-to-book ratios, and higher sales per share.
- **Russell 3000 Value:** market capitalization-weighted index based on the Russell 3000 index. The Russell 3000 Value Index includes companies that display signs of value stocks with relatively lower price-to-book ratios, and lower sales per share
- **S&P GSCI Index:** maintained by S&P Down Jones Indices and serves as a benchmark for investment in the commodity markets and as a measure of commodity performance over time.
- **Morningstar Target Risk Index:** A family is designed to meet the needs of investors who would like to maintain a target level of equity exposure through a portfolio diversified across equities, bonds, and inflation-hedged instruments. The Morningstar Aggressive Target Risk Index seeks approximately 95% exposure to global equity markets. The Morningstar Moderately Aggressive Risk Index seeks approximately 80% exposure to global equity markets. The Morningstar Moderate Risk Index seeks approximately 60% exposure to global equity markets. The Morningstar Moderately Conservative Risk Index seeks approximately 40% exposure to global equity markets.

## **Institutional Services**

We offer the following investment advisory services through Platform Sponsors (e.g., investment advisors, broker-dealers, turnkey asset management platforms, custodians, recordkeepers, financial institutions and other financial professionals), for their Private Clients benefit. A Platform Sponsor is an RIA, Custodian, or FinTech company in the business of providing an investment marketplace or platform for Financial Professionals to provide their clients access to investment Strategies of various Third-Party Managers or Sub-Advisors (collectively "Institutional Money Manager") as well as other Securities in a single unified managed account ("UMA"). A Third-Party Manager or Sub-Advisor is a registered investment adviser that manages one or more investment Strategies for clients like you to invest in. A Strategy is similar to a mutual fund in that it is an asset allocation model with a stated investment objective, clearly defined investment philosophy and/or portfolio construction process, that invests in a portfolio of Securities. However, unlike a mutual fund, Strategies are not required to adhere to the Investment Company Act of 1940, they are not a pooled investment vehicle, and are generally unconstrained in the Securities they can use, and they do not have a prospectus or trustees that govern it. When only one institutional money manager's strategy or asset allocation model is utilized in an account it is referred to as a "Separately Managed Account" or "SMA". In addition to Platform Sponsors performing initial and ongoing due diligence of each of the available institutional money managers and their strategies, Platform Sponsors provide administrative support, trading, performance reporting, and online client portals among other services for the fee they charge. Similar to a mutual fund, typically each Institutional Money Manager selected by your advisor will have their own investment management fee that may be separate and distinct from the Platform Sponsors fee and your adviser's fee. While your adviser will typically have discretion over selecting the investment strategies or other Securities, the Platform Sponsor and the Institutional Money Manager selected maintains trading discretion as it pertains to the price, quantity, timing, and what securities to buy or sell in your investment account.

### ***TAMP Program***

We sponsor a Turnkey Asset Management Platform (hereafter “TAMP”) through which investment adviser firms and Financial Professionals may engage Quartz Partners to serve as a Institutional Money Manager, and provide back-office operational support, reporting, trading, and/or gain access to allocate all or a portion of their underlying client’s assets on a discretionary basis among Quartz Partners investment Strategies. Through collaboration with their Financial Professional, clients will be invested into one or more investment Strategies, or Portfolios. The Financial Professional retains responsibility for the underlying client relationship, including the initial and ongoing suitability determination and recommendation of the appropriate investment portfolio. We shall be authorized, without prior consultation with the Financial Professional or underlying client, to buy, sell, trade, or allocate the underlying client’s assets in accordance with the underlying investment strategies objectives and mandates. From time-to-time, a custom Strategy or investment portfolio based on a client’s request, or their unique circumstance may be designed and implemented. Unless otherwise stated, our TAMP Service requires that Clients grant our firm investment discretion, which Clients may terminate at any time.

### ***Model Delivery Program***

Through collaboration with the Client, the Financial Professional bears the responsibility for determining the ongoing client investment objectives, risk tolerance, and recommendation of the appropriate Strategy, Portfolio, or sub-advisor selected by the Financial Professional. Under the Model Delivery Program, client Accounts will be held at a qualified custodian with whom the Financial Intermediary responsible for sponsoring the platform (hereafter “Platform Sponsor”) has an established relationship. Financial Professionals are generally granted discretion by the client and the responsibility to select and terminate both sub-advisors and the specific Strategy or Portfolio with which the client is invested. Under normal circumstances we are granted limited investment discretion to provide ongoing Strategy allocations and trading instructions pertaining to our specific investment Strategies the Platform Sponsor is offering its clients. We have an ongoing responsibility for investment decisions, security selection, day-to-day portfolio management of the assets, along with helping to continuously monitor and manage the client Account congruent with the Strategy or Portfolio selected. Generally, unlike the TAMP Program, the Platform Sponsor maintains ultimate trading discretion and the responsibility for the timing and execution of our recommended allocation changes and trading instructions. Due to operational feasibility, no custom Strategies or investment portfolios based on a client’s request, or their unique circumstance are offered.

### ***Investment Company Portfolio Manager Program***

We offer portfolio manager or sub-adviser Services to Funds and/or ETFs. For these services we may manage one or more of the following: investment decisions, Security selection, day-to-day portfolio management of the assets, and/or the timing amount and manner in which to effect Securities transactions. Full investment discretion is typically granted.

### ***O-CIO Program***

As an Outsourced Chief Investment Officer, or “O-CIO”, we can provide ongoing investment research, investment related communications, general security selection and portfolio investment strategy recommendations for a fixed monthly subscription fee. For this service, we do not have the authority to execute any security transactions or have investment discretion over any investment account. Subscribers to this service are under no obligation to implement any recommendations provided by our Investment Committee and this service.

### ***Digital Investing Program***

We offer Clients an automated online and digital investing platform marketed as adaptvest. Services for this program are delivered predominantly through the firm’s website, client portal and/or mobile application (collectively “firm Site”). This program does not provide advice in person or over the phone in any manner. All client communications and contacts will occur through email, the firm Site, or other similar digital means. The firm does remain available to provide phone support for non-investment advice related issues like compliance questions, customer support, service requests, and technical issues. Accounts are opened digitally through a website with the execution of Agreements and Account documents through electronic signatures and certifications. Clients subscribing to this Program will authorize our firm investment discretion to invest client Accounts based on the results of their risk profile questionnaire which will be managed based on composition of the Portfolio along with the objectives and mandates of the underlying Strategies. Clients are required to have their Account held with a Custodian selected by our firm that is compatible with the requirements of this Program which includes, but is not limited, to digital account opening and funding. No custom Strategies or investment portfolios based on a client’s request, or their unique circumstance are offered. Please understand that this Program is



not as comprehensive as other Services and Programs available through our firm or other Financial Professionals and Financial Intermediaries.

## Employer Retirement Plan Services

We provide investment advice, certain administrative oversight, and consulting services to employer sponsored retirement plans (hereafter “Retirement Plan”). We offer the following Retirement Plan Services as either a turn-key comprehensive solution or a la carte:

### Non-Fiduciary Services

**Monitoring and Reporting Key Metrics:** Performance monitoring and reporting to assist Plan Sponsor in making sure investment decision making adheres to the plan’s investment policy statement and identify areas of concern.

**Plan Design:** Aiding the Plan Sponsor in determining the unique needs, requirements, and goals of the Retirement Plan.

**Provider Search and Selection:** Assisting the Plan Sponsor in the fiduciary obligation of evaluating, selecting, and implementing provider services. We can oversee, negotiate, and maintain relationships with plan providers.

**Education:** We provide educational support to both Plan Sponsors and participants which includes advising them on the Retirement Plan’s investment options, features, benefits, online account access, regulatory updates, enrollment, and servicing paperwork. Any investment recommendations so provided will be based on information relating to age, time horizons (e.g., life expectancy, retirement age), risk tolerance, current investments in designated investment options, other assets or sources of income, and investment preferences of the participant or beneficiary. Investment advice will not include monitoring or rebalancing of a participant’s portfolio unless the participant is invested in one of our Strategies.

### Fiduciary Services.

**Investment Policy Statement:** A customized written Investment Policy Statement (hereafter “IPS”) will be drafted that roadmaps the investment methodologies, objectives, asset class guidelines, performance monitoring, duties and responsibilities, implementation of investment options, and expense monitoring of the Retirement Plan.

**Designated Investment Alternatives (“DIAs”) Investment Menu:** Prudent investment recommendations and ongoing monitoring of Retirement Plan investment options, including a qualified default investment alternative (hereafter “QDIA”). Investments shall be monitored and replaced when appropriate using a repeatable process.

**Model Asset Allocation Portfolios:** Our Strategies and/or Portfolios will be made available to Participants as a means of more efficiently delivering investment advice to Participants. When a Participant selects one of our Strategies and/or Portfolios, we have an ongoing responsibility for investment decisions, security selection, day-to-day portfolio management of the assets, and/or the general timing in which to effectuate securities transactions.

## Disclosures Specific to Retirement Plan Accounts and IRAs

**Retirement Plan Consulting Limited Scope of Advice and Discretion:** We do not provide nor have any responsibility to provide any Services with respect to the following: employer securities, real estate, non-publicly traded securities or assets, illiquid investments, legal or tax advice. Further, unless we agree in writing to be appointed as a discretionary ERISA 3(38) investment manager, our recommendations are non-discretionary and will only be implemented at the Plan Sponsor’s sole discretion.

**ERISA Disclosure:** We will disclose any change to the information that we are required to disclose under ERISA Regulation Section 2550.408b-2(c)(iv) as soon practicable, but no later than sixty (60) days from the date on which we are informed of the change (unless such disclose is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable). Further, in accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), we will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or plan administrator (unless such disclose is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Retirement Plan agreement and any compensation or fees received in connection with the agreement that is required for the Retirement Plan to comply with the reporting and disclosure requirements of Title 1 of

ERISA and the regulations, forms and schedules issued thereunder. If we make an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), we will disclose to the Retirement Plan the correct information as soon as practicable, but no later than thirty (30) days from the date on which we identify such error or omission.

***Retirement Plan Rollover and IRA Recommendations:*** A recommendation to take a distribution from an employer sponsored retirement plan or to transfer (or withdraw from) an IRA are fiduciary acts. Providing education regarding distribution options is an important consideration for selecting among those options. To the extent a rollover is recommended from a client's employer sponsored retirement plan or existing IRA to an IRA managed by our firm please know that this presents a conflict of interest. As with any Account we have an economic incentive due to increased advisory fees. You are under no obligation, contractually, or otherwise to rollover or transfer your retirement account. To mitigate this conflict of interest we have adopted an impartial conduct standard whereby we will provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below:

- Not recommend investments which result in our firm receiving unreasonable compensation related to the rollover of funds from the retirement plan to a Rollover IRA;
- Fully disclose compensation received by our firm and any material conflicts of interest;
- Follow policies and procedures designed to ensure that we give advice in our client's best interest and avoid putting our financial interests ahead of our clients when making recommendations;
- Charge no more than is reasonable for our Services;
- Refrain from making any materially misleading statements about conflicts of interest, fees, and investments; and
- Meet a professional standard of care when making investment advice by acting with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of our firm or our affiliated personnel.

A decision to move and invest assets from an IRA or former employer's qualified retirement plan (i.e. 401(k), 403(b), 457(b), etc.) is an important one. If you retire or otherwise leave your employer there are several factors to when determining what option best fits your individual needs and objectives. Factors include among others, tax implications, changes in account features and consider differences in fees and expenses. Please discuss this with your Financial and Tax Professionals.

## **Wrap Fee Programs**

Our firm does provide certain advisory services through a Wrap Fee Program (hereafter "Wrap Program"). Under this Wrap Program, clients generally pay a single fee that covers both advisory services provided by our firm and brokerage services provided by Charles Schwab an unaffiliated broker-dealer. Charles Schwab receives a portion of the wrap fee associated with brokerage transactions in your Account. When you work with a Financial Professional that is not registered with our firm, you will be charged a separate fee for their services. While Charles Schwab & Co, Inc. ("Schwab") offers commission free trading of ETF's, individual stocks, and bonds, they do charge a fee when we buy or sell a transaction-fee mutual fund within your Account. This Wrap Program is designed for our firm to pay the fee charged by Schwab associated with buying and selling transaction-fee mutual funds within your Account.

Wrap pricing structures allow you to pay an all-inclusive fee for management, brokerage, clearance, custody, and administrative services. The benefits under a wrap fee program depend in part, upon the size of the Account, the costs associated with managing the account, and the frequency or type of Securities transactions executed in the Account. For example, a Wrap Program may not be suitable for all accounts, including but not limited to accounts holding primarily, and for any substantial period of time, cash or cash equivalent investments, fixed income securities, or no-transaction-fee mutual funds, or any other type of Security that can be traded without commissions or other transaction fees. In order to evaluate whether a wrap or bundled fee arrangement is appropriate for you, you should compare the agreed-upon Wrap Program with the amounts that would be charged by other advisors, broker-dealers, and qualified custodians, for advisory fees, brokerage and execution costs, and custodial services comparable to those provided under the Wrap Program.

Our firm also participates in a Wrap Program as an investment or model manager. In this scenario we offer our Strategies and Portfolios through our Institutional Sub-Advisor or Third-Party Manager Service to Clients of Financial Intermediaries who may

sponsor a Wrap Program (“Platform Sponsor”). Our participation in these Wrap Programs pays our firm a flat asset-based advisory fee in return for providing the investment management component of the Wrap Program. Generally, the Financial Professional will receive their advisory fee as a portion of the Wrap Program Fee.

Clients participating in a Wrap Program will sign a separate agreement and receive a Wrap Fee Program Brochure from the Platform Sponsor. You should note that the same (or similar) services as those described above may be available from other sources at a lower cost to you. Depending upon the level of the wrap fee charges, the amount of portfolio activity in your account, the value of services that are provided, and other factors, a wrap fee may exceed the aggregate cost of services if they were to be provided separately. Generally, wrap programs are relatively less expensive for actively traded accounts. However, a non-wrapped pricing arrangement may be more cost effective for accounts that do not experience frequent trading activity. Accordingly, firms sponsoring a Wrap Fee Program have a conflict of interest because we have financial incentive to maximize our compensation by seeking to reduce or minimize the total costs incurred in your Account(s) subject to a wrap fee.

## Assets Under Management

As of December 31, 2023, we receive fees on a total of \$251,414,069 of client assets. Of this, we managed \$208,012,740 in discretionary assets under management. The remaining \$43,401,329 are non-discretionary assets under management in which we do not have full investment trading discretion. These non-discretionary assets under management are typically Model Delivery Program, employer sponsored retirement plans where our firm only serves as a 3(21) fiduciary or for accounts utilizing the services of an unaffiliated third-party manager or sub-advisor.

## Item 5 - Fees & Compensation

### Advisory Fee Schedule

We provide our Services unless otherwise specified on a continuous fee-only basis calculated as a percentage of the total Account value including all cash and Securities (hereafter “asset-based fee”). The proceeding section describes the maximum allowable asset-based fees for the Services we provide. Our fees are typically negotiable, based upon but not limited to (i) Clients with multiple accounts, (ii) size of the account, (iii) a prior or existing relationship, (iv) a Client’s particular needs or financial characteristics. At any time, we may reduce, rebate, or suspend, our fees at our sole discretion, including employee, family, and friends accounts. From time-to-time we may run promotional campaigns to measure interest and attract Clients to open Accounts. These promotions may include, waived, lower or more favorable fee arrangements for new Clients. The specific advisory fee, any breakpoints and schedule (e.g., advance or arrears, monthly or quarterly) for the advisory services is outlined and agreed upon in either our client agreement specific to the advisory services the client has selected and/or the associated Financial Intermediary or Platform Sponsors agreement and disclosure documents. Since fees are negotiable and may vary, Clients with existing Accounts may be charged fees which differ from the fees paid by other Clients receiving similar Services. If there is insufficient cash to pay fees, our firm, Financial Intermediary, or the Platform Sponsor will liquidate account assets in an amount sufficient to pay fees. This may result in a taxable gain or loss for the Client. If there is insufficient cash and Account assets are illiquid, an invoice will be sent to the client which is payable within ten (10) days of receipt. Any modification to our advisory fee schedule will be explicitly defined and memorialized in writing and shall be effective no less than thirty (30) days after written notice is provided to the Client. Clients should consider that other Financial Professionals or Financial Intermediaries may offer similar investment strategies or more comprehensive services, and/or the same Securities, investment objectives, or investment philosophy utilized in our Strategies, for comparable or lower fees. All accounts unless otherwise stated or waived at our firm’s discretion have a minimum annual fee of \$200, which could result in the Client paying an effective rate greater than the rate specified in the fee schedules below. Custodians, Financial Intermediaries, and Platform Sponsors may have their own separate minimum annual fees, please review their terms and conditions for more information.

### *Fee Schedule: Institutional Services*

- **TAMP Program:** The total annual advisory fee for this Service which includes the Financial Professionals fee and our Firms investment management fee is negotiated between the Financial Professional with the client dependent on the scope of

Service, is not to exceed 2.00% (200 basis points) and is billed quarterly (one fourth of the annual fee rate) in advance. Typically, a portion of the TAMP fee collected is shared with the Financial Professional associated with the Account. TAMP Program accounts that are eligible to be combined for fee breakpoint purposes (hereafter “Aggregate Assets”) are those Accounts with the same registrations or accounts having the same address. The initial asset-based fee is calculated based on the total initial account value. Subsequent asset-based fees will be calculated based on the ending value on the last day of the previous quarterly billing period. Unless otherwise restricted, asset-based fees will be deducted automatically from a Client’s Account.

Typical firm Investment Management Fee:

Household Assets Under Management	Active Strategies	Passive Strategies
\$0 to \$499,999.99	0.75%	0.48%
\$500,000 to \$2,999,999.99	0.60%	0.40%
\$3,000,000 and above	0.50%	0.35%

These fees do not include the Financial Professional’s advisory fee or the expense ratio of any underlying Fund or ETF.

- **Sub-Advisor Program:** The annual advisory fee for this Service is not to exceed 0.75% (75 basis points). The Financial Intermediary or Platform Sponsor will calculate and automatically deducted from a client account that is subscribed to one of our Strategies and remit asset-based fees owed to our firm. The specific asset-based fee and schedule (e.g., billed monthly or quarterly in advance or arrears) will be determined through negotiations with the Financial Intermediary or Platform Sponsor and shall be defined and memorialized in an agreement.

Typical firm Investment Management Fee:

Household Assets Under Management	Active Strategies	Passive Strategies
\$0 to \$499,999.99	0.75%	0.48%
\$500,000 to \$2,999,999.99	0.60%	0.40%
\$3,000,000 and above	0.50%	0.35%

These fees do not include the Financial Professional’s advisory fee or the expense ratio of any underlying Fund or ETF.

- **Digital Investing Program:** The annual advisory fee is not to exceed 1.50% (150 basis points). Fees are billed quarterly (one fourth of the annual fee rate) in arrears (e.g., following the end of the month for the previous month). These fees will be calculated based on the ending value on the last day of the quarterly billing period and automatically deducted from your investment account by the qualified Custodian. Advisory fees for this service cannot be negotiated and breakpoints are not offered.
- **Investment Company Portfolio Manager Program:** The annual advisory fee for this service is not to exceed 0.75% (75 basis points) billed in arrears. The specific fee amount, breakpoints and schedule will be approved by the Investment Company and Funds Trustees and explicitly defined within an agreement.
- **O-CIO Program:** The annual advisory fee for this service either a monthly fixed payment or a fee based on the assets under advisement. Asset based fees are billed in arrears and not to exceed 0.75% (75 basis points) billed in arrears.

### ***Fee Schedule: Employer Retirement Plan Service***

The annual advisory fee for this service is not to exceed 0.95% (95 basis points) Advisory fees are prorated and charged quarterly, based upon the market value of the assets on the first or last day of the month services were provided depending on whether advisory fees are charged in advance or arrears. Retirement Plan Sponsors will authorize either a third-party administrator, record keeper or another unaffiliated Retirement Plan service provider to calculate and facilitate the debiting the Retirement Plan for our asset-based fee and to directly remit that fee to our firm in accordance with applicable custody rules. We will not receive, directly or indirectly, any fee or other compensation (including commissions, salary, bonuses, awards, etc.) that is based in whole or in part on the selection of a Retirement Plan service provider or a participant's selected investment options. Certain Retirement Plan sponsors may require a fixed dollar-based fee schedule as an alternative to an asset-based advisory fee schedule.

### **Payment of Advisory Fees**

Unless otherwise stated, clients agree in writing to have our fees deducted from client Accounts by the Custodian based on the specific advisory fee schedule contained within the client agreement unless the client or Custodian explicitly restricts the deduction of fees from a client Account. Unique circumstances or restrictions may arise in which, at our sole discretion, fees may be paid via check or a qualified payment merchant.

### **Other Non-firm Advisory Fees**

In addition to our fees described above, Clients will likely incur and be responsible for additional expenses from entities which are unaffiliated with our firm. We are not responsible for payment of non-advisory fees contained within this section and we do not receive any portion of these non-advisory fees and expenses.

- ***Custodian and Variable Annuity Fees:*** A Custodian or Variable Annuity Provider's function is to hold client assets and securities in an account titled in the Client's name while typically providing some or all of the following services; trade execution, facilitation of Account deposits and withdrawals, electronic fund and wire transfer, delivering periodic client statements, Account closure, check writing, certificates of delivery, reorganization, short-term redemptions and other services related to a client Account. Additionally, Variable Annuity providers offer insurance coverage on Client's assets for a fee. Custodians and Variable Annuity Provider's may impose charges for some or all the services, as well as regulatory fees, and transfer taxes mandated by law. Retirement Plans may incur additional administrative expenses charged by third party administrators, recordkeepers and other covered service providers. These fees are outlined in the custodial agreements and other disclosure documents.
- ***Fund and ETF Expenses:*** Funds and ETFs have an "expense ratio", which is a measure of the cost to operate the Fund or ETF. The expense ratio consists of investment advisory, administrative, distribution, transfer agent, custodial, legal, audit, and other customary fees and expenses related operating a Fund or ETF as set forth in the prospectus of a Fund or ETF. These operating expenses are paid by the Funds or ETFs but ultimately are borne by Clients as shareholders as they are deducted from the share price of the Fund or ETF. The expense ratio is calculated by dividing a Fund or ETF operating expenses by the average dollar value of the total assets within the Fund or ETF. These fees are outlined in the Fund or ETF's prospectus available on the custodian's website or upon request. Some mutual funds pay 12(b)-1 service fees (normally 0.25% per year) to the Custodian. The mutual funds the firm could purchase or recommend offer a variety of share classes, including some that do not charge 12(b)-1 fees and are, therefore, less expensive. These fee arrangements will be disclosed upon request of a client and are available in the applicable fund's prospectus. Typically, our firm does not recommend mutual funds that charge 12(b)-1 fees when other share classes are available. However, there are instances in which the firm would recommend a mutual fund that carries a 12(b)-1 fee, even when a lower-cost share class is available for the same fund. For example, a lower-class share may not be available to the firm due to investment minimums. In other cases, mutual funds charging 12(b)-1 fees are transferred into firm. In which case the firm may recommend the client holds the existing share class, instead of selling the fund and buying a lower-cost share until a switch can be done that won't result in a tax liability. In addition, mutual funds charging 12(b)-1 fees will be recommended when the overall cost is seen as a benefit to the client if the anticipated transaction fees exceed the anticipated 12(b)-1 fees. When recommending a particular mutual fund share class, the different available share classes are compared and reviewed along with the anticipated investment timeframe, potential tax consequences, future anticipated transactions, and other costs to determine the best selection for the client at that time. Our firm does not receive any part of the fees charged by mutual funds.

- **Platform Sponsor Fees:** In addition to vetting, selecting, and monitoring the available Institutional Managers and their Strategies, Platform Sponsors, provide recordkeeping, statements and trade execution management and charge a separate and distinct fee from the Institutional Manager fees described below. These fees are outlined in a separate agreement and disclosure documents of the applicable Platform Sponsor.
- **Institutional Investment Manager Fees:** Institutional Investment Managers typically charge their own separate fees to engage their investment management services and invest client Accounts in their investment strategies. These fees are outlined in a separate agreement and disclosure documents of the applicable Platform Sponsor or Institutional Manager.
- **Taxes:** Depending on the Account type, Clients may incur tax consequences for profits from the sale of investments, capital gains, dividends, distributions, etc. associated with their Account. Portfolios and Strategies unless otherwise stated are not managed for tax efficiency and Accounts may experience adverse tax consequences related to short-term holding periods for non-qualified accounts that do not benefit from a tax exempt or a tax deferred status. Clients should speak with a tax professional about the specific tax treatment and ramifications for each Account.
- **Technology Fee.** Our firm requires all accounts under management to be included in our accounting, billing, and performance reconciliation system which also includes an online client portal with performance reporting, transaction history, investor risk profiling, account aggregation and on-demand financial planning tools. Each account will typically be assessed a flat, per quarter charge, unless waived at our firm's discretion. The fee amount will be described to the client in writing billed simultaneously and in addition with advisory fees and included within the total fees debited from client's account. At our firm's discretion we may rebate this fee typically based upon the relationship and scope of service.

## Terminations and Refunds

The agreement between our firm and the client and the advisory services provided thereunder will continue in effect until terminated by either party by written notice in accordance with the terms of the agreement. Advisory fees for Accounts opened or terminated during a billing period that are paid in advance will be refunded pro rata based on the number of days the Account was managed during the billing period. It should be noted that a Client's Account will be exposed to any market value changes and other non-advisory fees, as applicable, during that time which may result in a gain or loss to the Client's original investment. However, until a termination notification is provided to our firm in writing, we will consider the Account to remain active until the date that either a zero balance or an Account closure is discovered by our firm. It should be noted that Custodians, Mutual Funds, Platform Sponsors, Institutional Money Managers may charge a cancellation or redemption fee which will be described within their offering documents. Factors that may affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable, and trading suspended, efforts to trade will be done as soon as possible following their reopening. We reserve the right to stop work on any account that is more than 45 days overdue. In addition, we reserve the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in our judgment, to provide proper financial advice. Due to the administrative processing time needed to terminate a client's investment advisory service and communicate the instructions to Client's Financial Professional, termination orders received from clients are not market orders; it may take several business days under normal market conditions to process Client's request. During this time, Client's account is subject to market risk. Our firm and our Financial Professionals are not responsible for market fluctuations of the Client's Account from time of written notice until complete liquidation if this is requested. All efforts will be made to process the termination in an efficient and timely manner.

## Differing Fees

We charge different fees for our various Services. This creates an incentive for our firm and our Financial Professionals to guide clients to products and services that generate higher fees. Additionally, when allocating investment opportunities among its investment programs, products, and clients, we have an incentive to favor the investment programs, products, and clients that generate the most revenue for the firm, including our Quartz TAMP services. Although our Financial Professionals do not receive any direct compensation for allocating client assets to Quartz TAMP, Financial Professionals nevertheless have a conflict of interest in making such recommendations to the extent overall firm revenues increase. The firm has procedures in place to supervise and review recommendations to ensure they are made in the client's best interest.

## Item 6 - Performance-Based Fees

We do not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7 - Types of Clients

### Minimum Account Size

The minimum account size for new and existing client relationships is \$10,000, unless otherwise stated or if the value drops below the minimum level due to market fluctuations. Exceptions to this policy may be made at our sole discretion. Clients should be aware that small Accounts may not be able to invest in every Security selected by our firm due to their share price and absence of partial share purchases [depending on the qualified custodian]. Custodians, Financial Intermediaries, and Investment Companies may have their own minimum requirements or minimum fees.

**Types of Clients Served.** We seek to provide our Services to the following clientele:

- Retirement & Profit-Sharing Plans
- Insurance Companies
- Business Entities
- Financial Intermediaries & Professionals
- Individuals
- Institutions
- Trusts
- Estates
- Charitable Organizations
- Investment Companies
- Foundations

## Item 8 - Methods of Analysis, Investment Strategies & Risk of Loss

### Methods of Analysis

The Security analysis methods may include charting, econometric, fundamental, technical, and cyclical. The main sources of information used to determine Strategy allocations, courses of action, include financial newspapers and magazines, financial analytics and data platforms, Federal Reserve Bank, research materials prepared by others, inspections of corporate activities, prospectuses, and press releases.

### Investment Strategies

Each client engagement will entail a review of the client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's Account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's Account. The Financial Professional shall rely on the financial and other information provided by the client without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the client to inform the Financial Professional of any changes in financial condition, goals or other factors that may affect this analysis. Our investment strategies may include long-term and short-term purchases and sales.

### *Risks Associated with Analysis Methods*

- **Macroeconomic:** Analysis of the general condition of economies and the policies that surround them. Solely using this form of analysis poses a risk because it does not look at individual securities, industries, or sectors and the prices of which may move irrespective of the economies.

- **Fundamental:** Analysis of the intrinsic value of a security or asset class by looking at financial and economic data. Solely using this form of analysis poses a risk because it does not consider that security or asset class prices may rise and fall with the overall market regardless of their intrinsic value.
- **Technical and Cyclical:** Analysis of historic economic or security data to identify recurring patterns to forecast future price movement of a security, industry, sector, industry, or asset class. Using solely this form of analysis poses a risk because it does not consider the fundamental value, economic data, or policies which may affect security and asset class prices regardless of market sentiment, trends, or cycles.
- **Quantitative:** We may use quantitative analyses. Any imperfections, limitations, or inaccuracies in its analyses could affect its ability to implement strategies. By necessity, these tools make simplifying assumptions that may limit their effectiveness. Quantitative analysis that appears to explain prior market data can fail to predict future market events. Further, the data used in quantitative analysis may be inaccurate and/or it may not include the most current information available.

**Risks Associated with Investing.** Clients should be aware that their accounts will typically be exposed to the following risks:

- **General Investing Risk:** Investment management involves a high degree of risk and uncertainty. Investment performance is not guaranteed, and no method of analysis or investment strategy is immune from loss. Investment management is exceedingly challenging, and success depends greatly on the investment skills of our Investment Committee. High volatility and/or the lack of deep and active liquid markets for a security could prevent our firm from selling their Securities at all, or at an advantageous time or price because our firm and the Client's Custodian could have difficulty finding a buyer and might be forced to sell at a significant discount to market value. While rare, Clients should be prepared to bear the loss of their entire investment. It is important that Clients understand the risks associated with investing in Securities and we request that they contact us promptly with any questions or concerns.
- **Commodity Risk:** Investments linked to the prices of commodities may be considered speculative. Exposure to commodities may subject the Fund to greater volatility than other investments in traditional investments. Therefore, the value of such instruments may be volatile and fluctuate widely based on a variety of macroeconomic factors or commodity-specific factors. Commodity exposure is typically achieved through either investment in futures contracts or commodity-linked notes, each of which carry unique risks.
- **Counterparty:** Exchange-traded notes (hereafter "ETN") expose investors to the credit risk of the issuer. ETNs also have some "product" or "structural" risk associated with underlying derivatives, as they will sometimes provide market exposure through indirect means, like futures, options, and forwards contracts.
- **Qualified Custodian:** If the qualified custodian of the Account were to go out of business, client assets may only be protected up to the Securities Investor Protection Corporation (hereafter "SIPC") limits [learn more at [sipc.org](http://sipc.org)].
- **Cybersecurity Risks:** Our firm, our service providers and Financial Intermediaries associated with client Accounts are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss, or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Our firm and our client's may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased, and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Similar types of cybersecurity risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers and may cause a client's investment in such securities to lose value. Our firm has implemented and monitors a cybersecurity policy to mitigate this risk.
- **Derivative Risk:** The primary risks associated with trading derivatives are market, counterparts, liquidity, and interconnection risks. Derivatives are investment instruments that consist of a contract between parties whose value derives from and depends on the value of an underlying financial asset.
- **Diversification:** Our Strategies may be concentrated in or significantly exposed to a particular sector. This may result in performance being more sensitive to any single economic, business, political, or regulatory event than the value of a more diversified portfolio. High turnover, active or tactical allocation strategies can have a high degree of portfolio turnover which may result in adverse tax treatment for taxable accounts.



- **Index Funds.** Employ a strategy that aims to replicate the movements of an index of a specific financial market (which may include debt securities), or a set of rules of ownership that are held constant, regardless of market conditions. Products that utilize an index tracking strategy may suffer a risk of loss, including as a result of tracking error. Imperfect correlation between a portfolio of securities and those in the underlying index, rounding of prices, changes to the underlying index and regulatory requirements may cause tracking error, which is the divergence of the portfolio's performance from that of the underlying index. This risk may be heightened during times of increased market volatility or other unusual market conditions. Tracking error also may result because a portfolio incurs fees and expenses while the underlying index does not.
- **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. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by our firm may be affected by the risk that currency devaluations affect Client's purchasing power.
- **Large Investment:** Clients may collectively account for a large portion of the assets in certain investments. A decision by many of our firm or other investors to buy or sell some or all of a particular investment where Clients hold a significant portion of that investment may negatively impact the value of the investment.
- **Legislative & Taxes:** 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 ETFs dealing in natural resources).
- **Market & Systemic:** Equity, Fixed Income, and other global capital markets rise and fall daily. The performance of client investments is, to varying degrees, tied to these markets. When markets fall, the value of a client's investments will fluctuate, which means a client could lose money.
- **Real Estate funds (including REITs):** Face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.
- **Socially Responsible Investing:** Socially responsible investing ("SRI") or Environment, Social and Governance ("ESG"), are investments that are selected based on certain criteria considered to be a benefit to society or the environment, rather than profits or intrinsic value alone. Selecting ESG investments may reduce client exposure to certain sectors or types of investments, this along with the consideration of non-monetary factors could reduce or otherwise negatively impact investment performance. SRI criteria may differ by issuer or Fund company and may change over time. Accordingly, if a Security no longer meets the criteria for SRI, it may be required to be sold at a disadvantageous price or time.
- **Trading & Liquidity:** High volatility and/or the lack of deep and active liquid markets for a security may prevent our firm from selling the Client's securities at all, or at an advantageous time or price because our firm and the Client's Custodian may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While we value the securities held in client Accounts based on reasonably available exchange-traded security data, we may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting fees paid to our firm. We may be unable to sell Securities on behalf of a client at an advantageous time and/or price due to the existing trading market conditions.
- **Volatility & Correlation:** Although the prices of equity and fixed-income Securities, as well as other asset classes, often rise and fall at different times so that a fall in the price of one may be offset by a rise in the price of the other, in down markets the prices of these Securities and asset classes can also fall in tandem. It is possible that different or unrelated asset classes may exhibit similar price changes in similar directions, which may adversely affect a client's account, and may become more acute in times

of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections might not reflect actual future performance.

### *Underlying Securities Risk: Equity*

- **Sentiment, Results, Fundamentals:** The prices of equity Securities, and thus the value of ETFs or Funds that invest in them, rise, and fall daily. These price movements may result from factors affecting individual companies, industries, or the Securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of Securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.
- **Large- & Mid-Cap:** These stocks bear the risk that these types of stocks tend to go in and out of favor based on market and economic conditions. However, stocks of mid-cap companies tend to be more volatile than those of large-cap companies because mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies. During a period when large- and/or mid-cap segment of U.S. stock markets fall behind other types of investments—bonds or small-cap stocks, for instance—the performance of the portion of the Strategy invested in large- and/or mid-cap U.S. stocks will lag the performance of these other investments.
- **Small-Cap & International:** Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks (also see Foreign Investment section below for additional information). During a period when small-cap and/or international stocks fall behind other types of investments—large- and mid-cap U.S. stocks, for instance—the performance of the portion of the investment strategies invested in small-cap or international stocks will lag the performance of these other investments.

### *Underlying Securities Risk: Fixed Income*

- **General Bond Risks:** Bond markets rise and fall daily, and fixed income investments, which generally also include instruments with variable or floating rates (including cash and cash-like investments), are subject to various risks. As with any investment whose performance is tied to bond markets, the value of a fixed income ETF or Fund will fluctuate, which means that the client could lose money.
- **Interest Rates:** When interest rates rise, bond prices usually fall. A decline in interest rates generally raises bond prices and the value of a bond fund but could also reduce the future performance by lowering its yield. The longer the duration of the bond, the more sensitive to interest rate movements its value is likely to be.
- **Credit:** A decline in the credit quality of a fixed income investment could cause the value of a bond to fall. The bond could lose value if the issuer or guarantor of a portfolio investment fails to make timely principal or interest payments or otherwise honor its obligations. The emphasis of a fixed income strategy on quality and preservation of capital also could cause a bond to underperform certain other types of bond investments, particularly those that take greater maturity and credit risks.
- **High Yield Bonds:** High yield Securities and unrated Securities of similar credit quality (sometimes called junk bonds) are subject to greater levels of credit and liquidity risks. High yield securities may be considered speculative.
- **Government Securities:** Many U.S. government securities are not backed by the full faith and credit of the United States government, which means they are neither issued nor guaranteed by the U.S. Treasury. Certain issuers, such as the Federal Home Loan Banks (FHLB), maintain limited lines of credit with the U.S. Treasury and there can be no assurance that the U.S. government will provide financial support to securities of its agencies and instrumentalities if it is not obligated to do so under law.

### *Underlying Securities Risk: Foreign*

- **General Foreign Investment Risks:** Investments in foreign issued Securities may involve certain risks that are greater than those associated with investments in securities of U.S. issuers. These include risks of adverse changes in foreign economic, political, regulatory, and other conditions; changes in currency exchange rates or exchange control regulations (including limitations on currency movements and exchanges); differing accounting, auditing, financial reporting, foreign taxes, and legal standards and

practices; differing securities market structures; differing trading and settlement practices; ownership restrictions; and higher transaction costs.

- **Emerging and Frontier Markets:** The general risks of foreign securities (and other risks, e.g., nationalization, expropriation, or other confiscation of assets of foreign issuers) are greater for those companies tied economically to emerging or frontier countries, the economies of which tend to be more volatile than the economies of developed countries. These markets may operate in politically unstable regions of the world and may be subject to additional geopolitical/disruption of markets risks.
- **Geopolitical & Disruption of Markets:** Geopolitical events may adversely affect global economies and markets and thereby decrease the value in those affected markets. Those events as well as other changes in foreign and domestic economic and political conditions could adversely affect the value of foreign securities.
- **Currency:** Fluctuations in exchange rates may adversely affect the value of Securities that hold foreign currency holdings and investments denominated in foreign currencies.

The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in investments. As investment Strategies develop and change over time, Client's may be subject to additional and different risk factors. No assurance can be made that profits will be achieved, or that substantial losses will not be incurred. Clients are encouraged to speak with our firm and their Financial Professional about concerns they have with the risks their Account is exposed to.

## Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our Services or the integrity of our firm's management. Our firm has no information applicable to this Item.

## Item 10 - Other Financial Activities & Affiliations

### Broker-Dealer Affiliations

Our firm is affiliated through common control with Etico Partners, LLC an SEC registered broker-dealer and member of FINRA. Many of our firm's Financial Professionals are also registered as a Registered Representative of Etico Partners, LLC. These individuals can recommend broker-dealer transactions separately to advisory clients. Commissions and other forms of brokerage compensation are separate from advisory fees. Our firm does not reduce its advisory fees to offset commissions and brokerage compensation. Clients are under no obligation to purchase any recommended securities through Etico Partners, LLC. Our firm and Etico Partners share office space and management and operational personnel. Additional information about Etico Partners can be found at [brokercheck.finra.org](http://brokercheck.finra.org). It should be noted that our firm does not utilize Etico Partners to introduce brokerage or execute trades.

### Outside Relationships and Arrangements

#### *Life Insurance Agents*

Our firm's Financial Professionals may also be licensed insurance agents. From time to time, they will offer clients insurance related advice or products which includes life insurance and annuities. Clients should be aware that these services are typically offered outside of our firm under the supervision of a broker-dealer or life insurance agency. Life insurance sales generally pay commissions to the licensed agents that is separate and distinct from investment fees charged and received by our firm related to our Services. Clients should be aware of the conflict of interest that exists when Financial Professionals, acting in the capacity of an insurance agent, recommends an insurance product that will pay a commission to the agent. We always act in the best interest of its clients and clients are in no way required to implement any plans or purchase any insurance products through their Financial Professional.

Financial Professionals are not required to devote their full time or any material portion of time to any particular investment activity they are currently involved in and may in the future become involved in other business ventures which will compete for our time and attention. Financial Professionals and management personnel may spend 50% of their time on other such activities. Our firm and

our management personnel do not have any other relationship or arrangement that has not been disclosed herein and is material to our advisory business or to our clients with any related persons.

Bear in mind that even if our Financial Professionals persons were not registered/licensed to sell the types of products/services addressed in the preceding sections, the majority of your transactions involving such products would likely still result in you paying some sort of commission for those products. In the case of our Financial Professionals, their active registration/licensing may allow them to be able to receive such additional compensation as opposed to the executing financial institution keeping that compensation exclusively for itself.

## **Item 11 - Code of Ethics, Participation in client Transactions & Personal Trading**

### **Code of Ethics**

We have adopted a Code of Ethics (the “Code”) pursuant to SEC rule 204A-1 and claims compliance with the CFA Institute’s “Asset Manager Code of Professional Conduct” and “Global Investment Performance Standards”. A complete copy of our Code is available for any current or prospective client on our website on the disclosures page or upon request. The Code outlines the ethical and professional responsibilities required of our firm’s supervised personnel to demonstrate a commitment to our fiduciary duties of honesty, good faith, and fair dealing. The Code covers the following areas: loyalty to clients, investment process and actions, trading, disclosures, performance and valuation, and risk management, compliance, and support. The following general principles can be found throughout the Code:

- Act in a professional and ethical manner always
- Uphold the applicable rules governing capital markets
- Communicate with Clients in a timely and accurate manner
- Act for the benefits of Clients
- Act with independence and objectivity
- Act with skill, competence, and diligence

### **Recommendations Involving Our Financial Interests**

Our firm nor any related person recommends to clients, or buys or sells for client Accounts, Securities in which our firm or a related person has a material financial interest.

### **Investing Personal Money in client Securities**

Subject to satisfying this policy and applicable laws, our Financial Professionals, supervised personnel, management, and its affiliates may buy or sell Securities for themselves that they also buy or sell for our clients. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of our firm will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. All trading activities are required to follow our Code of Ethics and our Compliance Department reviews relevant supervised personnel’s Securities holdings and transactions periodically to identify and address any potential conflicts of interest, or misdealing.

### **Trading Securities Around the Same Time as Clients**

We allow supervised persons to purchase or sell the same securities that may be recommended to or purchased on behalf of clients. Owning the same securities, we recommend (purchase or sell) to clients presents a potential conflict of interest that, as fiduciaries, we must disclose to Clients and mitigate through policies and procedures. By allowing our supervised employees to have personal accounts is a conflict of interest due to the potential that a Financial Professional may devote more time to monitor their personal Accounts as opposed to spending that time on the review and monitoring of client Accounts. Recommendations to a client involving individual stocks, bonds, and other Securities could be a conflict of interest with the client because the Financial Professional may engage in front-running, or other activities that can cause harm to a client. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures.

## Item 12 - Brokerage Practices

### Factors Used to Recommend Custodians

Our firm does not maintain custody of your assets, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your Account (see item 15. Custody, below). Your assets must be maintained in an account at an unaffiliated qualified custodian that is independently owned and operated, generally a broker-dealer or bank. Although we recommend, and in some cases require, the use of certain custodians or Financial Intermediaries, clients are allowed to or in some cases required to select the broker-dealer or other Custodian that will be used for their Accounts contingent on our approval and ability to have sufficient access to such Accounts in accordance with our compliance and regulatory obligations. We do not have the discretion to select the broker-dealer/custodian for custody and execution services. Clients are responsible for establishing a custodial agreement with a qualified custodian to safeguard the client's assets in their name and effectuate Securities transactions at your Financial Professional's direction or the Third-Party Manager/Sub-Advisor responsible for Security selection and trading decision making. Conflicts of interest associated with this arrangement are described below as well as in Item 14. (Client referrals and other compensation). You should consider these conflicts of interest when selecting your qualified custodian. For Services involving Third-Party Manager/Sub-Advisor's Custodian selection, directed brokerage, and best execution generally remain the responsibility of the Third-Party Manager/Sub-Advisor and or Platform Sponsor.

When we are granted trading discretion, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that Clients receive the lowest possible trading fees. Our decision to recommend a Custodian is based on several factors that in aggregate result in the qualitative execution that is in the best interest of the Client. When exercising reasonable due diligence in considering best execution, we evaluate several factors besides trading fees including, but not limited to:

- Reputation
- Financial Strength
- Technology (Trading, Client Portal)
- Fees
- Custody (e.g., account types, money movement options)
- Tax Reporting (e.g., document production)
- Trading Execution (e.g., block trading, fractional shares)
- Customer Service and Responsiveness

Periodically, and upon request, we review alternative Custodians for comparison versus Custodians currently used by our clients. In addition to custody and trading fees outlined below, Custodians may impose additional charges for a la carte services, as well as regulatory fees, and transfer taxes mandated by law. We currently have vetted and recommend the following qualified custodians below who generally do not charge you separately for custody services but are compensated by charging asset-based or commissions on trades that they execute and settle into your Account. These qualified custodians are also compensated by earning interest on the uninvested cash in your account.

The qualified custodians below are in the business serving independent investment advisory firms like ours. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to retail customers. However, certain retail investors may be able to get institutional brokerage services from these qualified custodians custodied without going through our firm. These qualified custodians also make available various support services. Some of those services help our firm manage or administer our clients' accounts, while others help us manage and grow our business. These qualified custodians support services are generally available at no charge to us. Following is a more detailed description of these qualified custodians support services: Services that benefit you. These qualified custodian's 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 you and your account.

## Services that do not directly benefit you

These qualified custodians also make available to our firm other products and services that benefit us but do not directly benefit you or your Account. These products and services assist us in managing and administering our clients' accounts and operating our firm. These qualified custodians make available software and other technology that:

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

## Services that generally benefit only us

These qualified custodians also offer other services intended to help us manage and further develop our business enterprise. These services include:

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

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

## Our interest in these qualified custodians

The availability of these services from these qualified custodians benefits us because we do not have to produce or purchase them. We don't have to pay for these services. [These services are not contingent upon us committing any specific amount of business to these qualified custodians in trading commissions or assets in custody.] The fact that we receive these benefits from these qualified custodians is an incentive for us to [recommend/request/require] the use of these qualified custodians rather than making such decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate, our [selection/recommendation] of these multiple qualified custodians as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of their services and not how these qualified custodian's services that benefit only us.

***Apex Clearing Corporation (hereafter "Apex"):*** Apex is a member of FINRA/SIPC and is an independent (and unaffiliated) SEC-registered broker-dealer. Apex allows for digital account opening and the trading of fractional shares which allow accounts buy part of a share, making it easier to fully invest an account in the recommended allocation or buy a Security with an expensive share price. Through negotiations with our firm, Apex has agreed to charge our clients' accounts custodied with Apex the greater of \$0.10 per transaction or an annual asset-based fee of 0.08% for custody, recordkeeping, and trading. Apex's annual custody and trading fee will be calculated based upon the Client's Account balance and billed monthly in arrears and is outlined in Apex's custodial agreement between Apex and the Client.

**Charles Schwab & Co, Inc. (hereafter “Schwab”):** Schwab is a member of FINRA/SIPC and is an independent (and unaffiliated) SEC-registered broker-dealer. Schwab does not charge Clients for trading exchange traded funds or stocks traded on a U.S. exchange. We have negotiated a wrap fee pricing schedule for those accounts that hold transaction-fee mutual funds.

**Goldman Sachs Advisor Solutions (hereafter “Goldman”):** Formerly Folio Institutional, is a subsidiary of Goldman Sachs & Co. and is a member of FINRA/SIPC and is an independent (and unaffiliated) SEC-registered broker-dealer. Goldman allows for the trading of fractional shares which allow accounts buy part of a share, making it easier to fully invest an account in the recommended allocation or buy a Security with an expensive share price. Through negotiations with our firm, Goldman has agreed to charge our clients a monthly asset-based fee at an annual rate of 0.15%. Goldman’s annual custody and trading fee will be calculated based upon the Client’s monthly Account balance and billed monthly in advance for their custody and trading service.

**Morningstar Managed Portfolios Platform:** When the Morningstar platform is utilized as part of a TAMP Program; and/or, our firm does not direct brokerage. Depending on the program selected, clients will be required to establish an account through BNY Mellon or Fidelity. Brokerage and transactions are generally directed to the Custodian holding the account. Custodians are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed, which are included when wrap fees are charged. Please see the third-party manager’s Brochure for additional information regarding their brokerage practices.

**RBC Clearing & Custody (hereafter “RBC”):** RBC is a member of FINRA/SIPC and is an independent (and unaffiliated) SEC-registered broker-dealer. RBC generally does not charge clients for trading exchange traded funds or stocks traded on a U.S. exchange.

The Custodians are independent and unaffiliated FINRA registered broker-dealers and require a separate written agreement with the client outlining their terms and conditions. The Custodians offer services to independent investment advisors, which include custody of securities, trade execution, clearance and settlement of transactions.

## Research and Soft-Dollar Benefits

We do not charge commission markups and have no formal soft-dollar arrangements in which fees generated from trading commissions are used to pay for third party services. However, through our relationship with various Custodians, we receive research, products, discounts, and certain other services. Although these arrangements may not benefit Clients individually, we benefit by not having to source or pay for these products or services that benefit our clients as a whole.

## Brokerage for client Referrals

We do not receive client referrals from Custodians, broker-dealer or other third parties in exchange for using or recommending a particular Custodian, broker-dealer, or other third parties to execute client Securities transactions or custody assets.

## Trading

Through our model-based Strategies, we attempt to mitigate conflicts of interest arising from the incentive to favor one or more of its clients regarding the allocation of investment opportunities. When we intend to buy or sell the same Security with the same Custodian in more than one Account we may, but are not obligated to, aggregate those transactions to form a single block trade. As a firm practice, we almost exclusively execute market orders and have discretion to wait to place orders if we are aware of potential additional trades for the same security that may be pending, or we may decide to execute trades immediately when we receive them. Decisions around the timing and aggregation of trades are made with the goal to seek best execution and to effectively manage order flow across numerous Custodians and Accounts. Shares will be distributed to each Account based on the Account value and Strategy allocation.

We have a responsibility to effect orders correctly, promptly and in the best interests of our clients. We have instituted policies and procedures to monitor, identify and resolve any trade errors promptly without disadvantaging the Clients.

**Trade Rotation Policy:** In an effort to remove any potential conflicts of interest when updating our Strategy allocations in multiple Accounts, we have implemented the following policy. If block trading is not done, then we will implement a trade rotation policy in

executing or submitting trade instructions. Trade instructions are distributed to Custodians/Platforms in an alphabetic order rotation (e.g., Trade Day #1 Order: A to Z, Trade Day #2 Order: Z to A). The following exceptions will be made to this trade rotation policy:

Custodians and/or Platforms that exclusively utilize Funds which receive end-of-day execution and pricing will not participate. Goldman trade orders are executed at predetermined "trading windows" at 11:00am ET and 2:00pm ET. For example, trades received by Goldman prior to 11:00am ET will trade at 11:00am ET. Therefore, trade execution by Goldman will be submitted for the first available trading window after the Investment Committee has authorized trade instructions.

### **Special Circumstances Outside of our Control**

Restrictions and/or fees applied by Funds may also affect the performance and/or trading of client Accounts. Some Funds impose trading restrictions and/or short-term trading fees. For example, a Fund may charge a fee if an exchange is made within a certain time period, e.g., (90) ninety calendar days. In this scenario, our Investment Committee may choose not to buy or sell an investment in the Client's Account that we otherwise would have during the trade restriction period. The decision to sell or not sell a security with short-term trading fees is predicated on what we determine is in the Client's best interest at the time of the decision. If incurred, Clients are responsible for these non-advisory fees.

From time to time, trading at a particular Custodian will be disrupted due to circumstances outside of our control. For example, a Custodian may have technical difficulties which delay or prevents timely trading of client Accounts. These infrequent disruptions may lead us to temporarily modify the daily trading schedule in order to maximize the value for our clients as a whole.

With Sub-Account Overlay, during periods of heightened market volatility where trading windows are perceived to be small (e.g., potential holding period (30) thirty days or less) our Investment Committee may exercise discretion and exclude Custodians with trading execution lags or waiting periods out of a Strategy or Portfolio allocation change to reduce risk.

## **Item 13 - Review of Accounts**

**Frequency and Nature of Account Reviews.** No less than quarterly, through our portfolio management system we will review client portfolios to determine if an account is outside of the tolerance for the Account's Strategy allocation prescribed by our Investment Committee. If an Account is determined to be out of Strategy tolerance, the Investment Committee will determine if resolution trades are required.

Trade confirmations reflecting all transaction in Securities; provided, however, that periodic (no less than quarterly) statements of Account activity may be furnished in lieu of transaction-by-transaction confirmations to the extent and in the manner permitted by Rule 10b-10 under the Exchange Act.

Financial Professionals associated with the client are responsible for performing periodic reviews of the Account. Following Financial Professional reviews, reports may be prepared and submitted to assist our management personnel in supervising and monitoring the Account.

### **Factors Triggering a Non-Periodic Review**

Accounts will be reviewed promptly if we receive updated information pertinent to the management of their Account(s) or upon client request. Clients are responsible for communicating to our firm any significant changes to their financial circumstances or risk tolerance. Reviews may also be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **Content and Frequency of Reports**

We only maintain relationships with Custodians that provide complete balance and transaction reports to our clients no less than quarterly. Additionally, our firm and/or Custodian's provide Client's access to daily balances and transactions through an online portal.



## Item 14 - Client Referrals & Other Compensation

### Economic Benefits Provided by Third Parties

We do not receive “revenue sharing” payments or other compensation from Fund/ETF companies or Financial Intermediaries associated with our clients’ Accounts. If we become entitled to any such payments in the future and elects to receive such payments, we will disclose the terms of the payments to the client and will apply those amounts as a direct offset to fees incurred under any preexisting investment management agreement with our firm. However, our firm receives an economic benefit from the qualified custodians that custody your Account in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts with these qualified custodians. Our firm benefits from the products and services provided because the cost of these services would otherwise be borne directly by us, and this creates a conflict. You should consider these conflicts of interest when selecting a qualified custodian. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices).

### Incoming Client Referrals

We may establish written agreements to pay a portion of our advisory fee for referring clients to our firm. In this scenario we comply with Rule 206(4)-1 under the Investment Advisers Act of 1940 and the Referring Party will not provide investment advice on behalf of our firm. The fee paid to a Referring Party will not necessarily result in clients paying higher advisory fees, but our advisory fees are negotiable, and the inclusion of a Referring Party may decrease the probability of a client negotiating a lower advisory fee. It should be noted that we offer similar advisory services that are limited in scope at a potentially lower fee rate. At the time of solicitation, clients will receive this Brochure along with a disclosure contained within our client agreement that states the name of the Referring Party, nature of the relationship and a description of the compensation to be paid to the Referring Party. From time-to-time we may provide marketing and educational support to assist Referring Party’s as requested. This support includes payments such as those for continuing education, client educational events or reimbursement for the costs of marketing activities. Our arrangement with the Referring Party may create an incentive for the Referring Party to refer clients to our firm rather than another Financial Intermediary, based on the compensation the Referring Party receives. We reserve the right in any of the above circumstances to terminate our arrangement with any Referring Party.

The firm may establish arrangements in which we pay publishers, bloggers, and other media or advertising professionals to post advertisements for a subscription fee or a flat fee per individual responding to such advertisements whether or not they open an Account with our firm. These arrangements may create an incentive for a third party or other existing client to refer prospective clients to our firm, even if the third party would otherwise not make the referral.

## Item 15 – Custody

All client assets are held independently by an unaffiliated qualified custodian, we do not take physical custody of clients’ assets. However, under government regulations we are deemed to have custody of client funds and securities whenever we are given the authority to instruct client Custodians to have fees deducted directly from client Accounts. We are also deemed to have custody of client funds and securities when we have a standing letter of authorization (“SLOA”) to move money from a Client’s Account to a third-party account. The SEC issued a no-action letter providing guidance on custody and clarified that an investment adviser who has the power to disburse client funds to a third-party under a SLOA is deemed to have custody.

Clients will receive account statements from the qualified custodian that holds the Client’s account at least quarterly and urged to compare the account statements from the qualified custodian with any statements received from our firm. It is important for Clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us immediately if they feel there are any inaccuracies. Client’s must require:

1. The client’s Custodian or record keeper must agree to send statements, no less than quarterly, indicating all transactions and amounts disbursed from the account including trading activity and the amount of asset-based fees paid to our firm;

2. The client's Custodian provides the Account values to our firm, which are used to calculate asset-based fees; and
3. The client will contact our firm immediately if statements are not received at least quarterly or seem incomplete or incorrect.

*Please Note: The account custodian does not verify the accuracy of our advisory fee calculation.*

## Item 16 - Investment Discretion

Due to our model-based investment Strategies and pursuant a written agreement with our clients, we typically are granted a limited power of attorney by the client that authorizes our firm with investment discretion over the Client's Accounts pursuant to a written agreement. Our investment discretion is limited to the purchase and sale of Securities and investment of cash, and not to the distribution of assets (except for the limited grants of authority to facilitate withdrawal of money to the client according to their instructions as referenced above under Item 15).

We accept investment discretion authority to manage our Clients Securities. Full investment discretion facilitates placing trades in Clients Accounts on their behalf so that our firm may promptly implement the investment according to a client's investment objectives based on their risk tolerance. When investment discretion is granted, our firm or a Financial Professional will have the authority to determine, without obtaining specific client consent, the Strategies, or individual Securities to be bought and sold as well as the amount of the Securities to be bought or sold. Investment discretion is to be exercised in a manner consistent with the stated investment objectives, risk profile, and restrictions provided by the client in writing.

In certain circumstances, we may not be given full investment discretion. Below we have listed a few examples where we may act in a limited or non-discretionary capacity:

- **Retirement Plan Service:** When we act in a 3(21) fiduciary, rather than a 3(38) investment manager fiduciary capacity we will provide plan sponsors with the plans recommended investment line-up. Ultimately the plan trustees will have the discretion to select, replace and implement plan investment options based upon our recommendations.
- **Sub-Advisor Program:** Certain Platform Sponsors require our firm to provide asset allocation or trading instructions or recommendations to the Platform Sponsor, client or Trustee who will then exercise the ultimate trading discretion and execution responsibility in determining the timing of the trade and seeking best execution.

If we are not provided with investment discretionary authority, or that authority is restricted, it at times may have an adverse impact on the implementations of a trade and we may not achieve the optimal trading timing or price.

## Item 17 - Voting Client Securities

Generally, our firm does not accept the proxy authority to vote client securities, except as discussed below for certain legacy clients in our Wrap Program. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write, or email us to discuss questions they may have about particular proxy votes or other solicitations.

As part of an acquisition of accounts from an investment adviser purchased in 2023, the firm or its delegated non-affiliated third-party vendor, may vote client securities (proxies) for a limited group of accounts where our firm serves as a Sub-Advisor. Proxy voting for these limited accounts will continue by the firm and this service will exist as a legacy program. The firm is not offering proxy voting services to new clients, except to those associated with a Financial Professional who has or had preexisting accounts in the legacy program.

When our firm has proxy voting authority, we will apply our written proxy voting policies and procedures adopted pursuant to Rule 206(4)-6 under the Advisers Act ("Proxy Voting Policies and Procedures"). The Proxy Voting Policies and Procedures provide that where our firm has accepted proxy voting authority, we will vote such securities for the exclusive benefit, and in the best economic interest, of those clients and their beneficiaries, as determined by our firm in good faith, subject to any restrictions or directions from

a client. Such voting responsibilities will be exercised in a manner that is consistent with the general antifraud provisions of the Advisers Act, as well as with our firm's fiduciary duties under federal and state law to act in the best interests of its clients. Our Proxy Voting Policies and Procedures authorize our firm to delegate certain proxy voting functions to service providers, and we have contracted with an unaffiliated third-party proxy research and voting service ("Proxy Service") to assist in the electronic record keeping and management of the proxy process with respect to client securities. Under the terms of its arrangement with Broadridge, our firm can instruct Proxy Service to vote either for or against a particular type of proposal or our firm can instruct Proxy Service to seek instruction with respect to that particular type of proposal from our firm on a case-by-case basis ("Voting Instructions"). Proxy Service receives all proxy statements and sorts the proposals according to our firm's Voting Instructions. Proposals for which a voting decision has been pre-determined are automatically voted by Proxy Service pursuant to the Voting Instructions. Case-by-case decisions are generally made by the Chief Investment Officer or the Chief Compliance Officer, as needed. From time to time, a particular proxy vote may pose a conflict of interest between the interests of our firm and our clients. When a conflict of interest arises, we may choose one of several options to avoid or minimize the conflict, including: (1) automatic voting by Proxy Service in accordance with the Voting Instructions, if it involves little or no discretion; (2) engaging another party to determine how proxies should be voted; (3) "echo" or "mirror" voting the proxies in the same proportion as the votes of other proxy holders that are not our firm's clients; or (4) if possible, erecting information barriers around the person or persons making the voting decision sufficient to insulate the decision from the conflict. Clients may request a copy of our firm's Proxy Voting Policies and Procedures and/or information about how our firm has voted securities in their account by contacting our firm at 800-433-0422.

## Item 18 - Financial Information

We do not require nor solicit prepayment of more than \$1,200 in advisory fees per client, six months or more in advance and is therefore not required to include a balance sheet with this Brochure. We have no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been subject of a bankruptcy proceeding.

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**ANY QUESTIONS: Our Chief Compliance Officer remains available at [compliance@quartzpartners.com](mailto:compliance@quartzpartners.com) or 800.433.0422 to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**

## Appendix 1. Privacy Policy

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### Our Commitment

Our firm is a fiduciary to our clients and is committed to protecting the confidentiality and security of the information collected from our clients. We understand the value of maintaining privacy when handling financial information. As a firm policy, we do not sell, rent, or lease consumer personal information we collect from clients. Client information is only disclosed as required for the management of their relationship with our firm or as required by law. We ensure the security of client information in accordance with the following Privacy Policy which includes all prospective, current, and former clients.

### Collection and Gathering of Information

Our firm and the custodians, insurance companies, mutual fund companies, or other qualified investment providers where clients' accounts are maintained are required by law to collect certain client information to manage their investments and to also protect against identity theft and money laundering. Client information is collected in the onboarding application when a new client relationship is established with our firm. This information includes first and last name, address, date of birth, marital status, social security numbers, account numbers, income, net worth, and other financial data necessary in the management and administration of a client's investment account.

### Protection of Your Information

Our employees and financial advisors are committed and required to protect the confidentiality of client information. Employees may access client information only when necessary to perform their job functions in the management of client accounts. We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our technology stack. Our physical, electronic, and policies and procedures help safeguard client information.

### Disclosure of Information

We may disclose any information to or as directed by the client's financial advisor in the normal and necessary course of business, and when required by law. Client information may be disclosed in such circumstances as regulatory audits, to attorneys or judges as part of litigation, or law enforcement or other government agencies to help prevent, among other things, fraud, and money laundering. We may also provide information to our affiliates, service providers, which enables them to deliver services for our firm or the client's financial professional, for things such as reporting, effecting transactions on the client's behalf, or performing maintenance on a client's account.

Outside companies providing services on behalf of our firm, such as portfolio management systems, mail vendors, payment processors, or data processing companies, are each required to have an adequate privacy policy or sign a confidentiality agreement. They may only use the information provided by our firm to perform the job for which they have been contracted. Any violation of a confidentiality agreement is prosecutable by law. Other than the exceptions above, we will not make any disclosures of client information to any other businesses or third parties who may want to offer their services to the client.

### Access to and Correction of Information

Should a client wish to review any file containing personal client information maintained by our firm, please contact us.

### Further Information

We reserve the right to change the Privacy Policy at any time without prior notification. Please contact our firm for more detailed information on how we safeguard your information or questions that you may have. We may develop, use, distribute and publish information and statistics derived from aggregate consumer information and the content that You contribute for use on a masked, aggregate basis. We are required by law to deliver this Privacy Policy to all clients annually.