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**3/28/2023**

**FORM ADV PART 2A  
BROCHURE**

**This brochure provides information about the qualifications and business practices of William Mack & Associates, Inc. If you have any questions about the contents of this brochure, please contact us at (248) 643-4310. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.**

**Additional information about William Mack & Associates, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD Number for William Mack & Associates, Inc. is 107377.**

**William Mack & Associates, Inc. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## ***Material Changes***

Registered Investment Advisers are required to report updates in the business and service information contained in their Form ADV 1 and ADV 2 Brochures according to the following schedule: 1) Promptly throughout the year when changes occur and 2) No less than annually, within 90 days of the Adviser's fiscal year end. Each year, we may send you a letter summarizing the Brochure amendments, or we may send you the ADV 2 in its entirety, including this Material Changes page.

William Mack & Associates, Inc. ("WMA") filed the last annual amendment filing of this Brochure with the United States Securities and Exchange Commission ("SEC") on 12/13/2022. The following material changes have been made since that filing:

### ***December 1, 2022***

Dave Dickinson was named as Chief Compliance Officer of William Mack & Associates, Inc.

### ***Item 4.E Fiscal Year-end Assets Under Management***

WMA's assets under management as of the close of business on December 31, 2022, totaled, \$647,382,000 in 843 discretionary accounts and \$2,000,000 in 3 non-discretionary accounts.

### **Additional Information**

We will ensure that clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

A full copy of our brochure is available upon request. To receive a copy, free of charge, please contact us by telephone at (248) 643-4310, or by email to [staff@wmack.com](mailto:staff@wmack.com). WMA's brochure is also available on our website at [www.wmack.com](http://www.wmack.com).

Additional information about WMA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with WMA who are registered, or are required to be registered, as investment adviser representatives of WMA.

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## ***Advisory Business***

William Mack & Associates, Inc. (“WMA” or “Adviser”) is a fee-only Registered Investment Adviser. WMA’s registration was granted by the U.S. Securities and Exchange Commission (“SEC”) on September 3, 1992. William Mack (CRD Number 1434254) is the President of the Adviser and owns 80% of the equity of the firm. Theodore Karl Bugenski (CRD Number 2167202) is Vice President of the Adviser and owns 20% of the equity of the firm. Dave Dickinson (CRD Number 1688810) is the firm’s Chief Compliance Officer. The firm is not publicly owned or traded. There are no indirect owners of the firm or intermediaries, which have any ownership interest in the firm.

The term “*fee-only*” means WMA and its Adviser Representatives are compensated for services via advisory fees paid by clients. WMA and its Adviser Representatives do not accept brokerage or insurance commissions.

“*Adviser Representatives*” are those persons registered and authorized by WMA to provide financial and investment advisory services on behalf of WMA.

WMA is not a broker/dealer or custodian. Client assets are managed on an individualized basis. WMA does not sponsor or manage any wrap programs.

As of December 31, 2022, the firm managed, on a discretionary basis, \$647,382,000 of client assets which represented 843 accounts and managed, on a nondiscretionary basis, \$2,000,000 which represented 3 accounts.

WMA may offer a complimentary general consultation to discuss financial and investment advisory services available; to give a prospective client an opportunity to review services desired; and to determine the possibility of a potential Client-Adviser relationship. WMA and its Adviser Representatives may recommend the services of WMA. Clients are never obligated to engage services after the complimentary consultation. Services begin only after the client and Adviser formalize the relationship with a properly executed Client Agreement.

After the formal engagement and depending upon the scope of the engagement, the Adviser and client will share in a data gathering and discovery process in an effort to determine the client’s needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and the nature of services requested. The client and Adviser may complete a risk assessment, investment policy statement or similar document, depending upon the nature of services to be provided.

### **Investment Management and Planning Services**

WMA offers a “Retainer Service,” whereby it provides ongoing investment management services to clients on a discretionary or non-discretionary basis. This service includes ongoing investment advice, investment tracking, performance monitoring, trade execution and financial planning. This is WMA’s primary service offering.

Diversification, tax-efficiency, and low-cost investing are the cornerstones of WMA’s investment

philosophy. WMA utilizes actively managed and index mutual funds, as well as ETFs, when crafting a portfolio strategy designed to help achieve a client's stated specific goals and objectives, based on their disclosed risk tolerance level. WMA will generally seek to allocate the client's assets among various investments, taking into consideration the overall management style and portfolio framework selected by the client. WMA may utilize proprietary investment models as described on pages 10-12 of this brochure. WMA attempts to construct a diversified portfolio of investment recommendations that are within its realm of expertise. In each case, the stated individual needs, goals and desires of clients are taken into consideration. The client may impose reasonable restrictions on investing in certain types of securities by telling us verbally or in writing. Where clients retain WMA on a non-discretionary basis, the client is welcome to implement recommendations in whole or in part via the financial services provider(s) of their choice. When providing advice on investments within retirement plans, the advice and any recommendations are limited to plan offerings.

Clients engaging investment Advisory services must play an active role. The Adviser requires the client to participate in the formation of the investment plan, the development of investment advice and recommendations and the ongoing services provided. Clients may call the office during regular business hours to discuss their portfolio or ask questions, but the Adviser recommends that clients initiate a meeting with the Adviser no less than annually. *However, clients are obligated to immediately inform the Adviser of any changes in their financial situation to provide the Adviser with the opportunity to review the portfolio to ensure it is still structured to help meet the client's stated needs and objectives.*

Retainer clients also receive WMA's financial planning services in addition to investment management. WMA is available to provide consultation in the areas of insurance, taxes, retirement, college planning and estate planning. Depending on specific client needs, the Adviser will analyze a client's present position relative to his/her goals and objectives and make a recommendation on how to achieve the client's goals. Clients requiring assistance on issues relating to matters outside of financial and investment advisory topics should consult their personal tax adviser, legal counsel, or other professionals for expert opinions. WMA can prepare a financial plan or review an existing plan and the client is welcome to implement recommendations in whole or in part, at their discretion. Thereafter, plan reviews are available annually, at the request of the client during the term of the management agreement.

In providing ongoing investment management services, WMA will manage investor funds in accordance with the investment policy/strategy as selected by the client. WMA will provide ongoing monitoring of the portfolio in accordance with the directives provided. The underlying portfolio assets will be reviewed internally on a frequent basis (generally quarterly or more often), depending upon the types of investments, market conditions, at the discretion of the Adviser, or as may be specifically requested by the client. WMA also remains available by appointment during the Adviser's normal business hours, for consultations.

### **Financial Planning – Hourly Services**

WMA also offers hourly-based financial planning services in the areas of insurance, taxes, investment, retirement, college planning and estate planning. Depending on specific client needs, the Adviser will analyze a client's present position relative to his/her goals and objectives and make a recommendation on how to achieve the client's goals. Financial planning services are hourly based and are not ongoing services.

WMA can tailor its planning services to include short-term and/or long-term goal planning as directed by the client. When these planning services only focus on certain areas of client interests, needs or is otherwise limited, clients must understand that a client's overall financial and investment needs and objectives may not be considered as a result of time and/or service restraints placed on the Adviser's services. Clients requiring assistance on issues relating to matters outside of financial and investment advisory topics should consult their personal tax adviser, legal counsel, or other professionals for expert opinions. When providing advice on investments within retirement plans, the advice and any recommendations are limited to plan offerings. Implementation of any advice or recommendations pertaining to securities or non-securities matters (such as insurance), in whole or in part, is entirely at the client's discretion via the service provider(s) of the client's choice.

Financial Planning Services generally utilize long-term strategies so that continuous monitoring is not required. The advice provided by the Adviser may include recommendations for updates and reviews. Clients are welcome but are never obligated to retain the Adviser for additional or follow-up services. Where additional or new services are desired, WMA may require an amended or new client agreement. Financial Planning Services will not include any portfolio monitoring, investment reviews or investment management. Investment Management Services may be available via a new client agreement.

### **Services to Other Registered Investment Advisers**

In addition, the officers of WMA provide investment review and consultation services to an affiliated Registered Investment Adviser. WMA provides back-office administration services to this other firm. These professional firm services are separate and distinct from the services provided by WMA to its clients.

### ***Fees and Compensation***

The compensation for Investment Management Services is based on a percentage of the assets being supervised. When entering into a new client relationship, WMA typically requires a minimum portfolio size of \$250,000 in order to offer the client with the full range of services that WMA provides. However, since there are many variables associated with an individual's financial situation, including the future potential and ability to accumulate assets, as well as relationships with existing clients, WMA at its discretion, may reduce the minimum portfolio size requirement. WMA's fee may be higher or lower than may otherwise be available through other types of advisory firms for similar services.

As such, portfolio minimums and the annual Retainer Fee schedule can vary depending on client-specific circumstances. The annual Retainer Fee schedule is as follows:

- 1.00% of the first \$1,000,000
- 0.80% of the next \$500,000
- 0.60% on assets over \$1,500,000

The Retainer Fee is payable in advance on a quarterly basis and calculated using the market value of the portfolio, as set by the custodian, as of the last market day of the relevant calendar month. The Adviser's quarterly fee is determined by multiplying the portfolio balance on the last trading day of the preceding calendar quarter by 0.25% of the Adviser's annual fee. The annual fee is negotiable based on the size of the account and the particular circumstances of the client. A pro-rata fee is calculated for services initiated at any time other than at the beginning of a calendar quarter. In the rare case where there is an absence of an asset value (via the custodian), the Adviser will utilize at least one independent third-party to assess the holding's value.

The client may terminate services at any time without penalty. If termination occurs prior to the end of a full quarter, the client will receive a pro-rated refund for the balance of the quarter. The client does not have to request this refund, as the Adviser calculates the amount to be refunded on the day we receive notice, and typically refunds it to the client within one week. The refund is calculated as follows: (Total fee for the quarter/number of days in the quarter) multiplied by the days remaining in the quarter.

WMA does not receive any portion of fees charged by the clients' service providers. Examples of these fees may include but are not limited to: If the client sells certain mutual funds before a 90-day holding period has expired, the client may incur a short-term redemption fee of up to \$199 from the custodian (i.e., Charles Schwab or TD Ameritrade). In addition to the custodian's fee, the client may incur a short-term redemption fee from the mutual fund company of 1% to 2% of the amount sold if the fund is sold before the specified holding period expires (normally from 30 days to 180 days). The redemption fee will reduce the proceeds from the sale of the mutual fund.

Clients are responsible for the payment of all third-party fees associated with investing. Clients may pay transaction and brokerage commission to their broker/dealer or other service providers ("*Financial Institution[s]*") as well as any fees associated with their particular accounts (e.g., account opening, maintenance, transfer, termination, wire transfer, retirement plan, trust fees, and all such applicable third-party fees, deferred sales charges, oddlot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions). All fees paid to the Adviser for Advisory services are separate from the fees and expenses charged to shareholders of ETF's or mutual fund shares offered by mutual fund companies. If a mutual fund previously purchased by or selected by a client should impose a sales charge, a client may pay an initial or deferred sales charge. *WMA does not receive any portion of these investment-related fees.* Such charges, fees and commissions are exclusive of and in addition to the Adviser's fees. A complete explanation of the expenses charged by a mutual fund or ETF is contained in the respective mutual fund prospectus. Clients are encouraged to read each prospectus and securities offering documents.

Payment of **Investment Management** fees may be made directly to the Adviser or through a debit to the client's account via the qualified custodian holding the client's funds and securities. The Adviser adheres to the following criteria when payment is made via a qualified custodian as required by the SEC:

(1) The client provides written authorization permitting the fees to be paid directly from the client's account held by the independent qualified custodian and the authorization is limited to withdrawing contractually agreed upon Investment Adviser fees; (2) The client will directly receive regular (monthly or quarterly) account statements from the qualified custodian which reflect the Adviser's fee deduction; (3) The frequency of fee withdrawal shall be specified in the written authorization and/or agreement; (4) The custodian of the account shall be advised in writing of the limitation on the Adviser's access to the account and; (5) The client shall be able to terminate the written billing authorization or agreement at any time.

It is important to note that custodial firms do not verify advisory fees. Therefore, clients should review their custodial statements carefully. If a client should have any questions or concerns in connection with an advisory fee deduction, they should promptly contact WMA. If at any time during the engagement, the client fails to receive the regular account statements produced by the custodian, it is important for the client to promptly notify WMA and the custodial firm.

Compensation for financial planning to non-retainer clients is based on an hourly rate for the time spent by respective personnel and fees are invoiced directly:

Certified Financial Planner™	\$250
Financial Planner	\$200
Para-Planner	\$125
Clerical	\$ 60

An initial deposit of \$500 is required to schedule services. Should the client's condition change during the course of services such that new advice, recommendations or research are required, additional fees may apply. The Adviser will not engage in additional services that result in fees without the client's approval.

An unconditional money back guarantee is offered if requested within ten (10) days of the presentation of the plan if the client is not satisfied for any reason.

### ***Performance-Based Fees and Side-By-Side Management***

WMA's fees are not "performance based" (based upon a share of capital gains or capital appreciation, or performance, for any portion of funds under an advisory contract). Therefore, the Adviser does not engage in side-by-side management services.

### ***Types of Clients***

Types of clients include: individuals, pension plans, profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities. Our minimum portfolio size is



typically \$250,000, but may be negotiable depending on the circumstances of the particular client (i.e., potential to save), or as a courtesy to an existing client. WMA reserves the right, in its sole discretion, to decline any new account.

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

### **Methods of Analysis**

Methods of securities analysis will include fundamental analysis and technical analysis.

WMA attempts to measure an investor's goals, risk tolerance and investment time-frame through discussions, meetings with clients and the financial and investment data disclosed to the Adviser, in an effort to determine which of our six investment strategies is appropriate for the client. Once the client approves the recommended strategy, an Investment Policy Statement is agreed upon which outlines the specific asset allocation strategy, with a specific risk profile. The Investment Policy Statement outlines the equity and fixed income exposure and provides the parameters that will be used in managing the account.

In order to help clients determine an appropriate strategy, we generally have a discussion with the client which includes several factors including: the client's current financial situation, time horizon, investment goals and objectives, investment experience, and tolerance for risk. This discussion results in the selection of the investment strategy that is appropriate for the client's account(s).

WMA uses six different investment strategies ranging from Conservative to Aggressive Growth. Investment strategies may include long-term purchases (securities held at least 3-5 years) and short-term purchases (securities held 1 year or less) depending on the needs of the client. These strategies are typically implemented using no-load mutual funds across several different asset classes. The major asset classes the Adviser commonly recommends are Cash and Cash Equivalents, Fixed Income Securities, Alternative Strategies, U.S. Large Cap Stocks, U.S. Mid Cap Stocks, U.S. Small Cap Stocks, and International Stocks. As part of our ongoing research, we analyze thousands of actively managed and index mutual funds, as well as Exchange Traded Funds (ETFs). When it is warranted, we will replace a fund in a strategy if we determine that it no longer meets our objectives.

The Adviser generally recommends a combination of no-load mutual funds and index funds. We generally do not recommend specific individual securities or specific sectors within most asset classes. In general, WMA does not recommend or select funds focused on specific sectors such as Biotechnology, Utilities, Natural Resources, etc. The Adviser's recommendations provide exposure to these sectors through funds that invest in a broad asset class. We may on occasion utilize Exchange-Traded Funds (ETF's). In addition, we may utilize asset allocation or balanced type funds for smaller accounts with values less than \$10,000.

Our research is drawn from many sources such as Morningstar, Lipper and Fi360, which is used to analyze many factors, some of which include: no-load (or load-waived funds), expense ratio, performance, style, category ranking within asset class, manager tenure, market capitalization, and

turnover ratio. The Adviser also utilizes many sources of public information to include financial news and research materials prepared by others.

We approach portfolio management with a long-term perspective, and as a result, do not engage in timing the market. We, at times, may identify compelling tactical opportunities depending on market conditions which could result in rebalancing.

Investing inherently involves risk. Due to conditions beyond the Adviser's control (i.e., downturns in the U.S. and foreign economies, default risk (when investing in bonds, etc.)), investing in a selected strategy based on a client's risk tolerance may not yield the desired outcome.

WMA may participate in company-held conference calls, webinars, and mutual fund liaison and manager interviews. Company provided data may not always be the most objective; therefore, the Adviser may conduct its own internal research.

In addition to the above, numerous publicly available sources of economic, financial and investment research are used by the Adviser. Asset allocation software and historical performance modeling software may also be utilized. As with any data produced by third parties, there is always the possibility that the company's data has been manipulated (against regulatory rules). It does happen, and it can be very difficult to detect. Thus, an analyst is limited by the data that is published.

*It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear and there is no single strategy that can guarantee success.*

### **WMA Investment Strategies**

#### **DEFENSIVE BALANCED STRATEGY**

The objective of the Defensive Balanced Strategy is to primarily provide for the preservation of capital with a minor portion of the overall allocation dedicated to domestic and international equities for growth. The total equity percentage will typically be around 20% and typically will not exceed 40%. Also, a portion of the portfolio (typically around 15%) is directed towards a conservative alternative investment that exhibits fixed income characteristics. The typical investor has a target investment horizon of less than five years. The portfolio is diversified across all sub-asset classes using open ended mutual funds that provide maximum liquidity. This Strategy is designed for the highly conservative investor.

#### **CONSERVATIVE BALANCED STRATEGY**

The primary objective of the Conservative Balanced Strategy is to provide income with growth of principal as a secondary objective. Investors should be willing to accept some fluctuation in value on a year-to-year basis. The total equity percentage will typically be around 35% and typically will not exceed 55%. Also, a portion of the portfolio (typically around 15%) is directed towards a conservative alternative investment that exhibits fixed income and/or market neutral characteristics. The typical investor has a target investment horizon of five-to-seven years. The

portfolio is diversified across all sub-asset classes using open ended mutual funds that provide maximum liquidity. This Strategy is designed for the conservative investor.

### **BALANCED STRATEGY**

The primary objective of the Balanced Strategy is to generate moderate growth of principal with income as a secondary objective. Investors should be willing to accept fluctuations in value on a year-to-year basis. The total equity percentage will typically be around 45% and typically will not exceed 75%. Also, a portion of the portfolio (typically around 15%) will be directed towards alternative investments that focus on domestic and/or international real estate, commodities, TIPS, absolute return, market neutral and long/short equity characteristics. The typical investor has a target investment horizon of more than seven years. The portfolio is diversified across all sub-asset classes using open ended mutual funds that provide maximum liquidity. This Strategy is designed for the moderate investor.

### **GLOBAL EQUITY TILTED STRATEGY**

The primary objective of the Global Equity Tilted Strategy is growth of principal. Investors should be willing to accept higher volatility and fluctuations in value on a year-to-year basis and the potential for losses. The total equity percentage will typically be around 75% and typically will not exceed 90%. Also, a portion of the portfolio (typically around 15%) will be directed towards alternative investments that focus on domestic and/or international real estate, commodities, TIPS, absolute return, market neutral and long/short equity characteristics. The typical investor has a target investment horizon that is more than ten years. The portfolio is diversified across all sub-asset classes using open ended mutual funds that provide maximum liquidity. This Strategy is designed for the aggressive investor.

### **GLOBAL EQUITY STRATEGY**

The primary objective of the Global Equity Strategy is exclusively dedicated towards growth. Investors should be willing to accept higher volatility and fluctuations in value on a year-to-year basis and the potential for losses. The total equity percentage will typically be around 90% and may make up 100% of the portfolio. Also, a portion of the portfolio (typically around 15%) will be directed towards alternative investments that focus on domestic and/or international real estate, commodities, TIPS, absolute return, market neutral and long/short equity characteristics. The typical investor has a target investment horizon that is long-term, typically exceeding 15 years. The portfolio is diversified across all sub-asset classes using open ended mutual funds that provide maximum liquidity. This Strategy is designed for the aggressive investor.

### **INDIVIDUAL STOCKS**

As mutual fund specialists, we generally do not recommend investing in individual stocks, preferring instead the broad diversification offered by stock mutual funds.

That being said, we will accommodate clients if they would like to self-direct us to buy and sell stocks for their account(s) as a courtesy. If this is the case, in authorizing WMA, they assume sole

responsibility for the performance and buy/sell decisions related to those individual stocks. As such, WMA bears no liability or responsibility with respect to those individual stocks, and therefore, does not assess Retainer Services fees on such stocks. Stocks that are self-managed by clients do not receive a suitability review by WMA. These stocks will be identified as “exempt assets” with respect to billing/fees.

If instead, a client requests that we accept individual stocks into their account(s) and would like WMA to manage those positions, normal WMA fees will apply. WMA will monitor those stock positions. Decision making is limited to a “hold” recommendation, or a “sell and reinvest in mutual funds” recommendation. WMA utilizes a mathematical model combining the opinions and ratings of companies such as Standards & Poor, Morningstar and Charles Schwab & Co. Should a stock’s combined rating fall below a specified level, WMA would implement its “sell and reinvest in mutual funds” recommendation.

In granting WMA limited discretionary authority, WMA will take action on these holdings in accordance with a client’s designed investment objective and strategy. As with any investments we manage, there is no guarantee that WMA’s investment decisions will be profitable.

### **Other Information**

Portfolio holdings or recommendations are generally judged by (managers’ or investments’) experience, track record and performance of like-kind investments. The Adviser will actively manage each portfolio. Investors should expect to remain fully invested within the ranges of their selected asset allocation plan at all times in accordance with the designed strategy, unless restated by the client. The Adviser generally looks to the long-term when developing advice and recommendations based upon information provided by the client.

Changing conditions in the client’s financial life or significant changes in market conditions may warrant a collaborative effort with the client to modify their strategic investment framework, which consequently may also trigger changes to investment holdings within the portfolio.

Portfolio additions may be in cash or securities, provided the Adviser reserves the right to liquidate any transferred securities or decline to accept particular securities into the client’s account. The Adviser may consult with its clients about the options and ramifications of transferring securities. However, clients are hereby advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charge) and/or tax ramifications.

### **Risk of Loss**

*Investing in securities carries risk of loss which clients must be prepared to bear.* There are risks associated with investing including possible loss of principal.

WMA generally seeks investment strategies that do not involve significant risk or unusual risk beyond that of the general domestic and/or international equity markets. Thoughtful investment selections that are designed to help meet a client’s stated goals and risk profile may help keep individual stock and bond risks at an acceptable level.

Investments in mutual funds, index funds and exchange-traded funds may bear a risk of investment loss. Clients who invest should also be prepared to bear a loss of investment principal.

Investments in individual stocks can be risky. Common stocks are susceptible to market fluctuations and to volatile increases and decreases in value as investors' confidence in and perceptions of their issuers change. Some risks can be controlled, and some risks can be guarded against, but no strategy can carry guarantees from loss. Certain market risks cannot be controlled, such as market or economic conditions. Investments in common stocks are subject to the risk that in the event of a company's liquidation, the holders of preferred stock and creditors will be paid in full before any payments are made to holders of common stock.

Foreign investing involves special risks, such as risk of loss from currency fluctuation or political or economic uncertainty. Investments in real estate funds or programs involve additional special risks, such as credit risk, interest rate fluctuations and the effect of varied economic conditions. Funds focusing on a single country, sector and/or smaller companies generally experience greater price volatility.

The Adviser can use any or all of the aforementioned different but somewhat complementary methods for investment selections as agreed upon between the Adviser and the client. No single strategy can be relied upon to outperform the market. However, WMA's goal in its analysis is not to time the market. WMA seeks to utilize investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, by potentially missing upward market moves and through increased brokerage and other transaction costs and taxes.

There are certain risks involved in investing in all types of bonds: Government, Municipal, and Corporate. The following is an overview of the types of risks that one should consider in terms of bond investments: interest rate risk, reinvestment risk, inflation risk, market risk, selection risk, timing risk, and price risk. Additional risks for some government agency, corporate and municipal bonds may include: Legislative risk (a change in the tax code could affect the value of taxable or tax-exempt interest income) and Call risk (some corporate, municipal and agency bonds have a "call provision" entitling their issuers to redeem them at a specified price on a date prior to maturity). Declining interest rates may accelerate the redemption of a callable bond, causing an investor's principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates.

If the bond is called at or close to par value, as is usually the case, investors who paid a premium for their bond also risk a loss of principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called. Additionally, there may be a liquidity risk involved if investors have difficulty finding a buyer when they want to sell and may be forced to sell at a significant discount to market value. Liquidity risk is greater for thinly traded securities such as lower-rated bonds, bonds that were part of a small issue, bonds that have recently had their credit rating downgraded or bonds sold by an infrequent issuer. Bonds are generally the most liquid during the period right after issuance when the typical bond has the highest trading volume. Additional risks for corporate and municipal bonds may include: credit risk, default risk, event risk and duration risk.

Bank obligations, including bonds and certificates of deposit, may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are highly dependent upon short-term interest rates and may be adversely affected by downturns in the U.S. and foreign economies and/or changes in regulations.

### **Other Information**

Clients may make additions to and withdrawals from the account at any time, subject to the Adviser's right to terminate an account. Clients may withdraw account assets on notice to the Adviser, subject to the usual and customary securities settlement procedures. WMA generally designs its client portfolios as long-term investments and asset withdrawals may impair the achievement of a client's investment objectives.

Portfolio additions may be in cash, cash equivalents and securities. However, the Adviser reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. The Adviser may consult with its clients about the options and ramifications of transferring securities to WMA when provided pre-notification of the client's intentions. Clients are hereby advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (*i.e.*, contingent deferred sales charge) and/or tax ramifications.

Clients may choose to make self-directed securities transactions, which are investments that are not reviewed and/or not recommended by the Adviser. In such cases, the Adviser has not passed on the suitability of said investments and while the Adviser may assist with client-directed implementation as a value-added service at the client's request, the Adviser will not manage these types of investments unless agreed upon by both parties.

### ***Disciplinary Information***

WMA and its Officers have not been involved in any civil, criminal, arbitration, disciplinary or other regulatory events. There is no information in the Adviser's registration records that would impact a client's or prospective client's evaluation of WMA or the integrity of its management.

WMA, its Officers and its Adviser Representatives have not been involved in any proceedings before the SEC or any other federal, state or foreign regulatory authority. In addition, none of the aforementioned persons have been involved in any self-regulatory organization proceedings or investment-related civil litigation.

Information about WMA's Adviser Representatives is contained on the ADV Part 2B Brochure Supplement.

### ***Other Financial Industry Activities and Affiliations***

#### **Services to Other Registered Investment Advisers**

In addition, the officers of WMA provide investment review, consultation services and back office administration services to an affiliated Registered Investment Adviser. The time spent on these

activities will vary throughout the year but may involve up to 10-30%. These professional firm services are separate and distinct from the services provided by WMA to its clients.

William Mack and Theodore Bugenski collectively own 50% of CND Financial, Inc. (CND), an affiliated Registered Investment Adviser. Arthur Cole (CRD Number is 2822685) owns the remaining 50%. WMA also provides back-office administrative services to CND. CND's assets under management as of the close of business on December 31, 2022, totaled \$127,465,000 in 208 discretionary accounts.

As a result of their ownership in CND, Mr. Mack and Mr. Bugenski share in a portion of the investment advisory fees CND charges its clients. In addition, William Mack, the President of WMA is dually registered with CND as an Adviser Representative and in this capacity, he provides services to CND' contracted clients. The time spent on this activity may vary throughout the year but may account for up to 20% of his time. The services of CND and WMA are separate and distinct.

Arthur Cole is not an Officer or Adviser Representative of WMA. Mr. Cole is separately engaged as the Managing Partner of Cole, Newton & Duran, a Certified Public Accounting firm. WMA and the Officers of WMA are not owners of nor do they engage in providing services of the CPA firm as it is a separate and distinct business from CND. Adviser Representatives of CND may recommend the services of the accounting practice and clients are welcome but never obligated to utilize the firm's services.

Neither WMA nor its Adviser Representatives are registered (or have a registration pending) as a broker/dealer or as representatives of a broker/dealer. WMA and its Adviser Representatives do not maintain registration relationships with any of the following:

- Municipal securities dealer, or government securities dealer or broker;
- Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund);
- Futures commission merchant, commodity pool operator, or commodity trading adviser;
- Banking or thrift institution;
- Lawyer or law firm;
- Insurance company or agency;
- Pension consultant;
- Real estate broker or dealer;

- Sponsor or syndicator of limited partnerships.

WMA does not operate and does not have a material relationship with a hedge fund or other type of private pooled investment vehicle.

One staff member, who is not a registered representative, on a case-by-case basis, may assist family and friends in completing their personal tax returns.

#### **Selection of Other Advisers or Managers**

WMA does not utilize nor select other Advisers or third-party managers. All assets are managed by WMA except for one long-time client relationship that was inherited many years ago whereby the client utilizes the services of an unaffiliated third-party service provider. This is a grandfathered account and no such services are offered to WMA clients.

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

The Adviser has adopted a written Code of Ethics in compliance with SEC rule 204A-1. The code sets forth standards of conduct and requires compliance with federal securities laws. The code also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the Chief Compliance Officer of the Adviser. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

It is further noted that the Adviser is in, and shall continue to be in, compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, the Adviser has adopted a company-wide policy outlining insider trading compliance by the Adviser and all associated persons and employees. This statement has been distributed to all associated persons and employees of the Adviser and has been signed and dated by each person. Further, the Adviser has adopted a written supervisory procedure statement highlighting the steps which shall be taken to implement the company wide policy. These materials are also distributed to all associated persons and employees of the Adviser, are signed and dated, and filed with the insider trading compliance materials. There are provisions adopted for (1) restricting access to the files, (2) restricting and/or monitoring trading on those securities of which employees of the Adviser may have non-public information, (3) requiring all employees of the Adviser to conduct their trading through a specified broker or reporting all transactions promptly to the Adviser, and (4) monitoring the securities trading of the Adviser and its employees and associated persons.

WMA and/or the individuals associated with WMA may have similar investment goals and objectives and, as a result, may buy or sell securities for their personal accounts that may be identical to or different from those recommended to clients. Thus, at times, the interests of the Adviser's or staff members' accounts may coincide with the interests of clients' accounts. However, at no time will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions. The Adviser and its associated persons will not place itself in a position to have added benefits as a result of advice given to clients.



WMA and its Adviser Representatives acknowledge the Adviser's fiduciary responsibility to place the investment needs of clients ahead of the Adviser and its staff. The interests of clients are held in the highest regard. At no time will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions. The Adviser and its associated persons will not place itself in a position to have added benefit as a result of advice given to clients.

As certain situations in which the Adviser is involved may represent a conflict of interest, the Adviser has established the following restrictions in order to ensure its fiduciary responsibilities:

- 1) A director, officer or employee of the Adviser shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of the Adviser shall prefer his or her own interest to that of the advisory client. Employees of the Adviser may, from time to time, buy or sell the same securities that are recommended to the Adviser's clients. Such securities are anticipated to be predominately investment company shares listed on a National Exchange or the OTC market.

These transactions will be de minimus in nature in relation to the amount of outstanding shares of any such security and, as such, neither the client's nor the employee's buy or sell would affect the market prices of the security in any manner whatsoever.

- 2) The Adviser maintains a list of all securities holdings for itself, and anyone associated with the Adviser. These holdings are reviewed on a regular basis by Dave Dickinson.
- 3) The Adviser requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 4) Any individual not in observance of the above may be subject to termination.

### ***Brokerage Practices***

WMA is not affiliated with any broker/dealer firm and WMA's Adviser Representatives are not registered representatives of any broker/dealer.

Financial Planning clients are welcome to implement recommendations, in whole or in part, through the financial services firms of their choice.

WMA recommends the services of Charles Schwab & Co, Inc. ("*Schwab*"), which provides custodial and account services to independent Registered Investment Advisers and their clients. WMA participates in Schwab Adviser Services program for independent Registered Investment Advisers. The Adviser may recommend that clients establish brokerage accounts with the Schwab Institutional division of Schwab, which is a registered broker-dealer, Member SIPC/FINRA, to maintain custody of clients' assets and to effect trades for their accounts.

Schwab Institutional provides the Adviser with access to its institutional trading and operations services, which are typically not available to Schwab retail investors. Schwab Institutional's services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. These services generally are available to independent Investment Advisers at no charge to them, so long as a total of at least \$10 million of the Adviser's clients' account assets are maintained at Schwab Institutional. Thus, the recommendation to Schwab presents a conflict of interest between the Adviser and its clients. However, WMA seeks best execution in connection with its brokerage recommendations.

WMA believes Schwab offers excellent customer service to clients and independent Investment Advisers, as well as competitive trading costs. Schwab is a large and sophisticated order sender and features broad lines of products and services that may be suitable for many types of investors with varying investable assets.

As a fiduciary, WMA acknowledges its duty to obtain best price and execution for its clients' transactions under the available circumstances. Best execution is not determined solely by the lowest possible commission. The decision to utilize Schwab is based upon a number of factors as listed below:

- ❖ Quality of overall execution services provided;
- ❖ Reliability;
- ❖ Execution and operation capabilities;
- ❖ Promptness of execution;
- ❖ Creditworthiness, financial condition, and business reputation;
- ❖ Promptness and accuracy of reports on execution;
- ❖ Ability and willingness to correct errors;
- ❖ Promptness and accuracy of confirmation statements;
- ❖ Research (if any) provided;
- ❖ The broker-dealer's facilities and technology;
- ❖ Ability to access various market centers;
- ❖ The market where the security trades;
- ❖ Any expertise in executing trades for the particular type of security;
- ❖ Commission charged;
- ❖ Ability to use ECNs to gain liquidity, price improvement, lower commission rates and anonymity.

Schwab is a large service provider and provides support services to a large percentage of the independent investment adviser population. Schwab measures trade execution quality through a combination of factors, including but not limited to:

- Trade Execution Speed
- At-the-Quote or Better Percentage
- Price Improvement Percentage

Schwab consolidates its “best execution” responsibilities within a specialized monitoring group to provide a regular and rigorous review of the execution quality received from the venues where the firm routes equity and option orders. Additionally, for consumers seeking specific details about the service providers’ execution services, the firms offer additional information about trade quality and execution via their corporate website.

Schwab indicates in their best execution policies that the firm continually monitors alternative venues to identify opportunities for improving execution quality. Schwab considers a number of factors in evaluation of execution among markets and firms, including: execution price and opportunities for price improvement, market depth and order size, the trading characteristics of the security, speed and accuracy of executions, the availability of efficient and reliable order handling systems, liquidity and automatic execution guarantees, and service levels and the cost of executing orders at a particular market or firm. Price improvement occurs when an order is executed at a price more favorable than the displayed national best bid or offer. Schwab indicates it regularly monitors the execution quality provided through various markets and servicing firms to help ensure orders are routed to market venues that have provided high-quality executions over time. Generally, the larger service providers (like Schwab) compare the reported executions and unexecuted orders to the National Best Bids and Offers (NBBO’s) at the time of order entry and identify a subset of items that require review. Market volatility, volume and system availability may delay account access and trade executions. Price can change quickly in fast market conditions, resulting in an execution price different from the quote displayed at order entry. Execution price, speed and liquidity and account access are affected by many factors, including market volatility, size and type of order and available market centers.

The SEC requires brokerage firms to make their order routing practices publicly available. These reports provide information on routing non-directed orders (any order that the customer or Adviser has not specifically instructed to be routed to a particular venue for execution). For non-directed orders, Schwab will select the venue. Note: brokerage firms are required to disclose any material arrangements with the venues utilized, including but not limited to any intermediation or payments for order flow arrangements. Interested clients can view Schwab’s order routing data at: [www.schwab.com/public/schwab/nn/legal\\_compliance/important\\_notices/order\\_routing.html](http://www.schwab.com/public/schwab/nn/legal_compliance/important_notices/order_routing.html).

While it is possible that clients may pay higher commissions or transaction fees through preferred service providers, WMA has determined the firm currently offers the best overall value to the Adviser and its clients for the brokerage, service, and technology provided. Clients are also welcome to, and encouraged to, evaluate service providers before opening an account.

WMA monitors Schwab’s best execution documentation. At least annually, the CCO will review and evaluate Schwab’s performance by reviewing commission summaries, transaction reports, and failed trades. The data will be compared to other service providers offering comparable services within the Adviser market. From time-to-time, quantitative performance data about the broker-dealer may be acquired from the broker dealers or third-party evaluation services to assist the review process. The CCO will maintain records pertaining to the Adviser’s best execution review.

## **SOFT DOLLAR BENEFITS**

As previously noted in this section, WMA participates in the Charles Schwab & Co. institutional service program for independent Registered Investment Advisers. While there is no direct linkage between the investment advice given and the participation in a custodial firm's institutional program, economic benefits are received by the Adviser which would not be otherwise, if the Advisor did not give advice to clients.

Generally speaking, "soft dollars" are benefits (primarily investment research and brokerage services) that investment advisers receive in exchange for directing trade activity to a particular brokerage-custodial firm. Section 28(e) of the Securities Exchange Act of 1934, as amended (15 U.S.C. § 78bb (e)), establishes a safe harbor for money managers who use client funds to purchase brokerage and research services for their managed accounts. Under Section 28(e), a money manager is protected from liability for a breach of fiduciary duty solely on the basis of having paid more than the lowest commission rate for "brokerage and research services provided by a broker-dealer," the manager determines in good faith that the amount of the commission is reasonable in relation to the value of such services.

WMA may receive certain added benefits for utilizing Schwab, such as general research, the ability to deduct advisory fees from clients' custodial accounts, discounts on periodicals or materials, complimentary business and compliance newsletters, and various other non-cash services. Any general research WMA may receive is used for the benefit of all clients.

In fulfilling its duties to its clients, WMA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the Adviser's receipt of economic benefits from a custodian creates a conflict of interest since these benefits may influence the Adviser's choice of one firm over another (when the other firm does not furnish similar fee benefits, software access/discounts, systems support, back office administrative support or other services). However, the value of products, research and services given, is nothing extraordinary from what may be available via other custodial relationships. Therefore, the Adviser takes the position that the benefits received are negligible and customary within the advisory business and do not impair its independence in terms of service provider selection. However, the receipt of benefits does create a conflict of interest in conjunction with custodial recommendations. The following disclosure provides additional information relating to services received and who benefits (Adviser, clients or both):

**Services received that benefit clients** 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 which WMA might not otherwise have access to or would require a significantly higher minimum investment by our clients. WMA, by maintaining greater than \$5 million under management with certain custodians, may receive a waiver of fees (i.e. file download, on-line services, real time quotes, etc.) and, if applicable, discounted rates on transaction fees. While this last item benefits the Adviser, the clients also receive benefit via discounted transaction rates.

The following benefits present a conflict of interest between WMA and its clients:

**Services that may not directly benefit clients** are those products and services that Schwab makes available to WMA but may not directly benefit our clients or their accounts. These products and services assist the Adviser in managing and administering its clients' accounts and include investment research (both the broker/dealers' and that of third parties). WMA may use this research to service all or some substantial number of our clients' accounts, including those maintained away from Schwab. In addition, Schwab makes available software and other technology that provides access to client account data (such as duplicate trade confirmations and account statements), facilitates trade execution and allocation of orders for multiple accounts, provides pricing and other market data, facilitates payment of advisory fees from client accounts and assists with back-office functions, recordkeeping and client reporting.

**Services that generally benefit only the Adviser** are those other benefits intended to help the Adviser manage and further develop its business enterprise. These services may include, but are not limited to, educational conferences and events, as well as technology. Services also may include general compliance news, general legal and business consulting, as well as publications and conferences on practice management and business succession. The service providers may also offer access to employee benefits providers and human capital consultants. The firms may also provide these services themselves and in other cases, they will arrange for third-party vendors to provide services to the Adviser. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Adviser. Schwab and other service providers may provide benefits such as occasional business entertainment of our personnel and rarely, gifts of a very nominal value. The Chief Compliance Officer monitors all gifts and other considerations given and received.

As previously noted, Schwab does not charge their Advisers' clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Receipt of these service benefits present a conflict of interest between WMA and its clients. As a fiduciary, WMA acknowledges that it must place the best interest of their clients first.

#### **BROKERAGE FOR CLIENT REFERRALS**

WMA receives no referrals from a broker/dealer or third-party in exchange for recommending or using a broker/dealer or third-party.

#### **CLIENTS DIRECTING BROKER/DEALER/CUSTODIAN**

Hourly Financial Planning and Consultation clients are welcome to utilize any service provider they may choose and are welcome to implement any advice or recommendations in whole or in part.

WMA does not accept Client-directed brokerage requests.

#### **Trade Error Policy**

WMA requires its personnel to carefully implement investment decisions. Nevertheless, if a trade error occurs, it is WMA's policy to correct the error as soon as possible and in such a manner that the affected client is not disadvantaged and bears no loss. The goal of error correction is to make the client "whole," regardless of the cost to the Adviser.

If the trade error is the result of WMA's error, the client's transaction will be corrected and WMA will reimburse the client for any loss resulting from an inaccurate or erroneous order. If the client's account is custodied at Schwab, Schwab will reimburse the client for any loss less than \$100. If a trade error occurs and it results in a gain, the gain will remain in the client's account unless the same error involved other client account(s) that should have received the gain or it is not permissible for the client to retain the gain. If the gain does not remain in the client's account and Schwab is the custodian, Schwab will donate the amount of any gain of \$100 or over to charity. Schwab will maintain the loss or gain (if such gain is not retained in the client's account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in the client's account, they may be netted.

### **Allocation Policies**

WMA will generally provide investment management services in connection with mutual funds. When dealing with individual securities issues, the Adviser will not aggregate transactions unless aggregation is consistent with its duty to seek best execution and the terms of the Adviser's Retainer Services agreement (and/or the Investment Policy Statement) with each client for whom such trades are being aggregated. The Adviser will, of course, provide individual advice and treatment to each client and in each instance, the Adviser must reasonably believe that it can obtain best price by aggregation. WMA receives no additional benefit as a result of the proposed aggregation.

In each instance where aggregation is undertaken, it is the Adviser's policy that no client will be favored over any other client. Each client participating in an aggregated order will participate at the average share price for all Advisers' transactions in that security on a given business day, with transaction costs shared pro-rata, based upon each client's participation in the transaction. There is no requirement to allocate trades pro-rata and, in some cases, it might not make sense. Therefore, each incidence will be reviewed by the Chief Compliance Officer to determine the appropriate action and a similar review will occur during the preparation of the Adviser's internal allocation statement. The objective of an allocation statement is to ensure that based upon the individual needs and financial objectives of its various clients (taking into consideration any restrictions or limitations), the Adviser is distributing investment opportunities among client accounts in a rational and predictable manner and that the distribution is fair and equitable to all. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement. If the order is partially filled, it will be allocated pro-rata based on the allocation statement and documented accordingly. Deviations from the Adviser's allocation methodology are stated up front and are permitted only for good cause after a review by the Chief Compliance Officer. Examples of some circumstances that might warrant such a deviation include tax considerations, particular investment guidelines, client-imposed restrictions, etc. The Adviser will document any special considerations. It is the Adviser's position that an order may be allocated on a basis different from that specified in the allocation statement if all clients' accounts receive

fair and equitable treatment and the reason for the change in allocation is explained in writing and is approved in writing by the Chief Compliance Officer generally no later than one hour after the opening of the markets on the trading day following the day the order was executed.

Certain issues may impact the Adviser's allocation under the particular circumstances and in such cases, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis. The Adviser may also utilize a rotational allocation process in an effort to be fair to all participating clients.

### ***Review of Accounts***

Investment Management Services involve continuous and ongoing services to include monitoring and internal review of portfolio assets. Internal reviews occur no less than quarterly, however, these reviews may occur more frequently, depending upon the nature and complexity of the portfolio. Internal reviews may also occur at the time of significant deposits or withdrawals or may be triggered by market conditions, at the request of the client or other factors. Reviews generally entail analyzing securities, various markets, investment results, and other factors. For Investment Management clients who have requested financial planning services, the Adviser also offers a review of the plan or strategy *at the request of the client*. WMA may also review a portfolio if the client's asset allocation deviates over the targeted acceptable limits, at which time rebalancing is considered. William Mack, President, and/or Ted Bugenski, Vice President, have primary responsibility for performing account reviews.

Individual reviews (with clients) are conducted as requested by the client. WMA prefers clients initiate meetings (in person, via phone or other direct communication) no less than annually. However, clients are obligated to *promptly* contact WMA when there exists a real or potential change in the clients' financial condition. *This prompt notification gives WMA and the client the opportunity to review the new data to help ensure the designed investment strategies continue to be appropriate based on client's input and stated objectives.*

The Adviser's Financial Planning Services offered on an hourly basis do not include reviews since services terminate upon delivery. While the advice provided may include a recommendation for a future review or meeting, clients are welcome but never obligated to engage the Adviser for additional and/or future services. New or follow-up services will be available under a new or amended agreement.

## ***Client Referrals and Other Compensation***

On occasion, WMA may enter into relationships whereby WMA may compensate an unaffiliated third-party (such as an investment adviser or other professional) for client referrals. Generally, any such agreement will provide for payment to the solicitor of a percentage of the advisory fees we collect from the client. Solicitor compensation will be based upon the advisory fees we collect from the client and may be paid during a specified time period after we begin providing advisory services to the client or for the entire time that the client remains one of our clients. The Adviser's fees paid by referred investors are not impacted by the referral arrangement.

At the time of each referral, the referring party is responsible for ensuring prompt delivery of certain disclosure materials to each referred investor. These disclosures include: WMA's Form ADV 2 Brochure and a compensation disclosure document which details the solicitor arrangement, the fees associated with referral services and a delivery acknowledgement for the ADV 2 and any other documentation required by securities rules and regulations.

WMA retains the right to decline advisory services to any referred investor and for any reason. In some cases, the services offered by the Adviser may not be a good match based on what is known about the referred investor or the investor may wish to engage in trading strategies that are not offered by the Adviser.

## ***Custody***

WMA does not take custody of client accounts (funds or securities) other than the ability to deduct investment management fees from accounts (via the custodian) with the client's authorization. Custody services are provided by Charles Schwab & Co. or the client's selected custodial firm. Clients can expect to receive regular account statements from the custodian and should carefully review those statements.

WMA will only have access to custodial accounts in order to implement trades (via limited discretionary authority) and to deduct contractually agreed upon advisory fees and only with the appropriate client authorization. It is important that clients receive custodial statements directly. If clients find that custodial account statements are not being received directly, they must promptly contact WMA and their custodial firm.

In all cases, clients have a direct and beneficial interest in their securities (individual ownership), rather than an undivided interest in a pool of securities. Execution of transactions and custody of client funds and securities are services provided by the client's selected brokerage/custodial services provider(s).

## ***Investment Discretion***

Investment Management clients have the ability to leave standing instructions with the Adviser to refrain from investing in particular industries, invest in limited amounts of securities and to re-balance portfolios (also termed as "limited discretion").



The client grants WMA discretionary authority by virtue of the executed Retainer Services Agreement and Investment Policy Statement. Clients will also sign an agreement with their selected custodian which generally includes a limited power of attorney section where clients grant their Adviser authority to direct and implement the investment and reinvestment of their account assets but restricts the Adviser's ability to direct the assets outside of your account. -With the client's authorization, WMA will maintain limited discretionary trading authority to execute securities transactions in the investor's portfolio within the investor's designated investment objectives, to include the securities to be bought and sold, and the amount of securities to be bought and sold. WMA will never have full power of attorney and will not have the authority to take custody of investor funds or securities other than the constructive custody associated with the deduction of contractually agreed advisory fees via the investor's qualified custodian (requires client authorization).

More significant changes, such as switching to a different strategy, would be discussed and agreed upon with the client before implementing such a change.

### ***Voting Client Securities***

WMA does not vote proxy statements on behalf of clients. Your custodian will forward the proxy solicitation materials directly to you.

In the event the Adviser's proxy advice is requested, WMA shall only furnish consultations to existing clients. WMA will not solicit proxies from non-clients. When providing advice to clients, WMA will disclose any significant relationship with the issuer, its affiliates or a security holder proponent of the matter on which proxy voting advice is given, as well as any material interest of the Adviser in the matter. WMA will not accept any special fee or remuneration for furnishing the voting advice from any person other than the security holder recipient thereof. WMA's voting advice will not be provided on behalf of any person soliciting proxies, or on behalf of a participant in an election contest subject to SEC Rule 14a-11. WMA will never communicate with the press concerning a particular proxy. WMA recognizes that any deviations from these stated policies may require WMA to comply with the SEC's Proxy Registration Rules.

WMA will not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

### ***Financial Information***

WMA does not receive fees more than six months in advance. WMA has no financial commitments that impair its ability to meet contractual and fiduciary commitments to our clients. The Adviser has not been the subject of any bankruptcy proceedings.

## ***Privacy Policy***

As a federally regulated Registered Investment Adviser, William Mack & Associates (“WMA”) is required to comply with the United States Securities and Exchange Commission’s (“SEC”) Privacy Rule (“Regulation S-P”). To maintain compliance with Regulation S-P, every investment adviser is required to adopt policies and procedures reasonably designed to safeguard clients’ nonpublic information.

WMA values our clients’ trust and confidence. We strive to hold ourselves to the highest standards of trust and fiduciary responsibility. Protecting your nonpublic personal information is an issue that WMA and its staff takes very seriously. WMA will never sell the nonpublic personal information we obtain from consumers or clients. We will never share your information with mailing list vendors or solicitors under any circumstances.

During our normal course of business, WMA routinely collects nonpublic personal information from clients and prospective clients. This information generally will include but is not limited to:

- Information provided in applications and various forms, data provided to us either verbally or in writing, and includes but is not limited to your name, address, phone number, account information, social security number, assets, occupation, income and debt and investment objectives;
- Information about your transactions, transfers, accounts, trading activity, parties to investment transactions, health and beneficiary data;
- Information from other sources, including WMA affiliates;
- Any other deemed to be nonpublic personal information as defined by the SEC’s Privacy Rule.

All information provided by clients or prospective clients to WMA and its personnel, and information and advice furnished by the Adviser to clients, shall be treated as confidential and shall not be disclosed to unaffiliated third parties except in the following limited circumstances:

- You may direct WMA, via written authorization, to provide information to your other service providers. For example, you may direct WMA to release fee, capital gain or cost basis information to your accountant.
- During the normal course of business, WMA may share nonpublic personal data as required to facilitate the requested investment advisory services via an unaffiliated service firm you have designated (such as your custodial firm). Custodial firms are also subject to the SEC’s Privacy Rule.
- WMA may contract service providers who provide tools and services (such as aggregated portfolio reports) to enhance our services. Any service provider utilized will execute an agreement which contains a strict privacy policy, contractually obligates the provider to

keep nonpublic personal information as confidential and limits the use of information to only the data required to provide the services they are contracted to perform.

- Lastly, WMA may be required to provide information to comply with any rule, regulation or law.

WMA maintains client records in a controlled environment and records (electronic and otherwise) are only available to authorized persons of the Adviser who have a need to access client information in order to deliver advisory services, provide administrative support or to respond to client requests. Our staff is bound by a Confidentiality Policy and is subject to disciplinary action or termination if they fail to follow the policy and can be subject to regulatory action. WMA has made reasonable efforts to help ensure that its electronic network is hack-proof and conducts periodic tests to check security.

WMA's protection of nonpublic personal information extends beyond the life of the Advisory Agreement. Client information is retained in a protected manner for the time period required by regulators (five years from the date of last use) and as is consistent with the CFP<sup>®</sup> Board Code of Ethics and Professional Responsibility. Thereafter, the nonpublic personal information is safely destroyed via in-house shredding, electronic record destruction or a contracted secure shredding service.

Consumers (non-clients) who provide data during an initial consultation, or for other purposes, but do not go on to become clients of the Adviser also receive privacy protection. Original information is promptly returned in person or via the mail, if the Adviser's services are not engaged. Alternatively, if nonpublic personal information is contained in copies of documents, notes or some other media, this information will be securely filed for a period of up to one year (depending upon likelihood of engagement) before being shredded in-house or via a secure shredding service.

WMA strives to maintain accurate information about you and your accounts. If you believe that our records contain inaccurate information about you, please call or write to us immediately. We will promptly update or correct any erroneous information under our control.