

**Baystate Wealth Management, LLC**  
**d/b/a**  
**Mariner**

**One Marina Park Drive, 16<sup>th</sup> Floor**  
**Boston, MA 02110**

**Form ADV Part 2A**

**March 28, 2025**

[www.baystatewealth.com](http://www.baystatewealth.com)

This Disclosure Brochure provides information about the qualifications and business practices of Baystate Wealth Management, LLC (“BWM,” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us at (913) 904-5700. 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. The Firm is a registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training. The oral and written communications of an Adviser provide you with information through which you determine to hire or retain an Adviser.

Additional information about BWM also is available on the SEC’s website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov) and on BWM’s website at [www.baystatewealth.com](http://www.baystatewealth.com).

## Item 2-Material Changes

This Item 2 includes a discussion of material changes to this Brochure since the last annual update.

The following changes are to note:

- Item 4-Advisory Business has been updated to reflect a d/b/a of Mariner and changes to ownership structure.
- Item 5-Fees and Compensation has been updated to reflect a new maximum fee range charged in the Programs which has increased to 1.75% from 1.64%.
- Item 8-Methods of Analysis, Investment Strategies and Risk of loss has been updated with additional industry risks.
- Item 10-Other Financial Industry Activities and Affiliations has been updated to reflect our current affiliations.
- Item 14-Client Referrals and Other Compensation has been updated to reflect an affiliated Enterprise Partnership Alliance and disclosure regarding referral fees to affiliates.

Pursuant to SEC Rules, we will provide you a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure if requested based on changes or new information, at any time, without charge. Currently, our Brochure may be accessed at [www.marinerwealthadvisors.com/legal](http://www.marinerwealthadvisors.com/legal) or requested by contacting us at (913) 904-5700.

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## Item 4-Advisory Business

### *About the Firm*

We are wholly owned by Mariner, LLC (referred to herein as “Mariner”). Mariner is wholly owned by Mariner Wealth Advisors, LLC (referred to herein as “Mariner Parent”). Mariner Parent is ultimately owned in principal by 1248 Holdings, LLC (“1248”), the Martin C. Bicknell Revocable Trust dated August 7, 1996, as amended and restated, each of which are controlled by Martin Bicknell, the CEO and President of Mariner, as well as entities affiliated with Leonard Green & Partners, LLC (together with its affiliates, “LGP”) and NB Alternative Advisers LLC (together with its affiliates, “NBAA”), each of which operate separately from the Firm.

BWM also does business as Mariner. Mariner is headquartered in Overland Park, Kansas. BWM is located in Boston, Massachusetts.

### *Investment Advisory Services*

This Disclosure Brochure describes BWM’s services, fees, conflicts of interests and duties and responsibilities with respect to its investment advisory business. For a description of MMLIS’ advisory services, please see MMLIS’ Form ADV 2A Disclosure Brochure and other disclosures as appropriate.

BWM has entered into a co-advisory agreement with MML Investor Services LLC (“MMLIS”), pursuant to which the two companies act as co-advisors to Clients who open investment advisory accounts at BWM. Under the terms of the Co-Investment Advisory Agreement, MMLIS is responsible for the initial and ongoing day-to-day relationship with the Client, including the initial and ongoing determination of Client suitability for asset allocation strategies. BWM is responsible for managing the Client’s assets consistent with the Investment Policy Statement (“IPS”) signed by the Client.

The investment advice provided by BWM and/or an Independent Manager is customized to fit the risk profile, goals, objectives, and other preferences of each individual Client, pursuant to a written IPS developed with and signed off on by the Client. BWM primarily uses Exchange Traded Funds (“ETFs”), Exchange Traded Notes (“ETNs”), index funds, some mutual funds some bond funds and individual fixed-income securities (treasuries, corporates, municipals, etc.), when appropriate. Some Independent Managers may use individual securities, including individual equities and individual bonds.

BWM provides fee-based discretionary and non-discretionary investment supervisory services and portfolio management primarily for high-net-worth individuals, corporate pensions, and profit-sharing plans, closely held and family businesses, corporations, trusts, foundations, and athletes involved in professional and non-professional athletics (the “Program”). BWM is compensated for its services by charging a fee based on a percentage of assets placed under its management. Typically, when providing investment advisory services, we have full discretion to select securities to buy and sell for a Client’s account. Client accounts are tailored to address the specific goals, objectives, and constraints of each Client. We consider a range of factors that can impact the

investment management process, including risk tolerance, investment time horizon, current and future cash needs and such other circumstances deemed relevant.

We provide these services under the nonexclusive safe harbor from the definition of an investment company for programs that provide discretionary investment advisory services to Clients under 17 CFR 270.3a4. We usually do not allow Clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. We will accept investment restrictions from Clients if the restrictions do not hinder our ability to execute our investment strategies.

BWM offers a number of diversified portfolio strategies, ranging in risk tolerance from conservative to aggressive. The portfolios consist of equities, and fixed income instruments, and may include individual securities, separately managed accounts, mutual funds, index funds, bonds, bond funds and alternative investments.

Certain securities are “ineligible” for the Program. Those securities will not be purchased for Clients’ Accounts. Clients may establish an account at BWM by transferring cash or by transferring accounts in kind or after the sale of all or some of the securities in the transferred account. To the extent the Client seeks to transfer an account in kind, and the account contains securities that are ineligible under the Program, those ineligible securities will be refused for transfer or sold prior to, concurrent with, or shortly after the transfer.

The Client relationship is managed by Investment Advisor Representatives (“IARs”) of MMLIS and by the management and associates of BWM. IARs, with the assistance of BWM (if requested), generally meet with Clients, discuss the Clients’ goals and objectives, and assist the Clients in the development, management, and implementation of the Clients’ wealth management program. MMLIS IARs do not, however, manage BWM portfolios for Clients. Rather, BWM portfolios are managed by Portfolio Managers of BWM. All Portfolio Managers of BWM are pre-approved by the Firm to manage assets. Portfolio Managers and the Research Department, in consultation with Investments (when appropriate), oversee the Firm’s investment strategies, transactions, policies and guidelines, including review of Portfolio Manager selection, establishment of investment benchmarks, review of investment performance and oversight of investment risk management exposure policies and guidelines.

### ***Limitations of Non-Investment Consulting/Implementation Services***

BWM does not hold itself out as providing financial planning or related consulting services and no portion of BWM’s services should be construed as legal, accounting or insurance implementation services. Accordingly, BWM does not prepare estate planning documents, tax returns, or sell insurance products. However, to the extent requested by a Client, BWM may recommend the services of other professionals for certain non-investment implementation purposes (e.g., attorneys, accountants, insurance agents, etc.). BWM may directly or indirectly receive compensation for such recommendations and shall disclose to client if compensation is received. The Client is under no obligation to engage the services of any such recommended professional. The Client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from BWM.

If the Client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the Client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged licensed professional(s) (i.e., attorney, accountant, insurance agent, etc.), and **not** BWM, shall be responsible for the quality and competency of the services provided.

### ***Non-Discretionary Service Limitations***

Clients that have engaged BWM to provide investment advisory services on a non-discretionary basis must be willing to accept that BWM cannot consummate any account transactions without obtaining prior consent from the Client. Thus, in the event that BWM would like to make a transaction for a Client's account (including in the event of an individual holding or general market correction), and the Client is unavailable, BWM will be unable to make any account transactions (as it would for its discretionary Clients) without first obtaining the Client's consent.

### ***Cash Positions***

At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), BWM may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating BWM's advisory fee.

### ***Baystate Wealth Wrap Program***

BWM also provides services on a wrap fee basis as a wrap program sponsor. Under BWM's wrap program, the Client generally receives investment advisory services, the execution of securities brokerage transactions, custody, and reporting services for a single negotiated fee. Participation in a wrap program may cost the Client more or less than purchasing such services separately. The terms and conditions of a wrap program engagement are more fully discussed in BWM's Wrap Fee Program Brochure.

BWM has two different methods of charging fees to Clients. One method is that the Client is charged a fee for asset management and the Client pays the commissions and other trading costs associated with the account (please note that none of the trading costs is paid to BWM; they are all collected by and paid to the Custodian). This fee arrangement is known as "Advisory Fee Plus." The other method is for the Client to be charged an overall fee that includes the costs for commissions and other trading costs. This fee arrangement is known as "Advisory Fee One." Advisory Fee One is considered a "wrap fee" program. A wrap fee program account is a type of individually managed account in which most expenses that are typical of a managed account are combined into one fee (i.e., a "wrap fee"). This includes the management fees and transactional costs and fees.

As indicated in the Wrap Fee Program Brochure, the Program fee charged by BWM for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs. Because wrap program transaction fees and/or commissions are paid by BWM to the account custodian/broker-dealer, BWM could have an economic incentive to maximize its compensation by seeking to minimize the number of trades in the Client's account. For more information on our wrap program, see separate ***Wrap Fee Program Brochure***.

BWM shall provide investment advisory services specific to the needs of each Client. Prior to providing investment advisory services, an IAR will ascertain each Client's investment objective(s). Thereafter, BWM shall allocate and/or recommend that the Client allocate investment assets consistent with the designated investment objective(s). The Client may, at any time, impose reasonable restrictions, in writing, on BWM's services.

There is no significant difference between how BWM manages wrap fee accounts and non-wrap fee accounts. However, as stated above, if a Client determines to engage BWM on a wrap fee basis the Client will pay a single fee for bundled services (i.e., investment advisory, brokerage, custody). The services included in a wrap fee agreement will depend upon each Client's particular needs. If the Client determines to engage BWM on a non-wrap fee basis, the Client will select individual services on an unbundled basis, paying for each service separately (i.e., investment advisory, brokerage, custody).

### ***Portfolio Activity***

BWM has a fiduciary duty to provide services consistent with the Client's best interest. As part of its investment advisory services, BWM (on occasion and, in conjunction with the IAR) will review Program Accounts on an ongoing basis to determine if any changes are necessary based upon various factors including, but not limited to, investment performance, market conditions, fund manager tenure, fund flows, style drift, account additions/withdrawals, financial circumstances or changes in the Client's investment goals or objectives. Based upon these and other factors, there may be extended periods of time when BWM determines that changes to a Client's Accounts are neither necessary nor prudent. The Client nonetheless remains subject to the fees described in Item 5 below during these periods of account inactivity. Of course, as indicated below, there can be no assurance that investment decisions made by BWM will be profitable or equal any specific performance level(s).

### ***Client Agreement***

Prior to engaging us, the Client will be required to enter into one or more written agreements setting forth the terms, conditions, and objectives under which we shall render our services (the "Agreement"). Additionally, we will only implement our investment recommendations after a Client has arranged for and furnished all information and authorization regarding accounts with appropriate financial institutions. Our Clients are advised to promptly notify us or MMLIS if there are ever any changes in their financial situation or investment objectives.

### ***Other Businesses and Investment Programs***

Our affiliates may offer to our Clients a variety of services, including estate and trust services, and risk management. The Firm earns fees for the services provided by it, and its affiliates will likewise earn fees directly for services they provide. Please see Item 10 for more information on the services provided by our affiliates.

### ***Pledged Assets Loan***

In consideration for a lender (i.e., a bank, etc.) to make a loan to the Client, the Client pledges its investment assets held at the account custodian as collateral. These collateralized loans are

generally utilized because they typically provide more favorable interest rates than standard commercial loans. These types of collateralized loans can assist with a pending home purchase, permit the retirement of more expensive debt, or enable borrowing in lieu of liquidating existing account positions and incurring capital gains taxes. However, such loans are not without potential material risk to the Client's investment assets. The lender (i.e., custodian, bank, etc.) will have recourse against the Client's investment assets in the event of a loan default or if the assets fall below a certain level. For this reason, BWM does not recommend such borrowing unless it is for specific short-term purposes (i.e., a bridge loan to purchase a new residence). BWM does not recommend such borrowing for investment purposes (i.e., to invest borrowed funds in the market). Regardless, if the Client were to determine to utilize margin or a pledged assets loan, the following economic benefits would inure to BWM:

- By taking the loan rather than liquidating assets in the Client's account, BWM continues to earn a fee on such Account assets.
- If BWM's advisory fee is based upon the higher margined account value (*see* margin disclosure at Item 5 below), BWM will earn a correspondingly higher advisory fee. This could provide BWM with a disincentive to encourage the Client to discontinue the use of margin.

To the extent that a Client authorizes the use of margin, the market value of the Client's account and corresponding fee payable by the Client may be increased. Clients authorizing margin are advised of the potential conflict of interest whereby the Client's decision to employ margin may correspondingly increase the management fee payable to the Firm.

**The Client must accept the above risks and potential corresponding consequences associated with the use of margin or a pledged assets loan.**

### ***Socially Responsible Investing Limitations***

Socially Responsible Investing involves the incorporation of **Environmental, Social and Governance** considerations into the investment due diligence process ("ESG"). There are potential limitations associated with allocating a portion of an investment portfolio in ESG securities (i.e., securities that have a mandate to avoid, when possible, investments in such products as alcohol, tobacco, firearms, oil drilling, gambling, etc.). The number of these securities may be limited when compared to those that do not maintain such a mandate. ESG securities could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange traded funds are few when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by BWM), there can be no assurance that investment in ESG securities or funds will be profitable or prove successful.

### ***Cryptocurrency***

For Clients who want exposure to cryptocurrencies, including Bitcoin, BWM will advise the Client to consider a potential investment in corresponding exchange traded securities, or an allocation to separate account managers and/or private funds that provide cryptocurrency exposure. Crypto is a digital currency that can be used to buy goods and services, but uses an online ledger with strong cryptography (i.e., a method of protecting information and communications through the use of codes) to secure online transactions. Unlike conventional currencies issued by a monetary authority,



cryptocurrencies are generally not controlled or regulated, and their price is determined by the supply and demand of their market. Because cryptocurrency is currently considered to be a speculative investment, BWM will not exercise discretionary authority to purchase a cryptocurrency investment for Client accounts. Rather, a Client must expressly authorize the purchase of the cryptocurrency investment. **BWM does not recommend or advocate the purchase of, or investment in, cryptocurrencies and considers such an investment to be speculative.** Clients who authorize the purchase of a cryptocurrency investment must be prepared for the potential for liquidity constraints, extreme price volatility and complete loss of principal.

### *Securities Class Actions and Proofs of Claim*

The Firm is not obligated to file, nor will it act in any legal capacity with respect to class action settlements or related proofs of claim. If requested by the Client, the Firm will try to provide the Client with the required documentation, if available.

While certain associates of the Firm are licensed attorneys, they do not provide legal services to the Firm's clients in their capacity as an IAR and no attorney-client relationship exists. If an associate does practice outside of the Firm, this is considered an outside business activity and monitored as such.

### *Assets Under Management*

As of December 31, 2024, the assets under management ("AUM") of BWM were \$2,306,890,355 in full discretionary accounts and \$45,880,391 in non-discretionary accounts.

### *Our Fiduciary Acknowledgement*

When may we provide investment advice to you regarding your retirement plan account or IRA, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or Section 4975 of the Internal Revenue Code (the "Code"), as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice).
- Never put our financial interests ahead of yours when making recommendations (give loyal advice).
- Avoid misleading statements about conflicts of interest, fees, and investments.
- Follow policies and procedures designed to ensure that we give advice that is in your best interest.
- Charge no more than is reasonable for our services.
- Give you basic information about conflicts of interest.

For purposes of this special rule, covered "plans" include 401(k), 403(b), profit sharing, pension and all other plans that are subject to ERISA, together with tax-qualified retirement plans under the Code (even if not subject to ERISA) such as Solo 401(k) and "Keogh" plans. "IRAs" subject to the

special rule include both traditional and Roth IRAs, individual retirement annuities, health savings accounts, Archer medical savings accounts and Coverdell education savings accounts.

### Item 5-Fees and Compensation

The specific manner in which our fees are charged is established in the Agreement. The Client can determine whether to engage BWM to provide discretionary and/or non-discretionary investment advisory services on a wrap or non-wrap fee basis.

The fees charged to the Client for portfolio management are negotiable and subject to the written agreement of the Client in the advisory agreement. Program Fees may not exceed 1.75% or 175 basis points of the assets under management. The total management fee varies depending upon various objective and subjective factors, including the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, whether related accounts are involved, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, complexity of the engagement, anticipated services to be rendered, grandfathered fee schedules, associates and family members, courtesy accounts, competition, negotiations with Client, etc. Thus, similar Clients could pay different fees, which will correspondingly impact a Client's net Program Account performance.

BWM does not manage accounts differently depending on the type of fee (Advisory Fee One or Advisory Fee Plus). Please see separate *Wrap Fee Program Brochure* for more information on how fees are charged, collected and allocated pursuant to the "Advisory Fee One" arrangement under the BWM Wrap Fee Program.

The management fees paid by Clients are divided between BWM, MMLIS and the IAR. The IAR receives a separate and additional fee determined by his/her/its applicable grid rates set by MMLIS for his/her/its ongoing advisory services. The grid rate does not impact what the Client pays, but it does affect how the IARs are paid. BWM receives any residual fee not paid to the IAR and MMLIS. Thus, the Client's total management fee is a combination of both BWM investment management fee, MMLIS' administrative fee, and the IAR's service/advisory fee. From the fees received on Program Accounts, BWM pays a fee to MMLIS for operational compliance, marketing, and sales support equal to 4 basis points. The total management fee is determined by the IAR (within a fee range not to exceed 175 basis points or 1.75%).

Since BWM and the IAR receive a portion of the total management fee charged to the Client, a conflict of interest arises, because the higher the fee paid by the Client, the higher the compensation received by the IAR and by BWM. In addition, BWM pays a fee to MMLIS for access to MMLIS' platform. This payment to MMLIS does not affect the fee paid by the Client for investment advisory services. BWM will always act in the Client's best interest.

The first payment for the Program Fee is prorated to cover the period from the date the Program Account is opened and funded through the end of the current calendar quarter. Fees are debited directly from the Client's Program Account, based on the fee schedule in the advisory agreement. Thereafter, the quarterly Program Account Fee will be paid at the beginning of each calendar quarter and the fee will be based on the fair market value of the assets in the Program Account on the last business day of the preceding calendar quarter as calculated by the Custodian.

Through BWM, the Client authorizes the Custodian to deduct the Program Fee and other charges from cash assets held in the Program Account. Therefore, the Client should maintain a suitable percentage of the Program Account in cash to pay for fees and charges under the Program. If the Program Account does not have enough cash to pay for the advisory and/or brokerage fees and charges, the Firm instructs the Custodian to sell any Program Account assets the Custodian deems appropriate to make such cash available even if the Client did not grant Discretionary Trading by executing a Discretionary Engagement Letter. In such cases, the Client may face a taxable event, to which capital gains (or other) taxes may apply. For certain accounts, specific security exclusions from billing may be negotiated with the Client.

The Client authorizes the Custodian to deduct all applicable fees and costs from the Client's Program Account and all such fees and costs will be clearly noted on the statements provided to the Client no less than quarterly by BWM and/or the Custodian.

### ***Factors Bearing on Advisory Fee One Verses Advisory Fee Plus***

A number of factors have a bearing on the issue of whether the fee under Advisory Fee One or "wrap fee" would be higher or lower than the total fees and costs the Client would pay if the Client opted to pay for the transactional costs from the assets under management in the portfolio (Advisory Fee Plus). The number, amount and types of trades undertaken in the portfolio on a quarterly and yearly basis will have a direct impact. Under Advisory Fee One, the transactional costs are paid for from the total investment management fee charged, whereas under Advisory Fee Plus, the Client pays for the transactional costs. If the number, amount, and types of trades are increased, the transactional costs may increase (assuming the Custodian charges a transaction cost for the purchase or sale of the particular security). Depending on the amount of wrap fee charged on the Program Account, these transactional costs could be a significant portion of the wrap fee charged and thus reduce the overall compensation received by the IAR(s) and BWM. By contrast, if the number, amount, and types of trades are kept to a relatively low number, then it is likely that the wrap fee charged would exceed the total of the investment management fee (particularly if the Custodian does not charge a transaction cost for the purchase or sale of the particular security) plus the transactional and brokerage costs paid directly by the Client. To the extent the Client's portfolio (i) qualifies for transaction fee funds at Fidelity, (ii) exceeds \$1M in assets or (iii) elects to receive electronic delivery, the Client's account may not be charged a transaction fee. In this case, it is possible that the Client would pay the same fees in an Advisory Fee One relationship as with the Advisory Fee Plus relationship.

In addition to the number, amount and types of trades, the sizes of the trades, the number of shares traded, the nature of the securities traded and the size of the account or whether e-delivery is authorized, may have an impact on the fee comparisons. The Custodian may charge minimum ticket charges and may charge differently for different types of securities or may not charge transaction costs for certain types of securities (e.g., foreign securities, certain mutual funds, certain ETFs, certain ETNs, certain types of bonds, options, alternative investments, etc.). In addition, the Custodian may charge transaction costs only with respect to Program Accounts falling below a minimum amount or Program Accounts that do not authorize e-delivery. Thus, a significant number of smaller trades or a significant number of trades in certain securities may have a disproportionately large impact on the costs of managing the portfolio, compared to the overall costs charged by the Custodian. In such circumstances, a wrap fee program likely would cost less than the other type of program, depending on the fees agreed to by the Client.

Other factors that may bear upon the cost of Advisory Fee One in relation to the cost of Advisory Fee Plus may include, among other things, the number of trades executed for the account, the size and type of account, the types of securities executed, the historical and expected size of the account, whether the Client has authorized or not authorized e-delivery and the number and range of supplemental services provided to the Account.

BWM makes no representation that the fee under Advisory Fee One or under Advisory Fee Plus is or will be the same as or lower than that charged to other Clients who invest in the BWM Program, or that the fee under Advisory Fee One or under Advisory Fee Plus fee is or will be the same as or lower than the fees charged by other sponsors or advisers of comparable programs for Program Accounts of comparable size or comparable investment objectives.

### ***Additional Fees and Expenses***

Our fees are exclusive of administration expenses, brokerage commissions, transaction fees, fund expenses and other related costs and expenses which shall be incurred by a Client. Custody fees will vary depending on the custodian. Clients utilizing the same custodian may be subject to differing levels of custody fees, based on the billing practices of the applicable custodian. All brokerage charges and related transaction costs are charged to the account(s) as they occur. Clients incur certain charges imposed by custodians, brokers, third party managers and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

When beneficial to the Client, certain transactions may be effected through brokers other than the account custodian, in which event, except in situations in which the custodian has waived the additional fee, the Client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker and a separate “trade away,” “step-out” and/or prime broker fee charged by the custodian. Clients should review custodial agreements for additional detail on the fees charged.

The fees charged by BWM do not include the internal management, operating or distribution fees or expenses imposed or incurred by any mutual fund, ETFs or ETNs that the Client’s Program Account may hold, which may include 12b-1 fees, early termination fees (which include fees on whole or partial liquidations of fund assets in the account) and other fees and expenses that may be assessed by the investment vehicle’s sponsor, custodian, transfer agent, adviser, shareholder service provider or other service providers. Further information regarding charges and fees assessed by a fund company may be found in the appropriate prospectus, and/or annual report of the fund. Clients should read each of the prospectuses for a more complete explanation of these fees and expenses which may include fees for management, administration, servicing, custodial, legal, audit, etc. Any increase in those charges and fees will be borne by the Client regardless of the type of fee arrangement selected by the Client. When beneficial to the Client, individual fixed-income transactions may be effected through broker-dealers with whom BWM and/or the Client have entered into arrangements for prime brokerage clearing services, including effecting certain Client transactions through other SEC registered and FINRA member broker-dealers (in which event, the Client generally will incur both the transaction fee charged by the executing broker-dealer and a “trade away” fee charged by Fidelity).

Clients may invest directly in mutual funds, ETFs, ETNs, stocks or fixed income instruments without paying an advisory fee (i.e., outside of the BWM Program). Thus, it may be less expensive for Clients to invest in mutual funds, ETFs, ETNs, stocks or fixed income instruments outside of the Program. However, Clients will not receive the services provided by BWM under the Program if they choose to buy these securities outside the Program.

Many funds offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to more commonly offered retail mutual fund share classes (typically, Class A (including load-waived A shares), B and C shares for mutual funds), some funds offer institutional share classes or other share classes specifically designed for purchase by an account for a fee-based investment advisory program. However, these share classes may also have higher transaction costs and may have minimum purchase criteria that limit availability to larger transactions. Clients should not assume that their assets will be invested in the share class (regardless of the type of fund structure – mutual fund, closed-end fund, hedge fund, private equity fund or other alternative vehicle) with the lowest possible expense ratio.

### ***Transaction Fee Differentials***

With respect to its wrap program, BWM does not receive any portion of the transaction fees paid to the executing custodian/broker-dealer. Account investment decisions are driven by security selection and anticipated market conditions and not the amount of transaction fees payable by BWM to the account custodian. Indeed, these may be zero, depending on the account type. Neither BWM, nor any of its representatives, receive any 12b-1 fees, or any other type of compensation from any mutual fund or product sponsor as part of BWM's wrap program. When available and appropriate, BWM allocates Client assets among individual institutional share class open-end mutual funds. The conflicts of interest inherent in a wrap program are disclosed in BWM ADV Part 2A and Wrap Brochure. BWM makes recommendations based upon the Client's needs and market conditions, and without consideration of transaction costs. BWM would not consider suitability, trading volume, or cash balances any differently if it managed assets on an unbundled basis.

The Client, in conjunction with the IAR, determines whether a wrap or unbundled fee is most appropriate, given factors imposed by the custodian, such as AUM and whether the Client will agree to electronic delivery of custodian statements (i.e., the determination is made by and with MMLIS and is independent of BWM). These fees are available upon request.

BWM is agnostic as to whether the Client opts for a wrap or unbundled fee arrangement. MMLIS, as part of its initial and ongoing review obligation of the Client's assets, will determine with the Client which fee arrangement is best for the Client. The actual platform fee may be reduced under the Platform Fee Reduction Program pursuant to which the platform fee charged to the Advisor is decreased 5-12 bps depending on the amount of AUM the Advisor has with BWM. This Platform Fee Reduction Program does not affect the Client's overall fee.

Clients may elect to have BWM's advisory fees deducted from their custodial account. Both BWM's Investment Advisory Agreement and the custodial/ clearing agreement authorize the custodian to debit the account for the amount of BWM's investment advisory fee and to directly remit that management fee to BWM in compliance with regulatory procedures. In the limited event that BWM bills the Client directly, payment is due upon receipt of BWM's invoice. BWM shall deduct fees and/or bill Clients quarterly in advance, based upon the market value of the assets on

the last business day of the previous quarter and will be adjusted based upon accrued interest or dividends not reflected in the custodial valuation.

### ***Third-Party Manager Fees***

The Firm may employ a third-party manager to manage a portion of your account. The fees payable to a third-party manager will be set forth in a written agreement and shall be in addition to the advisory fee payable under your Agreement. If the Firm retains the third-party manager as a “sub-adviser” to your account, depending on the agreement between the Firm and the sub-adviser, the Firm will either pay the sub-advisory fee from your advisory fee payable to the Firm or the sub-adviser will deduct its fee from your account directly. For certain sub-advisers there may be a separate written agreement between you and the sub-adviser to pay an additional amount directly to the sub-adviser.

The minimum account size for BWM varies. At our sole discretion, we may accept a lower minimum than others. Fees are negotiable with the Client and generally are charged as a percentage of assets under management or stated in basis points.

The Firm’s associates and certain immediate family members are eligible for discounted fee arrangements.

### ***Conflicts of Interest***

When allocating investment opportunities among our investment programs, products and Clients, the Firm has an incentive to favor the investment programs, products and Clients that generate the most revenue for the Firm. For example, when recommending the use of a third-party manager, the Firm has an incentive to recommend a manager which charges a separate fee instead of paying the manager out of the Firm’s fee.

We also provide our clients with access to third-party managers (each a “third-party manager”) and their investment products and services, including third-party managers in which the principal owners of the Firm or an affiliate holds a direct or indirect ownership stake.

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

### ***Performance-Based Fees***

We do not charge any performance-based compensation (fees based on a share of capital gains on or capital appreciation of the assets of a Client). If deemed appropriate for a particular Client, our recommended investments include certain products managed by third parties that charge performance-based fees, including products managed by certain affiliates.

### ***Side-by-Side Management***

In some cases, the Firm manages Clients in the same or similar strategies. This may give rise to potential conflicts of interest if the Clients have, among other things, different objectives, or fees. For example, potential conflicts may arise in the following areas: Client orders do not get fully executed; trades may get executed for an account that may adversely impact the value of securities held by a Client; there will be cases where certain Clients receive an allocation of an investment

opportunity when other accounts may not; and/or trading and securities selected for a particular Client may cause differences in the performance of different accounts or funds that have similar strategies.

The Firm treats accounts equitably regardless of fee arrangements. In addition, we have adopted trading practices designed to address potential conflicts of interest inherent in proprietary and Client discretionary trading. During periods of unusual market conditions, the Firm may deviate from its normal trade allocation practices. There can be no assurance, however, that all conflicts have been addressed in all situations.

From time to time, certain Clients of the Firm may invest in private investments or limited investment opportunities. The allocation of these investments across Client portfolios is generally not executed on a *pro rata* basis as a number of factors will determine whether the private or limited offering is appropriate or suitable for a Client. Accordingly, such opportunities may be allocated based on another approach, including random selection, selection based on account size or another methodology. Factors which may impact the allocation include but are not limited to account size, liquidity, investor qualification and risk tolerance. We note that private investments or limited investment opportunities may not be appropriate for smaller accounts, depending on factors such as minimum investment size, account size, risk, and diversification requirements, and accordingly may not be allocated such investments. Certain limited investment opportunities are available only to the legacy Clients of certain investment advisory businesses acquired by the Firm.

#### Item 7-Types of Clients

We generally provide investment advice to the following types of Clients:

- Individuals (including high net worth individuals)
- Corporate pension and profit-sharing plans
- Trusts, estates, or charitable organizations
- Closely held or family businesses
- Corporations or business entities other than those listed above
- Persons or entities involved in professional and non-professional athletics, including athletes

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

BWM's methods of security analysis include, without limitation, charting, fundamental analysis, and technical analysis. The main sources of information used by BWM include in-house research by the Research Department, financial newspapers and magazines, inspections of corporate activities, internal analyses, research materials prepared by others, research received from third parties, annual reports, prospectuses, filings with the SEC and Firm press releases. The investment strategies used to implement any investment advice given to Clients include long term purchases (securities held at least a year), short term purchases (securities sold within a year), trading (securities sold within 30 days), securities swaps, stop losses and options writing, including covered calls and married puts.

BWM's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market

analysis, BWM must have access to current/new market information. BWM has no control over the dissemination rate of market information; therefore, unbeknownst to BWM, certain analyses may be compiled with outdated market information, severely limiting the value of BWM's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The cornerstone of BWM's investment strategy is controlling risk, dampening volatility and protecting potential downside risk through a combination of asset allocation, and active management of passive investments.

While each portfolio is managed separately, and ultimately the IPS controls, the Firm may manage Program Accounts targeted to one of several investment strategies, referred to as "Model Portfolios" by the Company. These Model Portfolios range in risk profile from conservative to very aggressive. The Client's portfolio may or may not be identical to a Model Portfolio. Model Portfolios are target allocations tied to a specific risk tolerance. The selection of one or more of these Model Portfolios as an investment target depends on the Client's risk tolerance. Model Portfolios are not used when Independent Managers are involved.

Information on the Model Portfolios, their composition, strategic and tactical allocations, and their benchmarks, are provided by BWM to Clients upon request. The specific securities in each Model Portfolio, and the specific strategic and tactical allocations for each Model, may change over time and may be different at different points in time. Strategic and tactical allocation decisions for each Model Portfolio are made by the Portfolio Managers, with input from the Research Department and in consultation with Investments. The Firm may employ a strategy of writing options to hedge portfolios or to dampen volatility. Smaller accounts may have a similar overall allocation among asset classes and styles. However, smaller accounts also tend to have fewer, and sometimes different, holdings than larger accounts invested in the same strategy. Thus, the performance (good or bad) of any single holding could have a greater impact on the overall performance of a smaller account than on the performance of a larger account. The Firm may purchase "recommended lists" or research and buy or sell recommendations from other investment advisory firms, but the decision to buy or sell a particular security in a BWM portfolio remains with BWM. There is no guaranty that any investment strategy, Model Portfolio, Independent Manager or Program Account will achieve a particular result or that any Account will result in a profit. Past performance is no guarantee of future results.

The Client's risk tolerance, and financial goals and objectives, as well as other pertinent facts and data, are reflected in the IPS. As the Client's goals, objectives, and risk tolerance change, it is the Client's obligation to update the IPS accordingly, and certain agreed-upon actions are taken to ensure that the portfolios are being managed in accordance with the IPS.

Program Accounts are adjusted in response to and in anticipation of market conditions. Strategic and tactical allocations are made taking into account relative valuations, market conditions, movements in the market and geo-political events affecting the markets. The amount of strategic and tactical allocations may vary over time periods and are at the discretion of BWM.

At the Client's request, BWM will accept transfers in kind and will supervise and manage those securities while reallocating the Program Account more closely with a Model Portfolio developed by the Firm and that corresponds to the Client's risk profile and tolerance. BWM attempts to make



this transition on a tax-advantaged basis to the Client, but the tax consequences to the Client depends on a number of factors, including the sizes of the positions, the cost bases of the positions, the Client's individual tax circumstances and other factors. The transition of the portfolio likely will have some tax consequences to the Client. Independent Managers also may employ tax-advantaged strategies and may engage in tactical and strategic allocations. BWM does not provide tax advice to Clients and Clients should consult their own tax advisors with respect to the tax effect of any transaction.

Currently, BWM is an asset allocator pursuant to which it allocates Client investment assets on a discretionary wrap and/or unbundled fee basis among open-end mutual funds (institutional share classes when available) and ETFs, index funds or ETNs (approximately 98% of AUM), consistent with the instructions from the Client or one or more of BWM's asset allocation strategies and the Client's IPS. BWM conducts a dispersion review for each of its strategies.

### ***Risk of Loss***

Investing in securities involves a risk of loss that you should be prepared to bear, including loss of your original principal. Past performance is not indicative of future results; therefore, you should not assume that future performance of any specific investment or investment strategy will be profitable. We do not provide any representation or guarantee that your goals will be achieved.

In addition to general investment risks, there are additional material risks associated with the types of strategies and private funds in which your account invests from time to time. Please refer to the relevant prospectus or offering materials for more information regarding risk factors for a particular investment in an ETF, ETN, closed-end fund, mutual fund, private fund or other pooled vehicle. Depending on the different types of investments and strategies employed for your account, there are varying degrees of risk:

- **Geopolitical Risks** – Unexpected political, regulatory and diplomatic events within the United States and abroad, such as the U.S.-China “trade war,” may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. The current political climate and the renewal or escalation of a trade wars between United States and other countries may have an adverse effect on both the U.S. and such other countries' economies, including as the result of one country's imposition of tariffs on the other country's products. In addition, sanctions or other investment restrictions could preclude the clients from investing in certain non-U.S. issuers or cause the clients to sell investments at disadvantageous times. Events such as these and their impact on clients and their investments are difficult to predict and further tariffs may be imposed or other escalating actions may be taken in the future.

For example, the United States recently imposed additional tariffs on imports from certain countries. These additional tariffs, as well as a government's adoption of “buy national” policies or retaliation by another government against such tariffs or policies may have introduced significant uncertainty into the market. At this time, it remains unclear what additional actions, if any, will be taken by the United States or other governments with respect to international trade agreements, the imposition of additional tariffs on goods imported into the United States, tax policy related to international commerce, increased export control, sanctions and investment restrictions, or other trade matters. Other effects of

these changes, including impacts on the price of raw materials, and responsive or retaliatory actions from governments could also have significant impacts on markets.

- **Federal Workforce Reductions and Budget Cuts** – The current administration has commenced efforts to implement significant changes to the size and scope of the federal government and reform its operations to achieve stated goals that include reducing the federal budget deficit and national debt, improving the efficiency of government operations, and promoting innovation and economic growth. To date, these efforts have been carried out through a mix of executive actions aimed at eliminating or modifying federal agency and federal program funding, reducing the size of the federal workforce, reducing or altering the scope of activities conducted by, and possibly eliminating, various federal agencies and bureaus, and encouraging the use of artificial intelligence and other advanced technologies within the public and private sectors. These changes, if implemented and taken as a whole, may have varied effects on the economy that are difficult to predict. For instance, the delivery of government services and the distribution of federal program funds and benefits may be disrupted or, in some cases, eliminated as a result of funding cuts or recasting of federal agency mandates. Further, a substantial reduction of the federal workforce could adversely affect regional and local economies, both directly and indirectly, in geographies with significant concentrations of federal employees and contractors. It is possible that such comprehensive changes to the federal government may be materially adverse to the regional and local economies and financial markets more broadly.
- **Market Risk**—Either the market as a whole, or the value of an individual company, goes down, resulting in a decrease in the value of Client investments. Global markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises, and similar “Act of God” events have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on world economies and markets generally. Clients may have exposure to countries and markets impacted by such events, which could result in material losses.
- **Equity Risk**—Stocks are susceptible to fluctuations and to the volatile increases and decreases in value as their issuer’s confidence in or perceptions of the market change. Investors holding common stock of any issuer are generally exposed to greater risk than if they hold preferred stock or debt obligations of the issuer.
- **Company Risk**—There is always a level of company or industry risk when investing in stock positions. This is referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company will perform poorly or that its value will be reduced based on factors specific to it or its industry.
- **Options Risk**—Options on securities are subject to greater fluctuations in value than investing in the underlying securities. Purchasing and writing put or call options are highly specialized activities and involve greater investment risk. Puts and calls are the right to sell or buy a specified amount of an underlying asset at a set price within a set time. Options like other securities carry no guarantees, and investors should be aware that it is possible to lose all of your initial investment, and sometimes more. Option holders risk the entire amount of the premium paid to purchase the option. If a holder’s option expires “out-of-

the-money” the entire premium will be lost. Option writers may carry an even higher level of risk since certain types of options contracts can expose writers to unlimited potential losses. Extreme market volatility near an expiration date could cause price changes that result in the option expiring worthlessly. Since options derive their value from an underlying asset, which may be a stock or securities index, any risk factors that impact the price of the underlying asset will also indirectly impact the price and value of the option.

- **Margin Risk**–Margin trading involves interest charges and risks, including the potential to lose more than deposited or the need to deposit additional collateral in a falling market. A margin transaction occurs when an investor uses borrowed assets by using other securities as collateral to purchase financial instruments. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. To the extent that a Client authorizes the use of margin, and margin is thereafter employed by the Firm in the management of a Client’s investment portfolio, the market value of the Client’s account and corresponding fee payable by the Client to the Firm will generally be increased, unless accounts hold options, in which case the fee may be decreased under certain market conditions. As a result, in addition to understanding and assuming the additional principal risk associated with the use of margin, Clients authorizing margin are advised of the potential conflict of interest whereby the Client’s decision to employ margin will correspondingly increase the advisory fee payable to the Firm.
- **Short selling**–This is an investment strategy which involves the selling of assets that the investor does not own. The investor borrows the assets from a third-party lender (i.e., Broker-Dealer) with the obligation of buying identical assets at a later date to return to the third-party lender. Individuals who engage in this activity shall only profit from a decline in the price of the assets between the original date of sale and the date of repurchase.
- **Covered Call Risk**–The writer of a covered call forgoes the opportunity to benefit from an increase in the value of the underlying interest above the option price but continues to bear the risk of a decline in the value of the underlying interests.
- **Small and Medium–Capitalization Companies** – Depending on the strategy, the Firm invests Client assets in the stocks of companies with small- to medium-sized market capitalizations. While the Firm believes they often provide significant profit opportunities, those stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than investments in stocks of larger companies. For example, prices of small-capitalization and even medium capitalization stocks are often more volatile than prices of large-capitalization stocks, and the risk of bankruptcy or insolvency of many smaller companies is higher than for larger, “blue-chip” companies. In addition, due to thin trading in some small capitalization stocks, an investment in those stocks is likely illiquid (see discussion below).
- **Socially Conscious Investing**–Depending on the strategy or Client-specific restrictions, a Client’s account may undergo exclusionary or inclusionary screening based on environmental, social and corporate governance criteria, as well as other criteria based on religious beliefs. These criteria are nonfinancial reasons to exclude or include a security and therefore the Client’s account or strategy may forgo some market opportunities available to portfolios that don’t use such screening. Stocks selected following these criteria may shift into and out of favor with stock market investors depending on market and

economic conditions, and the Client's or strategy's performance may at times be better or worse than the performance of accounts or strategies that do not use such criteria.

- **Fixed Income Risk**—Investing in bonds involves the risk that the issuer will default on the bond and be unable to make payments. In addition, individuals depending on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk. The fixed income instruments purchased by a Client are subject to the risk that market values of such securities will decline as interest rates increase. These changes in interest rates have a more pronounced effect on securities with longer durations. Fixed income securities are also subject to reinvestment risk in that if interest rates are falling during a period of reinvestment, returns will be lower. Interest rate risk increases as portfolio duration increases. Reinvestment risk increases as portfolio duration decreases.
- **Non-Investment Grade Bonds**—Depending on the strategy, a Client account will invest in bonds (commonly known as “junk bonds”) that are of below investment grade quality (rated below Baa3 by Moody's Investors Service, Inc. or below BBB- by Standard & Poor's Ratings Group and Fitch Ratings or, if unrated, reasonably determined by the Firm to be of comparable quality) (“non-investment grade bonds”). An account's investments in non-investment grade bonds are predominantly speculative because of the credit risk of their issuers. While normally offering higher yields, non-investment grade bonds typically entail greater potential price volatility and will likely be less liquid than investment grade securities.
- **Distressed Securities**—An account, depending on the strategy, will invest in securities of companies that are experiencing or have experienced significant financial or business difficulties. Distressed securities may generate significant returns for an account, but also involve a substantial degree of risk. In certain circumstances, an account will lose a substantial portion or all of its investment in a distressed company or be required to accept cash or securities with a value less than an account's original investment. The market prices of such investments are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such investments will likely be greater than for non-distressed securities.
- **ETF, Closed-end Fund and Mutual Fund Risk**—ETF, closed-end fund and mutual fund investments bear additional expenses based on a pro-rata share of operating expenses, including potential duplication of management fees. The risk of owning an ETF, closed-end fund or mutual fund generally reflects the risks of owning the underlying securities held by the ETF, closed-end funds, or mutual fund. If the ETF, closed end fund, or mutual fund fails to achieve its investment objective, the account's investment in the fund may adversely affect its performance. In addition, because ETFs and many closed-end funds are listed on national stock exchanges and are traded like stocks listed on an exchange, (1) the account may acquire ETF or closed end fund shares at a discount or premium to their NAV, and (2) the account may incur greater expenses since ETFs are subject to brokerage and other trading costs. Since the value of ETF shares depends on the demand in the market, we may not be able to liquidate the holdings at the most optimal time, adversely affecting performance. Closed end funds, which are not publicly offered, provide only limited liquidity to investors. Closed-end funds generally are not required to buy their shares back

from investors upon request. In addition, they are allowed to hold a greater percentage of illiquid securities in their investment portfolios than mutual funds.

- **Interval Fund Risks**—Interval funds are classified as closed-end funds, but they have some distinctive features that make them different. Interval funds continuously or periodically offer their shares at a price based on the fund’s net asset value. But most of them do not trade on a national securities exchange and instead buy back or “repurchase” shares directly from investors. Repurchases are offered periodically (often quarterly), which means investors are provided with limited liquidity. Accordingly, investments in interval funds can expose investors to liquidity risk, and that risk is greater in funds that invest in securities of companies with smaller market capitalizations, derivatives, or securities with substantial market and/or credit risk. There is no guarantee that investors will be able to sell their shares at any given time or in the desired amount. Interval funds may offer to repurchase as low as 5% of shares in a given quarter. If in a time of market stress, a lot of investors attempt to exit their positions, the fund manager may only be able to accommodate this slowly over multiple quarters. Because of this it’s best to consider investments in interval funds to be illiquid.
- **Exchange Traded Notes**—An account, depending on the strategy, may invest in ETNs. ETNs are a type of senior, unsecured, unsubordinated debt security issued by financial institutions that combine aspects of both bonds and ETFs. An ETN’s returns are based on the performance of a market index minus fees and expenses. Similar to ETFs, ETNs are listed on an exchange and traded in the secondary market. However, unlike an ETF, an ETN can be held until the ETN’s maturity, at which time the issuer will pay a return linked to the performance of the market index to which the ETN is linked minus certain fees. Like other index-tracking instruments, ETNs are subject to the risk that the value of the index may decline, at times sharply and unpredictably. In addition, ETNs—which are debt instruments—are subject to risk of default by the issuer. ETNs are subject to both market risk and the risk of default by the issuer. ETNs are also subject to the risk that a liquid secondary market for any particular ETN might not be established or maintained.
- **REITs and Real Estate Risk**—The value of an account’s investment in real estate investment trusts (“REITs”) may change in response to changes in the real estate market. A strategy’s investments in REITs may subject it to the following additional risks: declines in the value of real estate, changes in interest rates, lack of available mortgage funds or other limits on obtaining capital and financing, overbuilding, extended vacancies of properties, increases in property taxes and operating expenses, changes in zoning laws and regulations, casualty or condemnation losses, and tax consequences of the failure of a REIT to comply with tax law requirements. An account will bear a proportionate share of the REIT’s ongoing operating fees and expenses, which may include management, operating and administrative expenses.
- **International Investing Risk**—International investing, especially in emerging markets, involves special risks, such as currency exchange and price fluctuations, as well as political and economic risks.
- **Emerging Markets Risk**—The risks associated with foreign investments are heightened when investing in emerging markets. The governments and economies of emerging market

countries may show greater instability than those of more developed countries. Such investments tend to fluctuate in price more widely and to be less liquid than other foreign investments.

- **Liquidity Risk**—Liquidity is the ability to readily convert an investment into cash. The less liquid an asset is, the greater the risk that, if circumstances require an investor to sell the asset quickly, it will be sold at a price below fair value. Generally, an asset is more liquid if it represents a standardized product or security and there are many traders interested in making a market in that product or security. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Collateralized Debt Obligations (“CDOs”), Collateralized Loan Obligations (“CLOs”)**—We may invest CDOs, CLOs, and other related instruments. The portfolio may consist of CLO equity, multi-sector CDO equity, trust preferred CDO equity and CLO mezzanine debt. Such securities are subject to credit, liquidity, and interest rate risks. The equity and other tranches purchased by a Client may be unrated or non-investment grade, which means that a greater possibility that adverse changes in the financial condition of an issuer or in general economic conditions or both may impair the ability of the related issuer or obligor to make payments of principal or interest. Such investments may be speculative. In addition, as a holder of equity, there are limited remedies available upon the default of the CLO or CDO.
- **Structured Notes**—We may invest Clients’ accounts in structured notes. These are complex instruments consisting of a bond component and an imbedded derivative. Structured notes that provide for the repayment of principal at maturity are subject to the credit risk of the issuing financial institution. Structured notes that do not offer this protection may cause a Client to lose some, or all, of its principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, or market volatility. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity. A Client’s ability to trade or sell structured notes in a secondary market is often very limited and Clients should, therefore, be prepared to hold a structured note to its maturity date, or risk selling the note at a discount to its value at the time of sale. Structured notes may have complicated payoff structures that can make it difficult for Clients to accurately assess their value, risk and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Structured notes expose investors to credit risk: if the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes. If a structured note has a “call provision” and the issuer “calls” the structured note, investors may not be able to reinvest their money at the same rate of return provided by the structured note that the issuer redeemed.
- **Master Limited Partnerships (“MLPs”)**—MLP investing includes risks such as equity and commodity-like volatility. Also, distribution payouts sometimes include the return of principal and, in these instances, references to these payouts as “dividends” or “yields” may be inaccurate and may overstate the profitability/success of the MLP. Additionally, there

are potentially complex and adverse tax consequences associated with investing in MLPs. This is largely dependent on how the MLPs are structured and the vehicle used to invest in the MLPs.

- **Alternative Investment Risk**—Alternative investments encompass a broad array of strategies, each with its own unique return and risk characteristics that must be considered on a case-specific basis.
- **Insurance Linked Securities**—Investments in insurance linked securities (“ILS”) are subject to various types of risk: The primary risk relates to reinsurance triggering events, for example: (i) natural catastrophes, such as hurricanes, tornados, or earthquakes of a particular size/magnitude in a designated geographic area; or (ii) non-natural events, such as large commercial accidents (e.g., marine or aviation). Such events, if they occur at unanticipated frequencies or severities, could result in reduced investment returns for ILS investors and even the loss of principal. There is no way to predict with complete accuracy whether a triggering event will occur, and because of this significant uncertainty, ILS carry a high degree of risk. Valuation risk is the risk that the ILS is priced incorrectly due to factors such as incomplete data, market instability, model & human error. In addition, pricing of ILS is subject to the added uncertainty caused by the inability to generally predict whether, when or where a natural disaster or other triggering event will occur.
- **Managed Futures**—Managed futures strategies typically utilize derivatives, such as futures, options, structured notes, and swap agreements, which provide exposure to the price movements of a commodity (i.e., oil, grain, livestock) or a financial instrument (i.e., currency, index). The use of derivatives can be highly volatile, illiquid, and difficult to manage. Derivatives involve greater risks than the underlying obligations because in addition to general market risks, they are subject to illiquidity risk, counterparty risk, credit risk, pricing risk and leveraging risk. A highly liquid secondary market may not exist for certain derivatives utilized by this strategy, and there can be no assurances that one will develop.
- **Digital Assets**—We may invest Client accounts in virtual currencies, crypto-currencies, and digital coins and tokens (“Digital Assets”). The investment characteristics of Digital Assets generally differ from those of traditional currencies, commodities, or securities. Importantly, Digital Assets are not backed by a central bank or a national, supra-national or quasi-national organization, any hard assets, human capital, or other form of credit. Rather, Digital Assets are market-based: a Digital Asset’s value is determined by (and fluctuates often, according to) supply and demand factors, the number of merchants that accept it, and/or the value that various market participants place on it through their mutual agreement, barter or transactions.
- **Price Volatility of Digital Assets**—A principal risk in trading Digital Assets is the rapid fluctuation of market price. High price volatility undermines Digital Assets’ role as a medium of exchange as consumers or retailers are much less likely to accept them as a form of payment. The value of Client portfolios relates in part to the value of the Digital Assets held in the Client portfolio and fluctuations in the price of Digital Assets could adversely affect the value of a Client’s portfolio. There is no guarantee that a Client will be able to achieve a better than average market price for Digital Assets or will purchase Digital Assets

at the most favorable price available. The price of Digital Assets achieved by a Client may be affected generally by a wide variety of complex and difficult to predict factors such as Digital Asset supply and demand; rewards and transaction fees for the recording of transactions on the blockchain; availability and access to Digital Asset service providers (such as payment processors), exchanges, miners or other Digital Asset users and market participants; perceived or actual Digital Asset network or Digital Asset security vulnerability; inflation levels; fiscal policy; interest rates; and political, natural and economic events.

- **Digital Asset Service Providers**—Several companies and financial institutions provide services related to the buying, selling, payment processing and storing of virtual currency (i.e., banks, accountants, exchanges, digital wallet providers, and payment processors). However, there is no assurance that the virtual currency market, or the service providers necessary to accommodate it, will continue to support Digital Assets, continue in existence, or grow. Further, there is no assurance that the availability of and access to virtual currency service providers will not be negatively affected by government regulation or supply and demand of Digital Assets. Accordingly, companies or financial institutions that currently support virtual currency may not do so in the future.
- **Custody of Digital Assets**—Under the Advisers Act, SEC registered investment advisers are required to hold securities with “qualified custodians,” among other requirements. Certain Digital Assets may be deemed to be securities. Currently, many of the companies providing Digital Assets custodial services fall outside of the SEC’s definition of “qualified custodian”, and many long-standing, prominent qualified custodians do not provide custodial services for Digital Assets or otherwise provide such services only with respect to a limited number of actively traded Digital Assets. Accordingly, Clients may use non-qualified custodians to hold all or a portion of their Digital Assets.
- **Government Oversight of Digital Assets**—The regulatory schemes—both foreign and domestic—possibly affecting Digital Assets or a Digital Asset network may not be fully developed and subject to change. It is possible that any jurisdiction may, in the near or distant future, adopt laws, regulations, policies or rules directly or indirectly affecting a Digital Asset network, generally, or restricting the right to acquire, own, hold, sell, convert, trade, or use Digital Assets, or to exchange Digital Assets for either fiat currency or other virtual currency. It is also possible that government authorities may take direct, or indirect investigative or prosecutorial action related to, among other things, the use, ownership or transfer of Digital Assets, resulting in a change to its value or to the development of a Digital Asset network.
- **Management Risk**—Investments also vary with the success and failure of the investment strategies, research, analysis, and determination of portfolio securities. If our strategies do not produce the expected returns, the value of your investments will decrease.
- **Risk of Loss**—Investing in securities involves risk of loss that Clients should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met.



- **Non-Diversification Risk**—If a strategy is “non-diversified,” its investments are not required to meet certain diversification requirements under federal law. A “non-diversified” strategy is permitted to invest a greater percentage of its assets in the securities of a single issuer than a diversified strategy. Thus, the strategy may have fewer holdings than other strategies. As a result, a decline in the value of those investments would cause the strategy’s overall value to decline to a greater degree than if the strategy held a more diversified portfolio.
- **Risk Related to Funds Not Registered**—Client may invest in funds that are not registered as investment companies under the Investment Company Act and, therefore, the Client will not have the benefit of various protections afforded by the Investment Company Act with respect to its investment in underlying funds. In addition, some underlying fund managers will not be registered as investment advisers under the Advisers Act in reliance on certain exceptions from registration under that Act. In such cases, underlying fund managers will not be subject to various disclosure requirements that would apply to registered advisers. As an investor in the underlying funds managed by fund managers that are not registered as investment advisers, the Client will not have the benefit of certain protections of the Advisers Act.
- **Technology and Cybersecurity**—The Firm’s information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornados, floods, hurricanes, and earthquakes. Although the Firm has implemented various measures to protect the confidentiality of its internal data and to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Firm will likely have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Firm’s operations and result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information relating to Clients. Such a failure could harm the Firm’s reputation or subject it or its affiliates to legal claims and otherwise affect their business and financial performance. The Firm will seek to notify affected Clients of any known cybersecurity incident that will likely pose substantial risk of exposing confidential personal data about such Clients to unintended parties.
- **Repurchase Agreements**—A Client may enter into repurchase agreements, where a party agrees to sell a security to the Client and agrees to repurchase the security at an agreed-upon price at a stated time. A repurchase agreement is like a loan by the Client to the other party that creates a fixed return for the Client. All repurchase agreements are collateralized with underlying securities. A Client could incur a loss on a repurchase transaction if the other party defaults, the value of the underlying collateral declines or the Client’s ability to sell the collateral is restricted or delayed.
- **Reverse Repurchase Agreements**—A Client may enter into reverse repurchase agreements, where a Client sells a security to a party for a specified price, with the simultaneous agreement by the Client to repurchase that security from that party on a future date at an agreed upon price. Similar to borrowing, reverse repurchase agreements provide a Client

with cash for investment purposes, which creates leverage and subjects the Client to the risks of leverage. Reverse repurchase agreements also involve the risk that the other party may fail to return the securities in a timely manner or at all. A Client could lose money if it is unable to recover the securities and the value of collateral held by the Client, including the value of the investments made with cash collateral, is less than the value of securities.

- **Other Risks, Information and Sources of Information**—Client accounts are also subject to investment style risk. A Client account invested in one of our investment strategies involves the risk that the investment strategy may underperform other investment strategies or the overall market. The Firm does not offer any products or services that guarantee rates of return on investments for any time period to any Client. All Clients assume the risk that investment returns may be negative or below the rates of return of other investment advisers, market indices or investment products.
- **Regulation Risk**—Regulation and laws affecting the Firm change from time to time. The Firm cannot predict the effects, if any, of future regulatory and legal changes on our business or the services provided.
- **Inflation Risk**—Security prices and portfolio returns will 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 a Client’s future interest payments and principal. Inflation also generally leads to higher interest rates, which may cause the value of many types of security investments to decline.
- **Interest Rate Risks**—The prices of and the income generated by most debt and equity securities will most likely be affected by changes interest rates and by changes to the effective maturities and credit ratings of these securities. In addition, falling interest rates may cause an issuer to redeem or refinance a security before its stated maturity date, which would typically result in having to reinvest the proceeds in lower-yielding securities.
- **Credit Risk**—Debt securities are credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default.
- **Risks Related to Conflicts of Interest**—Various conflicts of interest are discussed throughout this document. Please review this information carefully and contact us if you have any questions.
- **Data Sources Risks**—The Firm uses external software applications to analyze performance attribution and to assist in investment decision making or investment research. As a result, if information that the Firm receives from a third-party data source is incorrect, the Firm may not achieve the desired results. Although the Firm has found the third-party data sources to be generally reliable, the Firm typically receives these services “as is” and cannot guarantee that the data received from these sources is accurate.

Allocations to third-party managers and investors in third-party investment funds (including registered funds and private funds) are subject to the following additional risks:

- **Third-Party Aggressive Investment Technique Risk**—Managers and investment funds may use investment techniques and financial instruments that may be considered aggressive, including but not limited to investments in derivatives, such as futures contracts, options on futures contracts, securities and indices, forward contracts, swap agreements and similar instruments. Such techniques may also include taking short positions or using other techniques that are intended to provide inverse exposure to a particular market or other asset class, as well as leverage, which can expose a Client’s account to potentially dramatic changes (losses or gains). These techniques may expose a Client to potentially dramatic changes (losses) in the value of its allocation to the manager and/or investment fund.
- **Liquidity and Transferability**—Certain investment funds – for example, private funds and interval funds -- offer their investors only limited liquidity and interests are generally not freely transferable. In addition to other liquidity restrictions, investments investment funds may offer liquidity at infrequent times (i.e., monthly, quarterly, annually, or less frequently). Accordingly, investors in investment funds should understand that they may not be able to liquidate their investment in the event of an emergency or for any other reason.
- **Possibility of Fraud and Other Misconduct**—When Client assets are allocated to a manager or investment funds, the Firm does not have custody of the assets. Therefore, there is the risk that the manager or investment fund or its custodian could divert or abscond with those assets, fail to follow agreed upon investment strategies, provide false reports of operations, or engage in other misconduct. Moreover, there can be no assurances that all managers and investment funds will be operated in accordance with all applicable laws and that assets entrusted to the manager or investment funds will be protected.
- **Counterparty Risk**—The institutions (such as banks) and prime brokers with which a manager or investment fund does business, or to which securities have been entrusted for custodial purposes, could encounter financial difficulties. This could impair the operational capabilities or the capital position of a manager or create unanticipated trading risks.

The summary above is qualified in its entirety by the risk factors set forth in the applicable offering materials for the applicable product.

#### **Item 9-Disciplinary Information**

The Firm is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Firm, or the integrity of our management. The Firm reviews advisory personnel records on a periodic basis to ensure that no disciplinary events have been reported. The Firm has no material legal or disciplinary events in response to this item. The Firm maintains ADV Part 2B for its advisors, which are provided to each Client, and detail each individual team member's professional credentialing, and other pertinent information about the advisor.

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

We have relationships and arrangements with related persons that provide a variety of financial services and products, as detailed below. When appropriate for a client, we use and/or recommend services and products offered by our parent company, Mariner, its principal voting owners, each of

their respective affiliates and/or parties in which Mariner or its affiliates have a financial interest. Please see the Form ADV for the affiliated adviser providing services to you for more details on the conflict of interest that exists related to the recommendation of services or products to you that are offered by Mariner's principal voting owners and their affiliates, namely Mariner Parent, 1248, LGP and NBAA.

### **Other Investment Advisers**

The Firm is affiliated with and under common control with:

- Mariner, LLC (CRD No. 140195), a SEC registered investment adviser.
- Mariner Wealth Advisors-IC, LLC (CRD No. 289886), a SEC registered investment adviser.
- Mariner Platform Solutions, LLC ("MPS") (CRD No. 305418), a SEC registered investment adviser.
- Mariner Independent Advisor Network, LLC ("MIAN") (CRD No. 283824), a SEC registered investment adviser.
- Mariner Wealth Advisors-PR, LLC (CRD No. 329377), a SEC registered investment adviser.
- Mariner Institutional, LLC (CRD No. 111964), a SEC registered investment adviser.

The Firm is affiliated with and under common control with the following investment advisers as a result of 1248's significant ownership stake through its subsidiary holding company, Montage Investments, LLC.

- 1248 Partners, LLC (CRD No. 325304), an SEC registered investment adviser.
- Flyover Capital Partners, LLC (CRD No. 173709), a SEC registered investment adviser.
- Ubiquity Management, LP (CRD No. 311168), an exempt reporting investment adviser.

These investment advisers serve as the investment manager or investment adviser to private funds, (please see the Form ADV of each adviser for specific information).

Relevant information, terms and conditions relative to the aforementioned affiliated private funds, including the investment objectives and strategies, minimum investments, qualification requirements, suitability, fund expenses, risk factors, and potential conflicts of interest, are set forth in the offering documents (which typically include confidential private offering memorandum, Limited Partnership Agreement/Limited Liability Company Agreement, or Subscription Agreement), which each investor is required to receive and/or execute prior to being accepted as an investor.

Through the ownership structures discussed above, Mariner's affiliates have a passive, direct or indirect minority financial interest in the following investment advisers.

- Eaglebrook Advisors, Inc (CRD: 304438), a SEC registered investment adviser.
- Altruist, LLC (CRD: 299398), a SEC registered investment adviser.
- Lifeworks Advisors, LLC (CRD: 288255), a SEC registered investment adviser.
- Dynasty Wealth Management, LLC (CRD: 153377), a SEC registered investment adviser.
- Alpine Fox Capital, LLC (CRD No. 324348), an exempt reporting investment adviser.

- 503 Capital Partners, LLC (CRD No. 327580), a SEC registered investment adviser.

These investment advisers provide advisory services to a variety of Clients, across various different formats, including through separately managed accounts, model portfolios, private funds and facilitating access to online marketplaces (please see the Form ADV of each adviser for specific information).

### ***Broker-Dealer***

We are affiliated, and under common ownership and control, with MSEC, LLC (CRD No. 154327), a broker-dealer registered with the SEC and various state jurisdictions, member of the Financial Industry Regulatory Authority (“FINRA”), Securities Investor Protection Corporation (“SIPC”), and Municipal Securities Rulemaking Board (“MSRB”).

We are affiliated, and under common control, with W G Securities, LLC (CRD No. 140869) (“W G”), a capital acquisition broker registered with the SEC and various state jurisdictions, member of FINRA and SIPC.

### ***Trust Company***

We are affiliated and under common control with Mariner Trust Company, LLC. Mariner Trust Company, LLC, is a state-chartered public trust company organized under the laws of South Dakota and serves to provide its customers with administrative trust services and other related services. The entity is subject to the regulatory oversight of the South Dakota Department of Labor and Regulation.

### ***Investment Banking Firm***

We are affiliated with and under common control with Woodbridge International, LLC (“Woodbridge”) which provides investment banking services.

### ***Insurance Companies or Agencies***

We are affiliated with and under common control with Mariner Insurance Resources, LLC, an insurance agency.

### ***Financial Planning Wellness Platform***

We are affiliated with and under common control with Mariner Financial Wellness, LLC, which provides a Financial Wellness Platform to companies.

### ***Legal Services Solution***

Through the ownership structures discussed above, Mariner’s affiliates have a passive, direct or indirect minority financial interest in Vanilla, a software solution that provides certain legal services.

### ***Specialty Tax Services***

We are under common control with Mariner Specialty Tax Services, LLC, which provides specialty tax services to certain clients.

### ***Other Affiliates***

Mariner Platform Solutions, LLC wholly owns Honor Bound Partners, LLC (“HBP”) which wholly owns Mariner Independent Advisor Network, LLC, Honor Bound Consulting Services, LLC (“HBC”) and Honor Bound Network, LLC (“HBN”). HBN is a California limited liability company that primarily serves to hold the assets and income of an office of supervisory jurisdiction with LPL Financial. In this capacity, HBN is responsible for overseeing the activities of registered representatives assigned to the branch.

### ***MMLIS Platform***

BWM participates in “the Platform,” which is a brokerage-based platform offered by MMLIS that supports certain investment management programs offered by registered investment advisory firms like BWM and other asset managers. IARs of MMLIS who offer the BWM Program to Clients do so independent of MMLIS, even though they are registered with MMLIS. MMLIS is a registered broker-dealer and member firm of FINRA and SIPC, and an SEC registered investment adviser. MMLIS makes the BWM Program available to its IARs and to Clients of the IARs.

Neither BWM, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

### ***Registered Representatives of MMLIS***

None of BWM’s representatives are registered representatives of MMLIS.

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

### ***Overview of Code of Ethics and Personal Trading***

We have adopted a code of ethics that sets forth the standards of conduct expected of our supervised persons and requires compliance with applicable securities laws (“Code of Ethics”). In accordance with Section 204A of the Advisers Act, the Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by us or any of our supervised persons. The Code of Ethics also requires that certain of our personnel (“access persons”) report their personal securities holdings and transactions and obtain pre-approval of transactions in certain securities deemed reportable under the Code of Ethics, including initial public offerings, private investments, limited offerings, and virtual coins or tokens in initial coin offerings.

A conflict of interest exists to the extent the Firm and/or its related persons invest in the same securities that are recommended to Clients. In order to address this conflict of interest, the Firm has implemented certain policies and procedures in its Code of Ethics, as further described herein. If an access person is aware that the Firm or an advisor within the Firm is purchasing/selling any

security on behalf of a Client, the access person may not themselves effect a transaction in that security until the transaction is completed for the relevant Client(s). This does not include transactions for accounts that are executed as part of a block trade within a managed strategy or for accounts over which the access person has no direct or indirect influence or control. These requirements are not applicable to:

- Direct obligations of the Government of the United States
- Money market instruments including, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments (High quality short-term debt instrument is defined as any instrument having a maturity at issuance of fewer than 366 days and which is rated in one of the highest two rating categories by a nationally recognized statistical rating organization, or which is unrated but is of comparable quality)
- Shares issued by money market funds
- Shares issued by open-end mutual funds (other than ETFs)
- Shares issued by unit investment trusts that are invested exclusively in one or more unaffiliated open-end mutual funds (other than ETFs)

No supervised person may trade, either personally or on behalf of others, (including Client accounts), while in the possession of material, non-public information, nor may any supervised person communicate material, non-public information to others in violation of the law.

We maintain restrictions on receiving and giving of gifts and entertainment to and from Clients and others with which the Firm does business. This is in an effort to curb potential conflicts of interest this may create. We also monitor our associates' outside business activities to review situations that would compete with the interests of the Firm.

Our Clients or prospective Clients may request a copy of our Code of Ethics by contacting us at (913) 904-5700.

### ***Participation or Interest in Client Transactions***

If we determine that it is appropriate based on the client's investment objectives and investor status, we recommend to clients, or buy or sell for client accounts, securities in which our related persons have a financial interest. This includes, but is not limited to, instances in which the Firm or an affiliate acts as the general partner in a partnership or a managing member of a limited liability company in which we recommend client(s) invest. This also includes products and services offered by other financial entities in which a principal voting owner of the Firm – Mariner Parent, 1248, LGP and/or NB have a direct or indirect ownership interest. These types of transactions present a conflict of interest in that the Firm has a financial incentive as revenues earned by the related person ultimately flow to the principal voting owners of Mariner. See Item 10 for additional disclosure regarding this conflict, including the policies and procedures the Firm has implemented in order to address the conflict.

To address these potential conflicts and protect and promote the interests of Clients, we employ the following policies and procedures:

- If we enter into a transaction on behalf of our Clients that presents either a material or non-material conflict of interest, the conflict should be prominently disclosed to the Client prior to the consummation of such transaction.
- Associates must comply with our policy on the handling and use of material inside information. Associates are reminded that they may not purchase or sell, or recommend the purchase or sale, of a security for any account while they are in possession of material inside information. In addition, associates may not disclose confidential information except to other associates who “need to know” that information to carry out their duties to Clients.
- Access Persons must report securities transactions required by the Code of Ethics.
- In instances in which Client trades are aggregated with employee accounts, the Firm will seek to ensure that:
  - Trades for Clients are treated equally with those for employee-related accounts
  - Each participant in the trade will receive the average execution price and commissions
  - Securities will be allocated in a fair and equitable manner pursuant to our Firm’s policies and procedures

In addition, we have adopted trading practices designed to address potential conflicts of interest inherent in proprietary and Client discretionary trading. There can be no assurance, however, that all conflicts have been addressed in all situations. Further, during periods of unusual market conditions, the Firm may deviate from its normal trade allocation practices.

#### Item 12-Brokerage Practices

In the event that the Client requests that BWM recommend a broker-dealer/custodian for execution and/or custodial services, BWM generally recommends that investment advisory accounts be maintained at Fidelity. Prior to engaging BWM to provide investment management services, the Client will be required to enter into an Agreement with BWM setting forth the terms and conditions under which BWM will advise on the Client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that BWM considers in recommending custodians include: the historical relationship with BWM; financial strength; reputation; execution capabilities; pricing; research; and service. Although the transaction fees paid by BWM’s Clients shall comply with BWM’s duty to obtain best execution, a non-wrap fee Client may pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where BWM determines, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although BWM will seek competitive rates, it may not necessarily obtain the lowest possible rates for Client Program Account transactions. Unless services are provided in conjunction with a wrap program, transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, BWM’s investment advisory fee.



### ***Directed Brokerage***

BWM generally does not accept directed brokerage arrangements (when a Client requires that account transactions be effected through a specific broker-dealer). In such Client-directed arrangements, the Client will negotiate terms and arrangements for their account with that broker-dealer, and BWM will not seek better execution services or prices from other broker-dealers or be able to "batch" the Client's transactions for execution through other broker-dealers with orders for other accounts managed by BWM. As a result, a Client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

### ***Trade Aggregation and Allocation***

Transactions for each Client generally will be effected independently, unless we decide to purchase or sell the same securities for several Clients at approximately the same time. In certain situations, we will (but are not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among our Client's differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among our Clients on a pro rata basis to the purchase and sale orders placed in a particular block. It should be noted that there can be multiple blocks for the same securities in a day. The average and allocation may not be among all blocks in a day. To the extent that we determine to aggregate Client orders for the purchase or sale of securities, including securities in which our affiliate(s) invests, we shall generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the SEC. We shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that we determine that a prorated allocation is not appropriate under the particular circumstances, 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) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, we may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) 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.

For fixed income investments, when bonds are purchased in blocks, they are allocated to interested Clients on a basis that we deem fair and equitable, using a pre-determined allocation methodology. The circumstances surrounding the account, including but not limited to whether the trader has decision-making authority or the advisor remains involved in specific investment decisions, are considered. As a result, accounts over which the trader has decision making

authority may receive preference due to additional time required to consult with the advisor. The aggregation of Client trade orders does not ordinarily adversely affect execution prices, and in many cases results in reduced cost and more efficient and favorable execution. All discretionary Clients participating in an aggregated transaction generally receive the average execution price. Although the aggregation of trade orders is expected to benefit Clients overall, aggregation may, in any circumstance, disadvantage a particular Client. There may be circumstances where we determine not to aggregate discretionary Client trade orders which otherwise could have been aggregated or where aggregation is not feasible. Prior to aggregating trades, the Client will consent in the Agreement.

The Firm in certain instances may determine that the purchase, sale or exchange of the same security is in the best interests of more than one Client, which may include discretionary accounts, non-discretionary accounts and model delivery programs. Specifically with respect to the various equity strategies developed by the Firm, we have implemented a trade rotation policy (“Rotation Policy”) to provide approximately equal preference to Clients in instances where we determine to make an update to an equity strategy.

As discussed in Item 4, while we maintain various equity strategies, a Client’s advisor has discretion to determine the specific investments utilized in the Client’s portfolio, subject to Client-directed investment restrictions. To the extent a Client account’s portfolio deviates from an equity strategy developed by the Firm, any related trading activity in the Client account will not be subject to the Rotation Policy.

Due to the nature of the trade rotation process, trading for the Firm’s discretionary accounts may be conducted at the same time as trading being conducted pursuant to model portfolio programs (including by affiliated advisers) or by accounts where the Firm is not granted trading authority. As a result, the Firm’s discretionary accounts may obtain more favorable execution prices than such accounts or vice versa.

Notwithstanding the discussion above, Client accounts advised by a limited number of advisors previously associated with certain investment advisory businesses acquired by the Firm deviate from the standard trading and brokerage practices of the Firm discussed above. The trading and brokerage practices of such Client accounts is subject to oversight and review by relevant compliance personnel of the Firm, as necessary.

### ***Research and Additional Benefits***

The Firm is authorized to pay higher prices for the purchase of securities from or accept lower prices for the sale of securities to brokerage firms that provide it with investment and research information or to pay higher commissions to such brokerage firms if the Firm determines such prices or commissions are reasonable in relation to the overall services provided. Research services furnished by brokers may include written information and analyses concerning specific securities, companies, or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services; discussions with research personnel; and invitations to attend conferences or meetings with management or industry consultants. The Firm is not required to weigh any of these factors equally. To the extent the Firm receives research services, the Firm receives a benefit because it does not need to produce or otherwise pay for such research services. Additionally, research services obtained from a broker could benefit all Clients, and not only those having brokerage transactions with such broker. The Firm’s selection of brokers on the basis of

considerations which are not limited to applicable commission rates may at times result in the Firm's Clients being charged higher transaction costs than they could otherwise obtain.

Receipt by an investment adviser of products and services provided by brokers, without any cash payment by an investment adviser, based on the volume of brokerage commission revenues generated from securities transactions executed through those brokers on behalf of the investment adviser's Clients is commonly referred to as "soft dollars." Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), provides a "safe harbor" to investment advisers with respect to potential liability for violating their duty to obtain best execution for a Client's securities transactions in circumstances in which such advisers use soft dollars generated by their advised accounts only for purposes of obtaining investment research and brokerage services (i) that provide lawful and appropriate assistance to the investment adviser in the performance of investment decision making responsibilities and (ii) where the commissions paid are reasonable in relation to the value of the services provided.

The Firm does not currently have any formal soft dollar arrangements. The Firm is not required to allocate either a stated dollar or stated percentage of its brokerage business to any broker for any minimum time period.

Although not a material consideration when determining whether to recommend that a Client utilize the services of a particular broker-dealer/custodian, the Firm may receive from a broker-dealer/custodian, investment platform and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service Client accounts maintained at such institutions. Possible support services the Firm receives include: investment-related research, pricing information and market data, software and other technology that provide access to Client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, transition support services, computer hardware and/or software and/or other products used by the Firm in furtherance of its investment advisory business operations.

### ***Cross Trades***

From time to time, where permitted by applicable law, the Firm may determine that a sale of positions from one Client to another is in the best interests of both Clients. This may arise, for example, if one Client is being wholly or partially liquidated to fund withdrawals, while another Client has cash available for investment. The Firm and its affiliates will not receive commissions or otherwise profit from such cross trades, and a member of the Firm's Compliance Team or appropriate designee will be required to approve all cross trades in advance and in accordance with applicable law.

### ***Trade Error Policy***

The Firm has a policy to minimize the occurrence of trade errors and, should they occur, detect such trade errors, and take steps to resolve the error to make the Client whole. Upon the timely discovery of a trade error, the Firm corrects the trade error. The trade error resolution process varies depending on the policies and practices of the custodian where the relevant Client account is maintained. Clients may obtain additional information about the trade error policies and practices applicable to their account by contacting the Firm.

### Item 13-Review of Accounts

Generally, Program Accounts are reviewed and monitored on a regular basis by BWM and by the Independent Managers. Program Accounts that are subject to a Model (i.e., invested in a Model Portfolio) are reviewed on a continuous basis as Model portfolios are reviewed and analyzed by the Portfolio Managers, Research Department and, on occasion as circumstances warrant, Investments. Unique Program Accounts (i.e., accounts that contain one or more securities not found in a Model portfolio) are reviewed on an as-needed basis or as market conditions or tax considerations dictate. Program Accounts that contain securities managed by an Independent Manager are reviewed by the Independent Manager and by the Research Department on a periodic basis and discussed with Investments.

Quarterly performance reports are made available to Clients by BWM. In addition, other associates and/or officers of the Firm typically meet with the Client at least annually to review the accounts.

See Item 15 for information on the frequency of Client custodial statements.

### Item 14-Client Referrals and Other Compensation

To the extent we enter into a referral agreement whereby we pay a referral fee to Promoters/Introducers, we will do so in accordance with the requirements of Rule 206(4)-1 of the Advisers Act and any corresponding state securities law requirements. All such referral fees shall be paid solely from our advisory fee. Promoters receive additional compensation, such as incentive trips and gratis attendance at conferences, including payment for meals, activities, airfare, and accommodations. For Clients who are introduced to us by an unaffiliated Promoter, the Client will be given, prior to or at the time of entering into any advisory contract with the Client, a copy of the Promoter's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated Promoter of ours, or a Promoter in which an affiliate holds a direct or indirect ownership interest, shall disclose the nature of his/her relationship to prospective Clients at the time of the solicitation.

From time to time, we receive indirect compensation from service providers or third-party vendors in the form of gifts, entertainment and/or gratis attendance at industry conferences, meetings and other educational events. When received, these occasions are evaluated to ensure they are reasonable in value and customary in nature to ensure their occurrence does not present any conflicts of interest.

As indicated in Item 12 above, BWM can receive from the custodian(s), without cost (and/or at a discount), support services and/or products.

BWM's Clients do not pay more for investment transactions effected and/or assets maintained at the custodian(s) (or any other institution) as a result of this arrangement. There is no corresponding commitment made by BWM to the custodian, or to any other entity, to invest any specific amount or percentage of Client assets in any specific mutual funds, securities, or other investment products as a result of the above arrangement.

### ***Enterprise Partnership Alliance***

Mariner has in place an Enterprise Partnership Alliance program through which firms are able to sponsor events such as seminars and conferences. Firms that partake in this partnership alliance may include investment managers, recordkeepers and other third parties with which the firm does business and/or may recommend to clients. Firms that currently participate in this program, include, but are not necessarily limited to: Fidelity, Blackstone, Blackrock, CAIS, Palmer Square, Cantor, Goldman Sachs, Inland, Orion, State Street, John Hancock, Apollo, Vanguard, MFS, Hargrove Firm powered by Net Law, Vanilla, Schwab, MassMutual, Dimensional Fund Advisors (“DFA”), StoneCastle, JP Morgan, Acrisure. This list is subject to change from time to time.

### ***Sponsorships & Third-Party Support***

The Firm may also receive from Fidelity, Schwab or Pershing (or another broker-dealer/custodian, investment platform and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service client accounts maintained at such institutions. Possible support services the Firm receives include: sponsorships of Firm events and/or conferences, investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, transition support services, computer hardware and/or software and/or other products used by the Firm in furtherance of its investment advisory business operations.

The aforementioned Enterprise Partnership Alliance and other support services could create a potential conflict of interest in that an advisor may have an incentive to recommend that a client utilize the services of a particular third-party provider (e.g., custodian, broker-dealer, money manager, recordkeeper, etc...), as a result of the additional support or sponsorships of those firms. The Firm has procedures in place to monitor the conflicts of interest presented by these relationships.

The Firm’s affiliates offer a variety of services and products to our clients beyond investment advisory services. Certain representatives or other associates of the Firm are entitled to receive compensation from affiliates for referring clients for services and products provided by the affiliate. Any such referral fees are fully disclosed to applicable clients.

### **Item 15-Custody**

Custody has been defined by regulators as having access to or control over Client funds and/or securities. It is not limited to physically holding Client funds and securities, but also in cases where an adviser has the ability to access or control Client funds and securities. Authorization to trade in Client accounts is not deemed by the regulators to be custody. Client assets are held with qualified custodians.

In many cases, the Firm has the authority to debit our Clients’ custodial accounts for advisory fees. We are deemed to have custody of those assets if, for example, we are authorized to instruct a Client’s custodian to deduct our advisory fees directly from the account or if we are granted authority to move money from a Client’s account to another person’s account. At all times, the custodial bank maintains actual custody of those assets.

In addition, certain Clients have established asset transfer authorizations that permit the qualified custodian to rely upon instructions from BWM to transfer Client funds or securities to third parties. These arrangements are disclosed in Item 9 of Part 1 of Form ADV. However, in accordance with the guidance provided in the SEC's February 21, 2017, *Investment Adviser Association* No-Action Letter, the affected accounts are not subject to an annual surprise CPA examination.

Clients should receive at least quarterly statements from the custodian bank or other qualified custodian that holds and maintains Client's investment assets. We urge Clients to carefully review such statements and compare such official custodial records to the account statements that we provide to Client and to promptly report material discrepancies to us. Statements we provide at the request of our Clients can vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16-Investment Discretion

### ***Discretionary Authority***

We typically receive discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account. Generally, there are no limitations on the securities we will purchase or sell, the amount of the securities we will purchase or sell, the broker or dealer we will use to execute a transaction and commission rates paid.

Clients may impose reasonable restrictions, limitations, or other requirements with respect to their individual accounts. Any limitations on our discretionary authority to manage securities accounts on behalf of Clients would be initiated and imposed by the Client. Examples of common guideline restrictions include limitations prohibiting the purchase or sale of a particular security or type of security. Specific Client investment restrictions may limit our ability to manage those assets like other similarly managed portfolios. This may impact the performance of the account relative to other accounts and the benchmark index. These Clients are informed that their restrictions may impact performance. Any restrictions imposed must be provided to BWM in writing by the Client in and IPS and approved by the Firm.

Employer sponsored retirement plan Clients can determine to engage the Firm to provide investment management services on a discretionary basis as provided for in Section 3(38) of ERISA. Prior to the Firm assuming discretionary authority over the management of a Plan's assets, the Client shall be required to execute an Agreement setting forth the scope of the services to be provided.

### ***Non-Discretionary Authority***

To the extent the Firm manages a Client's account on a non-discretionary basis, the Firm will make investment recommendations to the Client as to which securities are to be purchased or sold, and the amounts to be purchased or sold. Upon approving the recommended transactions, the Client may request that the Firm direct the execution of purchase or sale orders to implement the recommended transactions for the Client's account. The Firm then may be given authority to determine the brokers or dealers through which the transactions will be executed, and the commission rates, if any, paid to effect the transactions. As described above with respect to

discretionary accounts, the Client may direct those transactions be effected with specific brokers or dealers.

Employer sponsored retirement plan Clients can determine to engage the Firm to provide investment advisory services on a non-discretionary basis as provided for in Section 3(21) of ERISA. Prior to the Firm assuming non-discretionary authority over the management of a Plan's assets, the Client shall be required to execute an Agreement setting forth the scope of the services to be provided.

#### **Item 17-Voting Client Securities**

We do not and will not accept proxy voting authority to vote Client securities. Clients will receive proxies directly from their custodian or transfer agent.

#### **Item 18-Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to Clients and have not been the subject of a bankruptcy proceeding.