Disclosure Brochure

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future-wise

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This brochure provides information about the qualifications and business practices of *future-wise* (hereinafter "*future-wise*"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, *future-wise* is required to discuss any material changes that have been made to the brochure since the last annual amendment filed March 27, 2018. There are no such material changes to disclose.

Item 3. Table of Contents

Item 4. Advisory Business

future-wise provides investment management, wealth advisory, and financial planning services. These services are provided through electronic media, including websites maintained by the firm or third parties. Communications are most often done through web-based meetings.

Prior to *future-wise* rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with *future-wise* setting forth the relevant terms and conditions of the advisory relationship (the "Advisory Agreement").

While this brochure generally describes the business of *future-wise*, certain sections also discuss the activities of its Supervised Persons, which refer to the firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on *future-wise's* behalf and is subject to the firm's supervision or control. In addition, *future-wise* is a business name of Halbert Hargrove Global Advisors, LLC ("Halbert Hargrove"). Unless otherwise disclosed, any references to *future-wise* in this brochure will include information about Halbert Hargrove as well.

future-wise has been in business as an SEC registered investment adviser since October 13, 1988. Halbert Hargrove Holdings, LLC, is the principal owner of *future-wise*. Halbert Hargrove has $2,343,318,818 of assets under management as of December 31, 2018. $2,212,693,874 of these assets are managed on a discretionary basis and $130,624,944 are managed on a non-discretionary basis.

Wealth Advisory and Financial Planning Services

future-wise provides its clients with a broad range of wealth advisory and financial planning services. A primary focus of *future-wise* is providing wealth advisory and financial planning services to individuals and families. Advice is rendered in the areas of cash flow and debt management, risk management, college funding, retirement planning, estate planning, investment tax planning, asset allocation and investment selection.

In performing its services, *future-wise* is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. *future-wise* will recommend the services of itself, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if *future-wise* recommends its own services. Clients are advised that it remains their responsibility to promptly notify *future-wise* if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising *future-wise*'s previous recommendations and/or services.

Investment Management Services

Clients can engage *future-wise* to manage all or a portion of their assets on a discretionary basis. Wealth advisory services are typically provided as a bundled service for discretionary accounts.

future-wise primarily allocates clients' investment management assets among mutual funds and exchange-traded funds ("ETFs") in accordance with the investment objectives of the client. *future-wise* tailors its advisory services to the individual needs of clients. *future-wise* will collect information about clients initially and on an ongoing basis to determine the client's needs, risk tolerance, time horizon and other factors. *future-wise* attempts to match clients' investments with their investment needs, goals, objectives and risk tolerance.

Clients are advised to promptly notify *future-wise* if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon *future-wise*'s management services. Clients may impose reasonable restrictions or mandates on the management of their account if, in *future-wise*'s sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

Item 5. Fees and Compensation

future-wise offers services for a fee based upon assets under management. This management fee is generally 65 basis points (0.65%). The annual fee is prorated and charged monthly, in arrears, based upon the market value of the average daily account balance as valued by the custodian.

Fee Discretion

future-wise may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

Additional Fees and Expenses

In addition to the advisory fees paid to *future-wise*, clients will also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (*e.g.*, fund management fees and other fund expenses), 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. The firm's brokerage practices are described at length in Item 12, below.

Direct Fee Debit

Clients generally provide *future-wise* with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to *future-wise*.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to *future-wise's* right to terminate an account. Additions may be in cash or securities provided that the firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to *future-wise*, subject to the usual and customary securities settlement procedures. However, the firm generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. *future-wise* may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Item 6. Performance-Based Fees and Side-by-Side Management

future-wise does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

Item 7. Types of Clients

future-wise offers services to individuals, corporations and business entities.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

future-wise's Investment Committee evaluates potential investments using qualitative and quantitative research. Qualitative evaluations are judgments about organizational and investment process characteristics such as leadership, experience, adherence to philosophy, integrity, and information management. Quantitative research involves analyzing portfolio characteristics and performance, which includes risks taken, stability of return, source of relative performance and the effect of costs and portfolio turnover. *future-wise* utilizes published sources, consulting and business relationships, and internal research to make evaluations.

Investment Strategies

Philosophy

future-wise believes in "helping you do today what will make you wealth wise tomorrow". Portfolio construction starts with understanding client needs, client ability to bear risk, and client-expressed risk tolerance.

When providing services to its clients, *future-wise* first conducts a web questionnaire and gathers data to assist the client in determining specific needs, goals, objectives, and tolerance of risk. *future-wise* considers a long-term engagement consisting of delivering comprehensive investment management and wealth advisory services "on-demand". This allows clients access to CFP-certified advisors that can assist clients with their financial needs. During regular business hours, a personal advisor can be reached via telephone, email, web chat, or video meeting.

Financial markets have historically rewarded investors willing to accept higher levels of volatility; however, patterns of return and relative performance may not hold in the short term. *future-wise* believes long-term strategic investors are more likely to benefit from exposure to market volatility, because they are likely to be invested in the markets at all times in appropriate balance with their risk tolerance and goals.

Investment Process

future-wise investigates the nature of returns, risks, diversification prospects and tax implications for every major asset type and investing technique we include in portfolios. Portfolios are built on *future-wise's* belief in maximum diversification; all investment styles will periodically underperform. *future-wise's* disciplined approach is designed to avoid short-term reactions that can cost investors real wealth.

future-wise may utilize actively managed funds, passive (index) funds, and ETFs to implement investment allocations. No funds are managed internally and *future-wise* will not accept custody of client funds.

All investment decisions are vetted through *future-wise's* Investment Committee. Each member has a predefined role and meetings are held at least monthly, but may also be held "as needed", to review investment positions and discuss new opportunities. The Investment Committee is augmented by several independent consulting relationships with experienced investment professionals. Before the Investment Committee begins the investment selection process it first determines if there is a need for certain investments in client portfolios. A general framework for analyzing the inclusion of a new asset class or investment strategy may take many forms; however, *future-wise* begins with three major sets of issues, each broken down into specific types of inquiries, referred to as "*A, B, C*."

A. <u>*Analytical relevance and importance:*</u>

- A general statement of the issues involved, generally including some discussion of pros and cons, academic research, and background information on industry positions relating to products generally as well as those specifically identified;
- A discussion of applications such as what types of accounts are suitable (taxable, non-taxable, time horizon, risk / liquidity tolerance, etc.), as well as characterization of the issues in terms of tactical vs. strategic nature
- Implementation issues, i.e. are there multiple ways of achieving the same ends? What are the pros and cons of each?

B. <u>*Behavioral issues:*</u>

- What particular types of behavioral issues are likely to be most important and effect successful implementation of a particular approach or strategy?
- How does a proposed solution address these issues?
- What informational or perceptual issues are most likely to impact investors regarding the proposed strategy or approach, and how does the specific implementation respond to those issues?

C. <u>*Consistency issues:*</u>

- Is the proposed approach or strategy consistent with the firm's investment philosophy?
- Does it cause a re-thinking or broadening of the philosophy or is it simply performance chasing or response to popular demand?

- What are the foreseeable implementation issues?
- Can the proposed benefits really accrue to clients, or is the idea really "marketing"?
- From a cost/benefit standpoint, do clients benefit enough to justify additional firm or client-specific implementation costs?

If a position is justified and clears *future-wise's* A, B, C process, the Investment Committee will then search for manager(s) and investment vehicle(s) that best fit client needs. *future-wise* utilizes several consulting relationships to help the Investment Committee identify well-researched investment managers and investment vehicles that are understandable, disciplined, risk controlled and that have been successful over time.

As stated under Methods of Analysis, *future-wise's* Investment Committee evaluates potential investments using qualitative and quantitative research. Qualitative evaluations are judgments about organizational and investment process characteristics such as leadership, experience, adherence to philosophy, integrity, and information management. Quantitative research involves analyzing portfolio characteristics and performance, which includes risks taken, stability of return, sources of relative performance and the effect of costs and portfolio turnover. *future-wise* utilizes published sources, consulting and business relationships, and internal research to make evaluations.

future-wise tests its allocation models mathematically and logically to confirm that expected risk and return changes are consistent and reasonable. Before adding or removing asset classes or shifting weights, *future-wise* analyzes correlations among the different asset classes to determine how to reduce risk where possible, and to identify additional sources of potential return.

Assets that are included in client portfolios are tracked individually versus appropriate benchmarks. The Investment Committee considers various factors before deciding to terminate a position and change vehicles. These decisions are well documented along with supporting information and reflected in formal committee meeting minutes.

Risk of Loss

Market Risks

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of *future-wise's* recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that *future-wise* will be able to predict those price movements accurately or capitalize on any such assumptions.

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (*e.g*., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Item 9. Disciplinary Information

future-wise has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations.

Referrals to Related Certified Public Accountants

future-wise does not render accounting services to clients. In the event a client requires accounting services, the firm may recommend a certified public accountant. At times, the firm may recommend the services of the certified public accounting firm of Langley, O'Grady & Associates, P.C. ("Langley, O'Grady & Assoc."). These services are rendered independent of *future-wise* and pursuant to a separate agreement between the client and the accounting firm. *future-wise* does not receive any portion of the fees paid by the client to Langley, O'Grady & Assoc. and does not receive a referral fee in connection with the accounting services that Langley, O'Grady & Assoc. renders to its clients. However, three of *future-wise's* Supervised Persons, E. William Langley, Ross A. Langley, and Cheryl Burgmaier are also a principal of Langley, O'Grady & Assoc. and is entitled to receive distributions relative to their respective ownership interest in Langley, O'Grady & Assoc. There exists a conflict of interest to the extent that the firm recommends the accounting services of Langley, O'Grady & Assoc. and these Supervised Persons receives compensation, by virtue of his position with Langley, O'Grady & Assoc.

These Supervised Persons may also recommend *future-wise's* services to certain of Langley, O'Grady & Assoc.'s clients. Although Langley, O'Grady & Assoc. does not receive referral fees from the firm, these Supervised Persons receive compensation in connection with their investment advisory activities on behalf of *future-wise*. A conflict of interest exists to the extent that they recommend the services of the firm and receives compensation, by virtue of their positions as investment adviser representatives of future-wise.

Halbert Hargrove Services

Halbert Hargrove provides additional services to clients pursuant to a separate disclosure brochure. There is a conflict of interest for Halbert Hargrove to favor one set of clients over another. The firm has policies and procedures in place to ensure that the firm acts in the best interest of clients regardless of acting as Halbert Hargrove or *future-wise*.

Item 11. Code of Ethics

future-wise has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. *future-wise's* Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of *future-wise's* personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g*., initial public offerings, limited offerings). However, the firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds. Clients and prospective clients may contact *future-wise* to request a copy of its Code of Ethics.

Item 12. Brokerage Practices

Recommendation of Broker/Dealers for Client Transactions

future-wise generally recommends that clients utilize the custody, brokerage and clearing services of Fidelity Institutional Wealth Services ("Fidelity") for investment management accounts.

Factors which *future-wise* considers in recommending Fidelity or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Fidelity may enable the firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Fidelity may be higher or lower than those charged by other Financial Institutions.

The commissions paid by *future-wise's* clients to Fidelity comply with the firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where *future-wise* determines that the commissions are reasonable in relation to the value of the brokerage and research services received. 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 Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. *future-wise* seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Transactions may be cleared through other broker-dealers with whom the firm and its custodians have entered into agreements for prime brokerage clearing services. Should an account make use of prime brokerage, the Client may be required to sign an additional agreement, and additional fees are likely to be charged.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services which assist *future-wise* in its investment decision-making process. Such research generally will be used to service all of the firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because *future-wise* does not have to produce or pay for the products or services.

future-wise periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Software and Support Provided by Financial Institutions

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist future-wise in its investment decision-making process. Such research generally will be used to service all of future-wise's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because future-wise does not have to produce or pay for the products or services.

future-wise receives from Fidelity, without cost to future-wise, computer software and related systems support, which allow future-wise to better monitor client accounts maintained at each respective Financial Institution. future-wise receives the software and related support without cost because future-wise renders investment management services to clients that maintain assets at Fidelity. The software and support is not provided in connection with securities transactions of clients (i.e. not "soft dollars"). The software and related systems support may benefit future-wise, but not its clients directly. In fulfilling its duties to its clients, future-wise endeavors at all times to put the interests of its clients first. Clients should be aware, however, that future-wise's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence future-wise's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services, although most major broker-dealers do have similar capabilities.

Additionally, future-wise receives the following benefits from Fidelity through the Fidelity Institutional Wealth Services Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Institutional Wealth Services Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. future-wise receives similar benefits from.

future-wise also receives airfare and other expenses associated with attending industry conferences. future-wise receives these benefits from Financial Institutions and product providers (such as mutual fund sponsors). This presents a conflict of interest for future-wise to recommend investments in these products. However, future-wise reviews each investment based on the client's best interest and not based on economic benefits that it receives; which, in any event, are not material.

Brokerage for Client Referrals

future-wise does not consider, in selecting or recommending broker/dealers, whether the firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

The client may direct *future-wise* in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by *future-wise* (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, *future-wise* may decline a client's request to direct brokerage if, in the firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Trade Aggregation

Transactions for each client generally will be effected independently, unless *future-wise* decides to purchase or sell the same securities for several clients at approximately the same time. *future-wise* may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among *future-wise's* clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the firm determines to aggregate client orders for the purchase or sale of securities, including securities in which *future-wise's* Supervised Persons may invest, the firm generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. *future-wise* does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the firm determines 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, the firm 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.

Item 13. Review of Accounts

Account Reviews

future-wise monitors client portfolios on a continuous and ongoing basis. Such reviews are conducted by personnel that specifically support *future-wise* services. All investment advisory clients are encouraged to update their needs, goals and objectives with *future-wise* and to keep the firm informed of any changes thereto. The firm contacts ongoing investment advisory clients at least annually to request information on any changes in the client's financial situation and/or investment objectives.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from *future-wise* and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from *future-wise* or an outside service provider.

Item 14. Client Referrals and Other Compensation

In the event a client is introduced to *future-wise* by either an unaffiliated or an affiliated solicitor, the firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from *future-wise's* investment management fee and does not result in any additional charge to the client. If the client is introduced to the firm by an unaffiliated solicitor, the solicitor is required to provide the client with *future-wise's* written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of *future-wise* is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the firm's written brochure(s) at the time of the solicitation.

Item 15. Custody

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorize *future-wise* to debit client accounts for payment of the firm's fees and to directly remit that those funds to the firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to *future-wise*.

In addition, as discussed in Item 13, *future-wise* may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from *future-wise*.

Item 16. Investment Discretion

future-wise is given the authority to exercise discretion on behalf of clients. *future-wise* is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. *future-wise* is given this authority through a power-of-attorney included in the agreement between *future-wise* and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). *future-wise* generally takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold; and
- When transactions are made.

Item 17. Voting Client Securities

future-wise may accept the authority to vote a client's securities (i.e., proxies) on their behalf. When *future-wise* accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in the firm's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in *future-wise's* Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact *future-wise* to request information about how the firm voted proxies for that client's securities or to get a copy of *future-wise's* Proxy Voting Policies and Procedures. A brief summary of *future-wise's* Proxy Voting Policies and Procedures is as follows:

- *future-wise* has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will generally vote proxies according to *future-wise's* then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including:

composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.

- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the firm devotes an appropriate amount of time and resources to monitor these changes.

- Clients cannot direct *future-wise's* vote on a particular solicitation but can revoke the firm's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that *future-wise* maintains with persons having an interest in the outcome of certain votes, the firm takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

Item 18. Financial Information

future-wise is not required to disclose any financial information due to the following:

- The firm does not require or solicit the prepayment of more than $1,200 in fees six months or more in advance of services rendered;

- The firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and

- The firm has not been the subject of a bankruptcy petition at any time during the past ten years.

future-wise

Prepared by:

MarketCounsel
The Adviser's Advisor®