Weatherly Asset Management
Firm Brochure
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Weatherly Asset Management (WAM), a registered investment advisor. If you have any questions about the contents of this brochure, please contact us via phone at (858) 259-4507, or by email at carolyn@weatherlyassetmgt.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC), or by any state securities authority. Registration of an investment advisor does not imply a certain level of skill or training.

Additional information about WAM is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our Firm's CRD number is 106935.

MARCH 2018

Item 1 Weatherly Asset Management Plain English Brochure

Weatherly Asset Management (WAM) is pleased to provide you with our ADV Part 2 Brochure. This is an Advisory Practices Disclosure Statement, which contains important information about our business practices as well as a description of potential conflicts of interest relating to our advisory business which could affect your account with us. This Disclosure Statement applies to the investment activities of Weatherly Asset Management.

Item 2 Material Changes

The SEC requires all registered investment advisors to disclose each year a summary of specific and significant changes that have occurred.

Pursuant to these requirements, the firm offers information about its qualifications and business practices to clients on at least an annual basis. The SEC has significantly revamped Part I of the Form ADV to include more in depth disclosures. The Firm's newly filed ADV Part I as well as Part 2A may be viewed at www.adviserinfo.sec.gov

The material changes to this 2018 version of the ADV 2A are included in:

- Item 4 and involve the assets under management, number of client relationships, and principal owners as of February 28, 2018; and
- Item 15 and involve Custody.

Pursuant to federal regulations, WAM will ensure that clients receive a summary of any material changes to this Brochure within 120 days of the close of WAM's fiscal year, along with a copy of this Brochure or an offer to provide the Brochure.

Whenever you would like to receive a complete copy of our Firm Brochure (Part 2A) and Part 2B (detailed information regarding the Firm's Partners and Employees), please contact us at 858-259-4507 or visit our website. WAM's Brochure is also available anytime at the SEC's website at www.adviserinfo.sec.gov.

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Item 4 Advisory Business

Firm Description

Weatherly Asset Management (WAM), founded in 1994, provides confidential investment management and personalized financial planning to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include portfolio management, determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, education funding, retirement planning and estate planning.

WAM is strictly a fee-only wealth management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. Investment advice is provided and is an integral part of financial planning. In addition, WAM advises clients regarding cash flow, college planning, retirement planning, tax planning and estate planning.

WAM does not act as a custodian of client assets. The client always maintains asset control at a third party custodian, broker/dealer such as Fidelity or Schwab. WAM places trades for clients under a discretionary Investment Advisory Agreement. A comprehensive evaluation of each client's initial situation involving statements of all investment assets, cash flow, other assets and liabilities, prior years' tax information is provided by the client, during a personalized, detailed meeting. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., Trust attorneys, business lawyers, accountants, tax and insurance specialists, charitable giving etc.) are engaged directly by the client on an as-needed basis. WAM may make multiple referrals and helps orchestrate this team of professionals as appropriate. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone or face-to-face, is free of charge and is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

Principal Owners

WAM is a Limited Partnership. Carolyn Person Taylor is a 99% partner and WAM Inc. whose President is Carolyn Person Taylor, is a 1% partner.

Candise Holmlund, Brent Armstrong, and Ashley Copp are Income Partners of WAM LP along with Carolyn Taylor and WAM, Inc., but are not included in the partnership agreement which set up the limited partnership. Candise, Brent and Ashley became partners in 2003, 2015, and 2016 respectively.

Types of Advisory Services

Asset Management - WAM provides investment advisory services, also known as asset management services, usually on a discretionary basis to individuals, trusts, Traditional IRA, self employed, PCRA, Rollover IRA, SEP IRA, Roth IRA, and Non-deductible IRAs.

At WAM, managing clients' wealth has been our core business since our founding in 1994. WAM L.P. (WAM) is the investment advisory division of WAM, Inc., a California Corporation. Based in California, our office is at 832 Camino Del Mar, Suite 4, Del Mar, California 92014. We are an independent, woman-owned firm and have earned a national reputation as an SEC registered investment advisor dedicated to providing high quality, innovative investment services to a variety of clients. Our business focus is comprehensive wealth management, offering our clients expertise in equity, fixed income and balanced portfolio management. Advice on long- and short-term strategies is provided through consultation with the client. Advice is not limited to portfolio management and WAM may also provide advice on financial objectives, identification of financial problems, cash flow management, education funding, retirement planning, and estate planning. On more than an occasional basis, WAM furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning.

The equity style is primarily mid- to large-cap core. Initially we take a top-down macro-economic view in order to identify areas of opportunity and areas of risk. With this macro view, we then take a bottom-up approach, utilizing fundamental research and relative valuations amongst peers, in order to identify attractive companies for investment. More specifically, we search for equities with strong fundamentals selling at reasonable prices at which intelligent investors with a reasonable time horizon would be interested in buying. We also look for stocks that have the potential to generate strong returns independent of the broader market. While we principally use individual equities, select Exchange Traded Funds and No-Load Mutual Funds are utilized as appropriate.
Fixed income investments follow three broad investment criteria, all with a focus on high-quality, intermediate-maturity securities. Maturities are actively managed based on the trend in interest rates utilizing a battery of quantitative models. Sector enhancement is an integral part of the portfolio strategy focusing on those sectors offering value. Once attractive sectors are identified, WAM scrutinizes available positions in an effort to locate the most compelling individual value within that sector.

In addition to monthly statements provided to the client by the custodian, WAM provides quarterly client performance reports, either by mail or electronically via the Client Portal on our website. WAM also provides monthly blog posts and a market commentary in a quarterly newsletter, the "Weather(ly) Report", highlighting domestic and global events, specific market and investment activities, as a well as insight to overall portfolio holdings and activities, and remarkable financial planning or tax issues.

WAM manages all of our clients' portfolios with a team approach. WAM's team of professionals is prepared to handle all inquiries related to specific transactions within accounts, overall market outlook or re-evaluation of individual client needs. WAM's education and business standards for the Weatherly team members providing service to the clients are premier in the industry. Members of the Weatherly team offering advice must have at least a college education, a minimum of two years' experience in

investment management, securities analysis or a related field, and hold a Series 65, or comparable, license. This team is overseen by the principal partners who have over seventy years of combined industry experience.

Advisory Services To Retirement Plan Sponsors And Plan Participants: WAM offers various levels of advisory and consulting services to retirement plans ("Plans") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors ("Plan Sponsors") in meeting their management and fiduciary obligations to the Participants under the Employee Retirement Income Securities Act ("ERISA") and the Pension Protection Act of 2006 ("PPA"). Generally, investment advice provided to Plan Sponsors and Participants is also regulated under ERISA and the PPA. Plan Sponsors must make the ultimate decision to retain WAM for pension consulting and other advisory services including, but not limited to, services at the participant level. The Plan Sponsor is free to seek independent advice about the appropriateness of any recommended services for the plan. WAM acknowledges that it will be acting as a fiduciary to the plan pursuant to ERISA and the Investment Advisers Act of 1940.

Advisory services provided to retirement plan sponsors may be solely provided by Investment Advisory Representatives or in combination with third parties and their retirement plan services. Weatherly shall never act as a custodian of client assets and the services of an independent qualified custodian will be used for these asset management services.

Assets Managed

As of February 28, 2018, WAM manages approximately $ 759,909,105 in assets for approximately 359 relationships. Approximately $750,100,319 is managed on a discretionary basis, and $9,808,786 is managed on a non-discretionary basis.

Tailored Relationships

Investment Advisory Agreements are created that reflect the stated goals and objective for each portfolio. These goals and objectives for each client are documented in our client portfolio management system.

Clients may impose restrictions on investing in certain securities or types of securities. These restrictions are noted and flagged in the portfolio management system.
Any agreements, such as the Investment Advisory Agreement, may not be assigned without client consent.

Investment Advisory Agreement

WAM has an Investment Advisory Agreement (IAA) that defines the client relationship. The terms of the arrangement are detailed in each clients signed IAA.

At the inception of a relationship, WAM gathers certain information about the prospect or new client that is captured in a profile. WAM also urges the prospect to perform due diligence on WAM and the personnel. WAM customizes the services based on a client's needs and these include investment management (including performance reporting), cash flow management, insurance review; education planning, retirement planning, estate planning; and tax guidance, as well as the implementation of recommendations within each area.

In most cases a face-to-face or virtual meeting occurs prior to either party signing the Investment Advisory Agreement. Occasionally this initial meeting is on the phone. At these meetings the answer to all questions are documented, and valid picture identification is requested. Telephonic, electronic, webex, document vault/portal, and e-mail exchange of documents may also occur.

Upon the decision of the client to select WAM as their advisor, the IAA is signed by both parties for each account opened. Appended to the IAA are guidelines describing the chosen investment strategy for that specific account after WAM's analysis of the client's unique personal demographics, economic situation, specific goals and risk aversion. All aspects of the client's financial affairs are reviewed, often including other family members such as their children, parents or siblings.

Risk, return, time-horizon, and legal and tax implications are considered. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

Although the Investment Advisory Agreement is an ongoing agreement, adjustments are occasionally required. This agreement was most recently updated on August 1, 2017 to include enhanced language related to Client Information and ERISA and Other Retirement Accounts. The investment strategy and risk factors are explained on the next pages.

Asset Management

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a commission for stock and some fixed income trades.

Investments may include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), U. S. government securities, options contracts, futures contracts, and interests in partnerships. Initial public offerings (IPOs) are also available through WAM for certain clients, as appropriate.

Assets may also be invested primarily in no-load or low-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds.

Financial Planning

As appropriate, a financial plan may be designed to help the client with all aspects of financial planning complemented by ongoing investment management. There are no additional fees charged for this plan.

The financial plan may include, but is not limited to:

- a net worth statement
- a cash flow statement

a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations
a review of retirement accounts and recommendations for changes
one or more retirement or financial goal scenarios, if appropriate
a review of insurance policies and recommendations for changes
estate planning review and recommendations
education planning with funding recommendations
strategic tax planning

Detailed investment advice and specific recommendations are usually provided as part of a financial plan. These recommendations are discussed with the client in general and appropriately implemented with discretion by WAM.

In the event that the client's personal financial situation changes substantially from the initial financial plan, a revised plan will be provided as appropriate.

Certified Financial Planner (CFP®) certificants acknowledge their responsibility to adhere to the standards established in the CFP Board's Standards of Professional Conduct, including the duty of care of a fiduciary, as defined by the CFP Board. The client is encouraged to review the information contained in this disclosure brochure and ask the certificant any questions they may have. Should any material changes occur to this information, updated information will be provided in a reasonable time frame. If you become aware that our conduct may violate the Standards, you may file a complaint with the CFP Board at www.CFP.net/complaint.

Termination of Agreement
The client or the investment manager may terminate an Agreement by written notice to the other party at any time. Refunded fees are prorated back to the client as appropriate.

Item 5 Fees and Compensation

Description
WAM bases its fees on a percentage of assets under management or assets under advisement. All fees are agreed to in writing, by signing the Investment Advisory Agreement, before any services are performed.

Investment management fees are billed quarterly in advance, meaning that we invoice the client at the beginning of the quarter and utilize the balance of the last day of the previous quarter.

Payment in full is expected upon invoice presentation and is typically deducted directly from the clients' account and the invoice is included in their quarterly statement. The client must provide written consent in advance to direct debiting of their investment account for advisory services. Such consent is provided by signing the Investment Advisory Agreement which includes a complete, appropriate fee schedule.

Due to the unique nature and needs of certain clients, WAM may provide specially designed services for a fixed fee. The fee is based on the comprehensive family office services provided by an experienced management team, which include but are not

limited to: Estate, Wealth and Philanthropic Planning; Wealth Transfer Guidance; Risk Management; Investment Management; Tax Planning; Cash Flow Analysis; Monitoring and Advice on outside assets.

All fees are negotiable. WAM reserves the right to increase or decrease the rate or amount of the fee with a client. WAM, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Fee Billing

For new clients with accounts opening on or after November 1, 2012, the annual Investment Advisory Agreement fee (payable in advance quarterly) is based on a percentage of the assets under management according to the following schedules:

For equity securities that are being held for permanent investment
1.0% of the first $5,000,000;
0.875% of the next $5,000,000 (from $5,000,001 to 10,000,000); and
0.75% of the next $5,000,000. (from $10,000,001 to $15,000,000)
0.50% of the balance.

For fixed income securities that are being held for permanent investment
0.50% of the first $10 million;
0.30% of the next $40 million (from $10,000,001 to $50M) and
0.20% of the next $50 million (from $50,000,001 to $100,000,000)
0.15% of the next $100 million.

WAM will usually invest client accounts with less than $250,000 in equity, fixed income or other mutual funds or pooled investments, such as exchange traded funds. In such cases, WAM will receive a fee of:
1.0% per annum of assets under supervision for equity investments and
0.50% per annum for assets under supervision for fixed income.
Such investments will be made by WAM (on a discretionary basis) after taking into account client investment objectives, considerations of portfolio diversification, client's time horizon, safety, yield and alternative investments. Such accounts will also incur the management fees charged to the mutual funds or other pooled investments by the respective investment advisers for the mutual funds or other pooled investments in which these accounts are invested.

For cash and corporate cash accounts investing in fixed income securities with significant liquidity needs the annual charge for assets in the account is:
0.20% of the first $25 million of market value,
0.15% of the next $25 million, and
0.10% on the balance.

Beginning in 2016, Weatherly offers additional advisory services to retirement plan sponsors and plan participants. As appropriate, Weatherly works with a plan administrator to ensure management and fiduciary responsibilities are met, as well as a custodian to review and advise on the plan. The fee charged by WAM is based on total plan assets, and is divided among all participants in proportion to their account balance and investment options.
For retirement plans, the annual charge for total plan assets is:
0.50% of the first $2 million of market value,
0.40% of the next $3 million, and
0.30% on the balance.

Certain clients also hold annuities. From time to time these clients request that WAM review these annuities for fees, performance, investment holdings, asset allocation, surrender dates, and any tax implications. If a client requests that WAM manage the annuity account, IAA's are signed for these services after December 31, 2013. If management is requested, and the annuities are held at a qualified custodian, WAM becomes proactively involved in ongoing reviews and asset allocation. The annual charge (payable quarterly in advance) for the assets in the annuity account is:
0.25% of market value.

Fees may be negotiated for large institutional accounts in special circumstances. For such accounts a performance fee may apply, as permitted by State laws and by Rule 205-3 under the Investment Advisers Act of 1940.

Weatherly also charges for Assets Under Advisement. Assets Under Management includes all investment assets under discretion of WAM. Assets Under Advisement includes client investment assets not under discretion of WAM. WAM provides ongoing advisement, continuous monitoring and periodic reporting on all Assets Under Management or Assets Under Advisement. Assets excluded from either Management or Advisement will not be subject to ongoing advisement, monitoring or reporting.
The annual charge (payable quarterly) for Assets Under WAM Advisement (whether in equities, cash or fixed income securities) is:
0.20% of market value.

The minimum fee for Assets Under Advisement is $2,500 per quarter, in advance. Depending on the services required a flat fee may be applied, as appropriate.
If a client has chosen a custodian to hold assets in an account under the advisement of WAM the client shall pay the custodian's fees and charges including fees for "sweeping" cash into money market mutual funds or other pooled investments managed by the custodian. Under such circumstances, the custodian shall be solely responsible for the investments in such "sweep" accounts.
Accounts with special investment guidelines (e.g. quasi passive, self-liquidating) will be charged differently based on the nature of services rendered. In addition, under certain circumstances, not-for-profits may be charged an adjusted fee.

Other Fees
Clients may also incur other fees such as transaction fees, custodian fees and mutual fund fees, although WAM will typically recommend no-load funds. These are discussed in the Brokerage section.

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Expense Ratios
Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by clients to WAM.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Termination of Agreement and Past Due Accounts
At termination, fees will be billed on a pro rata basis for the portion of the quarter completed, and the pro-rated remainder will be refunded. The portfolio value at the completion of the prior full billing quarter is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

WAM reserves the right to stop work on any account that is more than 90 days overdue. In addition, WAM reserves the right to terminate any engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in WAM's judgment, to providing proper financial advice.

Item 6 Performance-Based Fees

Sharing of Capital Gains
WAM chooses not to use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client. Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Item 7 Types of Clients

Description
WAM generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities, banks or thrift institutions, investment companies or other institutional clients.
Client relationships vary in scope and length of service.

Account Minimums
The minimum account size is $1,000,000.00 of assets under management, which equates to an annual fee of $7,500.00 if the account is managed with a target asset allocation of 50% Equity and 50% Fixed Income for example.
WAM has the discretion to waive the account minimum. Accounts of less than $1,000,000.00 may be set up when the client and the advisor anticipate the client will

add additional funds to the accounts within a reasonable time. Other exceptions will apply to employees of WAM and their relatives, or relatives of existing clients.

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

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

We glean our information from a number of sources including direct company contact, conferences, webinars, financial newspapers and magazines, inspection of corporate activities, research material prepared by others, annual reports, prospectuses, regulatory filings and filings with the SEC, corporate rating services and company press releases. Additional sources of research information may include but are not limited to trade journals, discussions and meetings with security analysts, internal and external research reports, statistical analysis and material and interviews with outside consultants and, analysts and personal assessment of financial consequences of world events derived from general or specific material depending on the particular circumstances.

The nature of the research services provided by the primary broker is supplemental to WAM's research. Research services furnished by a broker through which WAM effects transactions are used to the benefit of all its clients and not solely for the benefit of the particular client whose transactions were effected by the providing broker.
Other sources of information that WAM may use include Bloomberg, Fidelity, Charles Schwab, dedicated research organizations, and webinars.

Investment Strategies

WAM employs a range of investment strategies to implement the advice we give to clients including long-term purchases, short-term purchases, trading, short sales, margin transactions, option strategies including writing covered options. WAM offers discretionary advice on the following:

- Equity Securities
- Exchange listed securities
- Securities traded over the counter
- Foreign issuers (ADRs, EDRs and GDRs)
- Warrant
- Rights
- Restricted Shares
- Commercial paper
- U. S. Corporate Debt and non-dollar bonds
- United States Government securities
- Certificates of deposit
- Municipal securities
- Investment Company securities
- Mutual fund shares
- Interests in partnerships
- Structured Notes
- Option contracts on securities and commodities

Futures contracts on tangibles
Mortgage related and other asset backed securities
Collateralized debt and mortgage obligations
Private placements
Exchange Traded Funds
Preferred Stock

As financial markets and products evolve, WAM may invest in other instruments or securities, whether currently existing or developed in the future, when consistent or appropriate.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time, but the intent is to be appropriate for the stated time horizon. Each client executes an Investment Advisory Agreement that documents their objectives and their desired investment strategy appropriate for a specific portfolio.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach, which, as well as domestic stocks, bonds and mutual funds, includes options, ETF's ,and international stocks, bonds and mutual funds, constantly keeps the risk of loss in mind.

Investors face the following investment risks:

Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate on fixed income investments. For example, when interest rates rise, price on existing bonds become less attractive, causing their market values to decline.

Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market risks.

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar in the future, because purchasing power is eroding at the rate of inflation.

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized

product. For example, Treasury Bills are highly liquid, while real estate properties generally are less liquid.

Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9 Disciplinary Information

Legal and Disciplinary

The firm and its employees have **not** been involved in legal or disciplinary events related to past or present investment clients.

Item 10 Other Financial Industry Activities and Affiliations

Affiliations

WAM strives to avoid potential conflicts of interest.

More specifically the Firm and it's employees:

Are not registered as a broker-dealer

Are not affiliated as a registered representative or associated person of a broker-dealer or other security entity.

Do not have economic relationships or arrangements with any other related persons or entities that are material to its advisory business.

WAM's primary broker is Fidelity Brokerage Services LLC. WAM has entered into a participation agreement with its primary broker and affiliate of the primary broker (collectively, "Fidelity") pursuant to which, when Fidelity elects to do so, information about WAM's investment advisory services is made available to high net worth investors. Fidelity developed the Fidelity Wealth Advisor Solutions referral program ("WAS Program").

Fidelity exercises its unsupervised discretion in determining when and to whom to provide information about WAM. If a party receiving information through the WAS Program about WAM elects to retain WAM as an adviser, WAM alone is responsible for the management of that client's account. Any clients developed through the WAS Program pay advisory fees and brokerage charges based on the same rates as that of WAM's other, comparable clients.

Because Fidelity is the primary broker for WAM accounts, a significant portion of the brokerage services for these accounts is performed by Fidelity. To the extent that WAM's assets under management grows, whether from accounts developed through the Program or otherwise, it is reasonable to expect that Fidelity's Brokerage services for WAM accounts and commissions charged will also grow. Fidelity is only used for brokerage services when WAM believes that the use of Fidelity meets the best execution standard. WAM regularly reviews the primary broker's commissions to assure they are competitive and meet the best execution standards.

WAM has a small ownership interest (less than 5%) in the parent company forming National Advisors Trust Company (NATC). The trust company intends to provide a low cost alternative to traditional trust service providers. When appropriate, WAM intends to refer clients to the trust company for trust services. Because WAM has an interest in the parent, fees earned by the trust company will accrue indirectly to the benefit of WAM. Clients of WAM who are recommended to the trust company should take this conflict of interest into account before retaining the trust company. WAM clients may choose to use other institutional fiduciaries and still retain WAM to provide investment advisory services.

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

Code of Ethics

As a fiduciary, WAM and its employees maintain an on-going commitment to act solely in the best interest of its clients. The employees of WAM have committed to a Code of Ethics.

The key components include:

- Clients will be placed ahead of the Firm's or any employee's own investment interests
- Employees are expected to conduct themselves with the utmost integrity
- Employees will not take inappropriate advantage of the position with the Firm.
- Employees are expected to conduct their personal securities transactions in accordance with the Personal Securities Transactions section on the Code of Ethics.
- Employees are expected to exercise due diligence and care in maintaining and protecting its clients non-public and confidential information.
- Employees are expected to comply with federal and applicable state securities laws and to promptly report violations to the Firm's Chief Compliance Officer.
- Employees not in observance of the Code of Ethics will be subject to disciplinary action.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Prohibition on Use of Insider Information

WAM has adopted policies and procedures to prevent the misuse of "insider" information (material, non-public information). A copy of such policies and procedures is available to any person upon request.

Participation or Interest in Client Transactions

WAM and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. All Employees are expected to comply with the provisions of the WAM *Compliance Manual* at all times.

Personal Trading

The Chief Compliance Officer (CCO) of WAM is Carolyn Person Taylor. She reviews all employee trades each quarter. Her trades are part of block trades or are reviewed by Brent Armstrong. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment.

The personnel of WAM are subject to a variety of restrictions on their personal securities transactions. WAM has established strict standards, policies and procedures, and is enforcing the highest ethical and fiduciary standards and full compliance with the laws. Weatherly has named its Founding Partner, Carolyn Person Taylor, as Chief Compliance Officer (CCO), and has established a Compliance Committee to see that all policies and procedures are strictly enforced for both supervised and access persons. This includes, but is not limited to, the supervised and access persons furnishing an annual securities report and complete securities transaction reports 30 days after the end of each quarter.

Except in extraordinary circumstances all employees are required to maintain their accounts in WAM's Portfolio Management System or at Fidelity with co-access. The Company prohibits personal trading in a security during any period in which the Firm is actively considering purchasing or selling the security for clients or allocating trades to employees on block trades or in same day trading at a better price than clients’, or when clients’ orders have not been filled.

Pre-clearance of trades by access persons is required. Access persons shall obtain advance permission from the Chief Compliance Officer for all reportable trades including individual stocks, investing in an initial public offering (IPO) or a private placement. No counter order in a security for an access person will be entered on the same day after a transaction is executed in such security for a client.

If, as a result of intervening circumstances, a client order is entered in the same security on the same day after an order has been executed for an access person, a contemporaneous informal memorandum shall be written on the back of the order ticket noting the intervening facts leading to the subsequent client order (e.g. additional money received after the access person purchase generating a subsequent client purchase; a client's request for cash after an insider sale generating a subsequent client sale).

Item 12 Brokerage Practices

Selecting Brokerage Firms

WAM does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. WAM recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

WAM utilizes brokerage firms and trust companies (qualified custodians), such as Fidelity, Schwab, NATC, Principal, and TIAA-CREF. WAM does not receive fees or commissions from any of these arrangements.

Best Execution
WAM reviews the execution of trades at each custodian each quarter. The review is documented according to the WAM *Compliance Manual*. Trading fees charged by the custodians is also reviewed on a quarterly basis. WAM does not receive any portion of the trading fees.

When WAM does not have the authority to determine which broker or dealer shall effect a transaction for a clients' account because the client has a brokerage direction in place, WAM is unable to assure that the client receives best price and execution. In such cases the client's account generally does not join in block trades and may incur higher commissions. In addition such client is generally precluded from participating in primary and secondary public offerings, when made available to WAM.

WAM uses many brokers in addition to Fidelity. It selects such brokers on the basis of best price (including commissions) and execution capability. Appraisal of a broker's execution capability may include such factors as capital depth, market access, transaction, settlement, and confirmation and account statement practices. WAM reviews brokerage services provided to its clients on a regular basis to assure they receive the best execution.

Soft Dollars
WAM utilizes the Wealthscape™ Platform provided by Fidelity. Clients benefit from this as it reduces the firm's overall expenses. The selection of other custodians such as Charles Schwab & Company or NATC as a custodian for clients is not affected by this decision.

WAM receives copies of client materials such as the primary broker's statements, confirmations, and proxy material, in addition to access to such information on-line and via automated feed. If the primary broker were not providing these services, WAM might have to incur additional costs to secure such services for its clients.

When executing any trades, WAM's primary goal is best price and execution. WAM believes the use of "soft dollars" compromises that objective.

In most instances, brokerage will be provided by WAM's primary broker, Fidelity. The primary broker may charge commissions in excess of that which another broker might have charged for the same transaction in recognition of the value of brokerage or research services provided by that broker. These commissions are monitored closely and are at market rates. Among the services provided are analyses and reports regarding securities, securities markets and the economy; published on-line statistical or quotation services, and data processing services used in portfolio research and modeling and allocation of trades among clients' accounts, as well as monitoring clients' investment restrictions is defrayed by broker-dealers with which WAM effects securities transactions.

The nature of the research services provided by the primary broker is supplemental to WAM's research. Research services furnished by a broker through which WAM effects transactions are used to the benefit of all its clients and not solely for the benefit of the particular client whose transactions were effected by the providing broker.

WAM believes that these procedures are reasonable and in compliance with applicable regulatory guidelines. The staff of the Securities and Exchange Commission (SEC) require disclosure that the use of “soft dollars” for payment of goods and services which are used in part for the benefit of clients and in part for the Advisor's internal purposes (so-called “mixed use” allocations) constitutes a potential conflict of interest. All clients are informed that the services provided by such brokers and dealers enhance WAM's capabilities generally and may at times not be used for the benefit of the particular account which paid the brokerage commissions for such services.

Order Aggregation

WAM has adopted the following policies and procedures related to the fair allocation of investment opportunities. These policies are designed to help ensure that each client receives fair and equitable treatment in the investment process.

Investment ideas and/or research analyst’s recommendations are equally disseminated among all appropriate investment professionals responsible for selecting investments.

Transactions in the same security on behalf of more than one client are aggregated to facilitate best execution and to reduce brokerage commissions and/or other costs.

When orders cannot be aggregated we employ a process that is fair and objective. WAM, in its sole discretion, may elect to combine or "bunch" an order entered for a client with other orders entered for the same security for other clients of WAM to secure certain efficiencies and results with respect to execution, clearance and settlement of such orders.

WAM, in its discretion, may use the average price at which a security is bought or sold when a bunched order is executed at different prices, or when two or more orders from the same security are entered at approximately the same time and are executed at different prices.

In some instances bunching or price averaging may adversely affect the price paid or received by a particular account or the number of shares of a security bought or sold for a particular account.

WAM generally has the authority to determine which broker or dealer shall effect transactions for such accounts and the commission rates at which such transactions are effected. Unless otherwise instructed by clients to execute trades through certain brokers or dealers, WAM will select brokers and dealers to effect transactions in client accounts. When WAM places orders for the purchase or sale of portfolio securities for a client's account, it uses reasonable efforts in seeking best combination of price and execution while selecting brokers or dealers, including Fidelity, to execute such orders. As an investment advisor, WAM has a fiduciary duty to its clients, so it uses Fidelity as primary broker when the goal of best price and execution is not compromised. In selecting a broker or dealer to execute a particular transaction, WAM need not solicit competitive bids, and shall have no obligation to seek the lowest available commission cost so long as WAM determines that the commission cost is reasonable in relation to the total quality and reliability of the brokerage and research services made available to

WAM for the benefit of its clients. WAM regularly reviews the primary broker's commissions to assure they are competitive and meet the best execution standards.

Item 13 Review of Accounts

Periodic Reviews

WAM reviews client accounts daily. The daily reviews focus on performance, risk levels and diversification. Generally, trading activity is reviewed daily for execution price, trading activity and conflicts of interest.

WAM meets with clients periodically, as requested, to review such clients' accounts and overall investment strategy.

The number of investment advisory accounts supervised by the portfolio manager will vary, depending on the size of particular accounts, activity and liquidity needs of those accounts and the manager's capacity to handle additional accounts. Presently, based on the experience of the portfolio manager, the portfolio managers are not restricting new accounts.

WAM has daily internal controls in place to constantly monitor, verify and reconcile all clients' accounts custodied at a qualified custodian. In addition to our clients receiving monthly statements directly from the custodian, clients receive a quarterly appraisal and performance report from WAM, either by US Mail or electronically via the Client Portal.

These appraisal reports summarize cash, security positions, activity, and the current performance versus benchmark of each account. Under the amended Rule 206(4)-2 of the Investment Advisors Act of 1940 regarding custody of client funds, WAM suggests, that the client compares the custodial statements and the WAM statements on a regular basis, but also has this suggestion printed on the quarterly appraisal summary page. Under the same Rule WAM has determined we are not subject to the annual surprise audit.

From time to time an error may occur when submitting a trade order on a client's behalf. When this occurs, WAM may place a correcting trade with the broker-dealer which has custody of the account.

Beginning in April of 2016, Fidelity processes trade corrections resulting in a gain or loss through a Trade Correction account held by Weatherly. On a monthly basis, Fidelity sweeps any debit balance in the Trade Correction account to Weatherly's Administrative account. Any credit balance in the Trade Correction account will be swept by Fidelity to a charity on Weatherly's behalf, also on a monthly basis.

If an investment gain results from a correcting trade placed in a non-Fidelity account, the gain will remain in the client's account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g. due to tax reasons). If the gain does not remain in your account the custodian may donate the amount of any gain to charity.

If a loss occurs from a correcting trade placed in a non-Fidelity client account, WAM will pay for the loss out of its Administrative account. The custodian may maintain the loss or gain if it is under $100.00 to minimize and offset its administrative time and expenses. Generally, if related trade errors result in both gains and losses in your account, they may be netted.

WAM also provides Financial Plans utilizing a combination of average returns and Monte Carlo depending on the client's unique situation. These plans are reviewed periodically or if the client experiences any major life changes or needs that would trigger a change in the assumptions and outcome.

Review Triggers
Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports
Account reviewers are members of the firm's Investment Committee. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.
Clients receive quarterly appraisals and letters. Most clients have reviews three to four times a year in person, via phone or e-mail, depending on their preference. Some clients receive updated Financial Plans and progress towards meeting their objectives.

Item 14 Client Referrals and Other Compensation

Incoming Referrals
WAM has been fortunate to receive many client referrals over the years. The referrals come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals. An appreciative letter thanking for the referral is generally e-mailed or mailed to the source of the referral.

Weatherly participates in the Fidelity Wealth Advisor Solutions® Program (the "WAS Program"), through which WAM receives referrals from Strategic Advisers, Inc. ("SAI"), a registered investment adviser and subsidiary of FMR LLC, the parent company of Fidelity Investments. WAM is independent and not affiliated with SAI or FMR LLC. SAI does not supervise or control WAM, and SAI has no responsibility or oversight for WAM's provision of investment management or other advisory services.

Under the WAS Program, SAI acts as a solicitor for WAM and WAM pays referral fees to SAI for each referral received based on WAM's assets under management attributable to each client referred by SAI or members of each client's household. The WAS Program is designed to help investors find an independent investment advisor, and any referral from SAI to WAM does not constitute a recommendation or endorsement by SAI of WAM's particular investment management services or strategies.

More specifically, WAM pays the following amounts to SAI for referrals: for referrals made prior to April 1, 2017, an annual percentage of 0.20% of any and all assets in client accounts; for referrals made after April 1, 2017, the sum of (i) an annual percentage of 0.10% of any and all assets in client accounts where such assets are identified as “fixed income” assets by SAI and (ii) an annual percentage of 0.25% of all other assets held in client accounts.

For referrals made prior to April 1, 2017, these fees are payable for a maximum of seven years. Fees with respect to referrals made after that date are not subject to the seven year limitation. In addition, WAM has agreed to pay SAI a minimum annual fee amount in connection with its participation in the WAS Program. These referral fees are paid by WAM and not the client.

To receive referrals from the WAS Program, WAM must meet certain minimum participation criteria, but WAM may have been selected for participation in the WAS Program as a result of its other business relationships with SAI and its affiliates, including Fidelity Brokerage Services, LLC (“FBS”).

As a result of its participation in the WAS Program, WAM may have a potential conflict of interest with respect to its decision to use certain affiliates of SAI, including FBS, for execution, custody and clearing for certain client accounts, and Advisor may have a potential incentive to suggest the use of FBS and its affiliates to its advisory clients, whether or not those clients were referred to WAM as part of the WAS Program.

Under an agreement with SAI, WAM has agreed that Advisor will not charge clients more than the standard range of advisory fees disclosed in its Form ADV 2A Brochure to cover solicitation fees paid to SAI as part of the WAS Program.

Pursuant to these arrangements, WAM has agreed not to solicit clients to transfer their brokerage accounts from affiliates of SAI or establish brokerage accounts at other custodians for referred clients other than when WAM’s fiduciary duties would so require, and Advisor has agreed to pay SAI a one-time fee equal to 0.75% of the assets in a client account that is transferred from SAI’s affiliates to another custodian; therefore, WAM may have an incentive to suggest that referred clients and their household members maintain custody of their accounts with affiliates of SAI. However, participation in the WAS Program does not limit WAM’s duty to select brokers on the basis of best execution.

WAM ("WAM") receives client referrals from Hewitt Financial Services LLC ("Hewitt") through WAM's participation in Hewitt Advisor Connection TM ("the Service"). The Service is designed to help investors find independent investment advisors. Hewitt is a registered investment adviser and broker- dealer independent of and unaffiliated with WAM. Hewitt does not supervise Advisor and has no responsibility for WAM's management of clients' portfolios or Advisor's other advice or services. WAM pays Hewitt fees to receive client referrals through the Service. WAM's participation in the Service may raise potential conflicts of interest described below. WAM pays Hewitt a participation fee on all referred clients' accounts that are maintained in custody through one or more broker-dealers maintaining a fee-sharing relationship with Hewitt and a

separate fee on all accounts that are maintained at, or transferred to, another custodian. The participation fee paid by WAM includes a percentage of the fees the client owes to WAM and an annual retainer. WAM pays Hewitt the participation fee for so long as the referred client's account remains in custody at TD Ameritrade.

The part of the participation fee based on the fees the client owes to WAM is billed to WAM quarterly and may be increased, decreased or waived by Hewitt from time to time. The Participation Fee is paid by WAM and not by the client. WAM has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs WAM charges clients with similar portfolios who were not referred through the Service. For accounts of WAM's clients maintained in custody at broker-dealers having a fee sharing relationship with Hewitt, Hewitt will not charge the client separately for custody but will receive compensation indirectly from WAM's clients in the form of commissions or other transaction-related compensation on securities trades executed through this participating broker-dealer. WAM acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody through Hewitt's arrangements with third party broker-dealers may be executed through a different broker-dealer than trades for WAM's other clients. Thus, trades for accounts custodied through these broker-dealers may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

WAM generally pays Hewitt a separate fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from broker-dealers having fee sharing agreements with Hewitt. This separate fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Hewitt. The fee is higher than the participation fees Advisor generally would pay in a single year. Thus, WAM will have an incentive to recommend that client accounts be held in custody through broker-dealers having fee sharing agreements with Hewitt.

Referrals Out

As stated prior, WAM does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them

Item 15 Custody

Account Statements and Performance Reports

WAM does not act as custodian of its clients' assets and all clients' assets are held at a number of Custodians/Broker Dealers. However, WAM is deemed to have constructive custody of the assets in accounts where the client has given WAM written authority to instruct the client's custodian to transfer account assets to a third party designated by the client. To that end, WAM lists the assets and number of clients in Form ADV Part 1, Item 9. In addition, WAM relies on the no-action letter the SEC issued to the Investment Adviser Association in February 2017 and therefore does not obtain a surprise audit on those assets.

Confirmations are sent to customers either electronically or via mail by the Custodian/Broker Dealer on the next business day following the execution of a transaction for a customer's account by the primary broker or custodial bank.

Monthly statements are sent by the primary broker or custodial bank to each client with details of trading activity and positions and cash as of month end. Clients should carefully review the monthly statements from the Custodian and call WAM if they have any questions at all regarding these statements. Reports are also furnished to clients on a quarterly basis by WAM summarizing security positions and the current status of an account, including performance. Clients should compare these statements with the appropriate Custodial statements to ensure there are no differences in the Portfolio, and call WAM with questions on discrepancies.

If a client has chosen a custodian bank to hold assets in an account under the management of WAM the client shall pay the custodian's fees and charges including fees for "sweeping" cash into money market mutual funds or other pooled investments managed by the custodian. Under such circumstances, the custodian shall be solely responsible for the investments in such "sweep" accounts.

Item 16 Investment Discretion

Discretionary Authority for Trading

Unless otherwise provided through written agreement, WAM exercises full trading discretion when placing trades.

Pursuant to the investment advisory agreements executed by its clients, WAM has the authority to determine, consistent with its clients' investment objectives, policies and restrictions, which securities and the total amount of securities that are to be bought or sold for its clients' account. The client’s guidelines in the Investment Advisory Agreement place certain limitations on the securities or the amount of securities to be bought or sold for a particular account. Purchases and sales must be suitable for a particular client. Additional limitations may be imposed as a result of specific instructions received from a client. Such authority is also exercised by WAM in its capacity as general partner.
WAM generally has the authority to determine which broker or dealer shall effect transactions for such accounts and the commission rates at which such transactions are effected. Unless otherwise instructed by clients to execute trades through certain brokers or dealers, WAM will select brokers and dealers to effect transactions in client accounts. When WAM places orders for the purchase or sale of portfolio securities for a client's account, it uses reasonable efforts in seeking best combination of price and execution while selecting brokers or dealers, including Fidelity, to execute such orders. As an investment advisor, WAM has a fiduciary duty to its clients, so it uses Fidelity as primary broker when the goal of best price and execution is not compromised. In selecting a broker or dealer to execute a particular transaction, WAM need not solicit competitive bids, and shall have no obligation to seek the lowest available commission cost so long as WAM determines that the commission cost is reasonable in relation to the total quality and reliability of the brokerage and research services made available to WAM for the benefit of its clients. WAM regularly reviews the primary broker's commissions to assure they are competitive and meet the best execution standards.
In most instances, brokerage will be provided by WAM's primary broker, Fidelity. The primary broker may charge commissions in excess of that which another broker might have charged for the same transaction in recognition of the value of brokerage or research services provided by that broker. These commissions are monitored closely and are at market rates. Among the services provided are analyses and reports regarding securities, securities markets and the economy; published on-line statistical or

quotation services, and data processing services used in portfolio research and modeling and allocation of trades among clients' accounts, as well as monitoring clients' investment restrictions is defrayed by broker-dealers with which WAM effects securities transactions.

WAM uses many brokers in addition to Fidelity. It selects such brokers on the basis of best price (including commissions) and execution capability. Appraisal of a broker's execution capability may include such factors as capital depth, market access, transaction, settlement, and confirmation and account statement practices. WAM reviews brokerage services provided to its clients on a regular basis with the primary goal of best price and execution.

All the investment decisions for client accounts of WAM are made by Carolyn Person Taylor and the WAM Investment Committee. The timing of the implementation of such decisions and the suitability of such decisions for a particular account, in light of its investment objectives, policies and restrictions and, occasionally, the decision to purchase or sell a particular security within an industry or sector on which the Investment Committee has focused, is determined by the portfolio manager assigned to such account. Once the accounts are identified which will participate in an investment, the portfolio manager directs the execution of orders for such account activity by aggregating such orders in a block trade in order to achieve efficiency of execution and best price and then allocates the investment position among participating client accounts. WAM has established investment allocation procedures designed to fairly and equitably distribute the block allocations among its client accounts. Difference in the timing of the implementation of investment advice of the Investment Committee by portfolio managers and between client accounts resulting from certain client requirements that all or a portion of their account's brokerage be directed to particular brokers may result in WAM's inability to fully aggregate and block trade all clients' orders. The foregoing factors over time may result in differences in performance of client accounts with comparable investment objectives and portfolio profiles.

WAM believes that such allocation is reasonable and in compliance with applicable regulatory guidelines. The staff of the Securities and Exchange Commission (SEC) requires disclosure that the use of “soft dollars” for payment of goods and services which are used in part for the benefit of clients and in part for the Advisor's internal purposes (so-called “mixed use” allocations) constitutes a potential conflict of interest.

WAM receives copies of client materials such as the primary broker's statements, confirmations, and proxy material, in addition to access to such information on-line and via automated feed. If the primary broker were not providing these services, WAM might have to incur additional costs to secure such services for its clients.

When WAM does not have the authority to determine which broker or dealer shall effect a transaction for a clients' account because the client has a brokerage direction in place, WAM is unable to assure that the client receives best price and execution. In such cases the client's account generally does not join in block trades and may incur higher commissions. In addition such client is generally precluded from participating in primary and secondary public offerings, when made available to WAM.

Subject to firm restrictions dealing with prudence, conflicts of interest and compliance with securities laws and regulations, purchases and sales for advisory accounts for which WAM exercises trading discretion is based upon the judgment of the individual portfolio manager supervising the account who is encouraged to utilize methods with which such manager has been successful.

Depending upon a client's goals, investment objectives and time horizon, WAM may, in accordance with the IAA, make investments on margin, primarily for a client's convenience and liquidity issues.

Limited Power of Attorney
A limited power of attorney is a trading authorization for this purpose. Clients sign a limited power of attorney so that WAM may execute discretionary trades.

Item 17 Voting Client Securities

Proxy Votes
Clients with WAM have the ability to choose whether they would like to vote their proxies for themselves or have WAM vote the proxies for them. This is normally chosen at the time of opening a new account, but may be changed at a later date as well.

If the client chooses to have WAM vote the proxies, the physical proxy or e-mail and any related material will be sent to Weatherly any time there is a voting or annual report.
On a weekly basis, all proxies are reviewed and voted for that week's deadline and checked by Carolyn Taylor or Brent Armstrong. All proxies must be voted at least one day prior to the meeting date of the shareholder meeting unless otherwise specified on the proxy.
If any shareholder meetings are scheduled for the next day, all of those proxies are given to Carolyn Taylor to review the proposals and determine how the proxies will be voted (see Proxy Voting Policy). All proxy material received via email is reviewed in the same manner and emailed to Carolyn Taylor to indicate how the proxy should be voted. Electronic copies of proxies should be requested via the website below on all securities voted if not already received via email.

Once all proxy material is reviewed it is voted in a way consistent with Weatherly's Proxy Voting Policy which is available upon request. The proxies are then voted as indicated by Carolyn Taylor via the web site, www.proxyvote.com, or (800) 603-2119. All votes are logged via the web site and recorded online. The person voting the proxy inputs their email at the end of indicating how the votes are recorded so that they are sent an electronic copy for tracking purposes. All emails of proxies that have been voted for the year are retained on the server for retrieval and confirmation of how the proxies were voted.

In addition to receiving an electronic confirmation of the proxies voted, Weatherly keeps an ongoing log of the securities that we vote for our clients. Every security is put into the log, along with the date voted, how the security was voted, when the proxy is received, and the date of the meeting.

All physical copies of the proxies are kept in their respective folder in WAM's research filling. Annual reports are recycled as this information is available online or via Bloomberg for each public security voted.

If for some reason a proxy was received late or not voted, we are maintaining a list of these securities separately in an excel spreadsheet so that we have an ongoing record of the missed proxies.

Item 18 Financial Information

Financial Condition

WAM does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required by regulatory authorities because WAM:

- Does not serve as a custodian for client funds or securities
- Does not require prepayment of fees of more than $1,200 per client, and six months or more in advance.
- Does not have a financial condition or commitment that impairs its ability to meet contractual and fiduciary obligations to its clients.
- The Firm has never been the subject of a bankruptcy proceeding

Item 19 Registration

WAM is registered with the SEC and does notice filings in a number of States

The following items are provided as supplemental information.

Item 20 Business Continuity Plan

General WAM has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people. WAM has utilized and tested many parts of this plan during power outages, fires and other natural disasters.

Disasters The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Offices Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location. Our website would be updated with notice/status as soon as possible.

Loss of Key Personnel WAM has a Succession Plan in the event of the key partners' serious disability or death.

Item 21 Information Security Program

Information Security

WAM maintains robust information security and cybersecurity programs to protect client data and reduce the risk of personal and confidential information breach. These

programs are audited, tested, and enhanced regularly, and include frequent internal staff training as well as client education. The firm consults experts in the information security field to ensure the strength of the program.

Privacy Notice

Weatherly Asset Management, LP (WAM) is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

Clients can grant WAM authorization to contact one or more emergency contacts via a Client Information Release Authorization Letter. This helps allow WAM continuous management of Client assets in the event of a life-changing event, such as death, incapacity, or diminished capacity (collectively “Significant Life Events”). This information is audited on a regular basis for accuracy.

We maintain a secure office with locks and alarm systems to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment. We also outsource to a technology specialist to make sure our systems stay cutting edge and secure for the full protection of clients’ information.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

WAM partners with various third party technology vendors including MoneyGuidePro®, eMoney Advisor, LLC, ENVESTNET® Tamarac®, and FeeX, Inc. Each of these entities maintains, revises, and adheres to their own strict privacy policies and information security protocols. WAM conducts regular due diligence on this to ensure the ongoing safety of your personal information.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.
We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.