

# SEC Form **ADV Part 2A** Firm Brochure



March 30, 2020

This brochure provides information about the qualifications and business practices of Truepoint Wealth Counsel, LLC ("Truepoint" or "Firm"). If you have any questions about the contents of this brochure, please contact Truepoint at 513-792-6648 or [Compliance@truepointwealth.com](mailto:Compliance@truepointwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Truepoint is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The CRD number for Truepoint is 105664.

Truepoint Wealth Counsel, LLC  
9999 Carver Road, Suite 200  
Cincinnati, OH 45242  
(P) 513-792-6648  
(F) 513-792-6644  
[truepointwealth.com](http://truepointwealth.com)

## SEC FORM ADV PART 2A

### Item 2 — Material Changes

- On June 25, 2019, our office address changed to 9999 Carver Road, Suite 200, Cincinnati, Ohio, 45242 as referenced on page 1 of this brochure.

# SEC FORM ADV PART 2A

## Item 3 — Table of Contents

Item 1	Cover Page
Item 2	Material Changes
Item 3	Table of Contents
Item 4	Advisory Business
Item 5	Fees and Compensation
Item 6	Performance-Based Fees and Side-By-Side Management
Item 7	Types of Clients
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss
Item 9	Disciplinary History
Item 10	Other Financial Industry Activities and Affiliations
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading
Item 12	Brokerage Practices
Item 13	Review of Accounts
Item 14	Client Referrals and Other Compensation
Item 15	Custody
Item 16	Investment Discretion
Item 17	Voting Client Securities
Item 18	Financial Information

# SEC FORM ADV PART 2A

## Item 4 — Advisory Business

### About Truepoint Wealth Counsel, LLC

Truepoint Wealth Counsel, LLC offers wealth management and financial advisory services that deliver clarity and confidence to our clients' lives. As part of our fiduciary responsibility, we place clients first in proactively delivering advice and customized service. Delivered by integrated teams of specialists, our services include financial planning, investment management, tax management, risk management and estate planning. We are proud of our legacy of independence and our investing track record. Founded by Michael J. Chasnoff in 1990 as one of the first fee-only wealth management firms in the greater Cincinnati area, Truepoint is 100% employee-owned.

### Individual and Family Engagement Levels

For every level of engagement, you can expect personal service, a long-term perspective, integrated planning and a disciplined investment process.

### True Wealth Management

Truepoint provides comprehensive wealth management services primarily to individuals and families who have in excess of \$3 million of investable assets. These ongoing services include:

- Investment portfolio design, tax efficient management and reporting
- Comprehensive financial planning analysis and strategy
- Budgeting and cash flow planning
- Strategic income tax planning and preparation
- Estate planning strategy, architecture, document review and monitoring
- Insurance needs analysis, policy review and coverage design
- Coordinated personal action plan

For individuals and families with investable assets of less than \$3 million, Truepoint offers a foundational wealth management service (subject to a minimum fee of \$8,000).

### Family Office

Truepoint provides special solutions for families with investable assets in excess of \$20 million. In addition to benefiting from our True Wealth Management services, the unique needs of our family office clients may require additional services such as:

- Generational planning and family governance
- Trust administration
- External account aggregation
- Bill paying, expense management and reporting

Truepoint also offers specialized services for current employees of P&G and GE. Please contact us for details.

### RhineVest Advisors

For fee-only fiduciary advice regardless of asset size, see the RhineVest Advisors Brochure. A wholly-owned subsidiary of Truepoint, RhineVest marries a robust digital platform with ongoing, personal guidance.

### Institutional Engagement Level

Truepoint provides retirement plan management and investment management services for corporations and non-profit entities. Please see the Truepoint Institutional Advisory Brochure for additional details.

### Assets under Management

We utilize a limited power of attorney to perform investment management services on behalf of our clients. We may provide on-going advice and guidance to clients on either a discretionary or non-discretionary basis. This includes assets in qualified retirement plans that are self-directed by participants, as well as private equity investments held by select clients. As of December 31, 2019, the allocation between discretionary and non-discretionary AUM was as follows:

Discretionary	\$3,359,257,566
Non-discretionary	\$17,892,731

# SEC FORM ADV PART 2A

## Item 5 — Fees and Compensation

### Fee Description

As a fee-only firm, fees directly from clients are the sole source of Truepoint's compensation. The fee is calculated as a percentage of assets according to the schedule below:

Portfolio Value	Truepoint Advisory Fee
First \$5,000,000	0.80%
Next \$5,000,000	0.50%
Above \$10,000,000	0.30%
Suggested Minimum Portfolio	\$3,000,000

Asset totals below the suggested minimum are subject to a minimum fee which may result in an annual rate in excess of 0.80%

Truepoint, in its sole discretion, may reduce its minimum fee and/or charge a reduced advisory fee based upon specific circumstances. The agreement for services may be terminated at any time upon written notice of either Truepoint or the client.

### Fee Invoice

For all types of ongoing advisory services, the client will be charged at the end of each calendar quarter for advisory services rendered. The fee is calculated on a percentage basis by multiplying one-fourth of the applicable annual rate against the asset value under management on the last day of the quarter. Truepoint will deduct the quarterly fee from the client's investment portfolio, however, clients may elect to remit payment via check. In either instance, the client receives an invoice with the fee calculation.

### Other Portfolio Expenses

#### Transaction Costs

Truepoint recommends a qualified third-party custodian to hold assets for clients. Clients are charged for all for custodial expenses (brokerage commissions or transaction fees)

incurred on their behalf. These fees are levied by the custodian and charged directly to the client's account. Truepoint does not receive any income from custodial fees. Fees charged for buying and selling mutual funds and exchange-traded funds (ETF) generally range between no cost and \$25 per trade, but may be higher.

### Expense Ratios

All mutual funds and ETFs include a management fee paid to the investment manager of the fund. These fees and expenses are described in each fund's prospectus and generally include a management fee, other fund expenses and a possible distribution fee. Truepoint exclusively recommends low-cost, no-load funds. The current average-weighted expense ratio for a typical Truepoint portfolio approximates 0.22%.

Item 6 — Performance-Based Fees and Side-By-Side Management

To avoid potential conflicts of interest, Truepoint does not charge a performance-based fee, which is a calculation of the fee based upon the capital gains or the capital appreciation of any of the client's funds.

### Item 7 — Types of Clients

#### **Description**

Truepoint generally serves individuals (mass affluent to high-net worth), families, trusts and institutional relationships (corporations, foundations and qualified plans).

#### **Account Minimums**

Truepoint provides suggested account minimums for each service level, however, we allow consumers to determine whether our services are appropriate for their needs. Therefore, the firm does not impose a minimum investment net worth requirement for individuals seeking services. However, portfolios below certain values are subject to a minimum fee. The minimum fee may result in an annual rate in excess of the stated rate.

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

### **Our Investment Philosophy**

Conventional investment wisdom suggests that smart people, working diligently and informing themselves with the latest information, can pick undervalued stocks and time the market. Further, many believe that this kind of “active” investing leads to superior returns.

Decades of historical data, a huge body of academic research and ongoing market realities make clear that:

- Market timing and stock picking do not work—Wall Street and the financial media perpetuate the myth that they work because they stand to profit from people who believe it.
- The high cost of active investing means about 70% of managers are destined to under perform the overall market in any given year.
- Most managers achieving market outperformance do so simply by chance.

We believe there is opportunity for results in establishing and adhering to an appropriate long-term investment strategy built on goal-focused, long-term financial planning, low-cost funds and disciplined rebalancing.

Our intellectually honest and transparent approach recognizes that the hardest work in investing is often emotional and that investor behavior can be the primary determinant of long-term returns.

### **Our Process, Types of Investments and Risk of Loss**

Truepoint's investment process is rigorously focused on the long term and leverages what works. We build from a sound empirical foundation of decades of market performance data and the overwhelming evidence provided by many academic studies. Our approach is designed to build confidence, reduce complexity and mitigate against both market and emotional risks.

How do we do it? By following a set of essential steps.

- **Start with Goals:** Identify objectives; define time horizon; cash flow needs and risk preferences; assess financial resources required; evaluate savings ability and strategies.
- **Design Intelligent Portfolio:** Diversify by asset class to efficiently balance market; inflation and longevity risks in light of time horizon and cash flow needs; strategically allocate assets and classes so that overall portfolio volatility is lower than the sum of individual components.
- **Make Smart Selections:** Identify funds for each asset class; choose index funds based on design and total cost.
- **Rebalance with Discipline:** Seize opportunity in resetting to allocation targets; systematize “sell high, buy low” and maintain the intended portfolio risk levels.

In addition to diversifying clients' accounts with mutual funds and ETFs, on a limited basis, Truepoint provides advice on private equity investments, hedge funds and institutional grade investments for qualified investors. Alternative investments carry a higher degree of risk since they are not publicly-traded and lack liquidity.

In determining the client's long-term investment objectives, Truepoint helps clients understand the inherent risks involved in investing in the capital markets. As with all investment securities, including mutual funds and ETFs, there is a risk of loss of both income and principal. Clients should not assume that future performance of any specific investment or investment strategy, including those recommended by Truepoint, will be profitable or achieve any specific performance level.



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

Additional risks involved in the securities recommended by Truepoint include, among others:

- Stock market risk, which is the chance that stock prices overall will decline. The market value of equity securities will generally fluctuate with market conditions. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Prices of equity securities tend to fluctuate over the short term as a result of factors affecting the individual companies, industries or the securities market as a whole. Equity securities generally have greater price volatility than fixed income securities.
- Sector risk, which is the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.
- Issuer risk, which is the risk that the value of a security will decline for reasons directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- Non-diversification risk, which is the risk of focusing investments in a small number of issuers, industries or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.
- Value investing risk, which is the risk that value stocks not increase in price, not issue the anticipated stock dividends, or decline in price, either because the market fails to recognize the stock's intrinsic value, or because the expected value was misgauged. If the market does not recognize that the securities are undervalued, the prices of those securities might not appreciate as anticipated. They also may decline in price even though in theory they are already undervalued. Value stocks are typically less volatile than growth stocks, but may lag behind growth stocks in an up market.
- Smaller company risk, which is the risk that the value of securities issued by a smaller company will go up or down, sometimes rapidly and unpredictably as compared to more widely held securities. Investments in smaller companies are subject to greater levels of credit, market and issuer risk.
- Foreign (non-U.S.) investment risk, which is the risk that investing in foreign securities result in the portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies. Risks associated with investing in foreign securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in the U.S. markets.
- Interest rate risk, which is the chance that prices of fixed income securities decline because of rising interest rates. Similarly, the income from fixed income securities may decline because of falling interest rates.
- Credit risk, which is the chance that an issuer of a fixed income security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that fixed income security to decline.
- Exchange Traded Fund (ETF) risk, which is the risk of an investment in an ETF, including

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

the possible loss of principal. ETFs typically trade on a securities exchange and the prices of their shares fluctuate throughout the day based on supply and demand, which may not correlate to their net asset values. Although ETF shares will be listed on an exchange, there can be no guarantee that an active trading market will develop or continue. Owning an ETF generally reflects the risks of owning the underlying securities it is designed to track. ETFs are also subject to secondary market trading risks. In addition, an ETF may not replicate exactly the performance of the index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain securities in the secondary market, or discrepancies between the ETF and the index with respect to weighting of securities or number of securities held.

- Management risk, which is the risk that the investment techniques and risk analyses applied by Truepoint may not produce the desired results and that legislative, regulatory, or tax developments, affect the investment techniques available to Truepoint. There is no guarantee that a client's investment objectives will be achieved.
- Real Estate risk, which is the risk that an investor's investments in Real Estate Investment Trusts ("REITs") or real estate-linked derivative instruments will subject the investor to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses. An investment in REITs or real estate-linked derivative instruments subject the investor to management and tax risks.
- Investment Companies ("Mutual Funds") risk, when an investor invests in mutual funds,

the investor will bear additional expenses based on his/her pro rata share of the mutual fund's operating expenses, including the management fees. The risk of owning a mutual fund generally reflects the risks of owning the underlying investments the mutual fund holds.

- Cybersecurity risk, which is the risk related to unauthorized access to the systems and networks of Truepoint and its service providers. The computer systems, networks and devices used by Truepoint and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach. Cybersecurity breaches can include unauthorized access to systems, networks or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. Cybersecurity breaches cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or other compliance costs; as well as the inadvertent release of confidential information. Similar adverse consequences could result from cybersecurity breaches affecting issues of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers,

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

dealers and other financial institutions; and other parties. In addition, substantial costs may be incurred by those entities in order to prevent any cybersecurity breaches in the future.

- Alternative Investments / Private Funds risk, investing in alternative investments is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:

- loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices;
- lack of liquidity in that there may be no secondary market for the investment and none expected to develop;
- volatility of returns;
- restrictions on transferring interests in the investment;
- potential lack of diversification and resulting higher risk due to concentration of trading authority when a single adviser is utilized;
- absence of information regarding valuations and pricing;
- delays in tax reporting;
- less regulation and higher fees than mutual funds;
- risks associated with the operations, personnel, and processes of the manager of the funds investing in alternative investments.

- Closed-End Funds risk, Closed-end funds typically use a high degree of leverage. They may be diversified or non-diversified. Risks associated with closed-end fund investments include liquidity risk, credit risk, volatility and the risk of magnified losses resulting from the use of leverage. Additionally, closed-end funds may trade below their net asset value

Clients are advised that they should only commit assets for management that can be invested for the long term, that volatility from investing can occur, and that all investing is subject to risk. Truepoint does not guarantee the future performance of a client's portfolio, as investing in securities involves the risk of loss that clients should be prepared to bear.

Past performance of a security or a fund is not necessarily indicative of future performance or risk of loss.

### Item 9 — Disciplinary History

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of firm or integrity of the firm's management in this item. Neither Truepoint, nor any of its employees, has any legal or disciplinary events to report.

### Item 10 — Other Financial Industry Activities and Affiliations

#### **Financial Industry Activities**

No employees of Truepoint are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker dealer.

#### **Affiliations**

Truepoint has a minority ownership interest (less than 2%) in a savings and loan holding company, National Advisors Holdings, Inc. (NAH). NAH has formed a federally chartered trust company, National Advisors Trust Company (NATC). NAH and NATC are regulated by the Federal Reserve and Office of the Comptroller of the Currency, respectively, and are FDIC insured. The trust company offers a low-cost alternative to traditional custodians and trust service providers.

Truepoint refers clients to NATC. Referrals to NATC are based expressly upon the clients' needs and objectives. Unlike banks which generally do not allow trust accounts to retain outside investment advisors, NATC permits Truepoint to provide ongoing investment advisory services to accounts on which NATC is named as trustee. Both the client and Truepoint may benefit from this continuation of services. However, the client always maintains the right to remove Truepoint as the investment advisor, as well as replace NATC as trustee.

As previously stated, Truepoint is a fee-only financial advisory firm. Truepoint receives no income or compensation from NATC.

Effective April 2016, Truepoint Inc., wholly owns RhineVest Advisors, LLC.

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

As a fiduciary, Truepoint has a duty of utmost good faith to act solely in the best interest of each of our clients. Our clients entrust us with their assets, which in turn places a high standard on our conduct and integrity. Our fiduciary duty compels all employees to act with the utmost integrity in all of our dealings. This fiduciary duty is the core principle underlying this Code of Ethics Policy, and represents the expected basis of all of our dealings with our clients.

This Code of Ethics consists of the following core principles:

- The interests of clients will be placed ahead of the firm's or any employee's own investment interests. Employees are expected to act in the best interest of clients.
- Employees are expected to conduct their personal securities transactions in accordance with the Personal Trading Policy and will strive to avoid any actual or perceived conflict of interest with the client.
- Employees will not take inappropriate advantage of their position with the firm.
- Employees shall offer and provide professional services with integrity and objectivity.
- Employees are expected to comply with federal securities laws.
- Employees will provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which the employee is engaged.

A copy of the Code of Ethics in its entirety is available upon request to [Compliance@truepointwealth.com](mailto:Compliance@truepointwealth.com), at Truepoint's office address.

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

Truepoint and its employees do not recommend investments in which any employee or related individual has a material financial interest.

#### **Personal Trading**

Truepoint and its employees may invest in the same mutual funds or ETFs as its clients. Truepoint and its employees are limited to making purchases or sales of mutual funds and ETFs, based on the employee's own unique investment goals. These transactions are not necessarily communicated to Truepoint clients.

## Item 12 — Brokerage Practices

### The Custodians and Brokers We Use

Truepoint Wealth Counsel (“we/our”) does not maintain custody of your assets that we manage (although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 – Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We may recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), Fidelity Institutional Wealth Services (“Fidelity”), TD Ameritrade or National Advisors Trust, FINRA-registered broker-dealers, members SIPC, as the qualified custodians. We are independently owned and operated and not affiliated with Schwab or any other broker-dealer.

Fidelity, TD Ameritrade, Schwab and National Advisors Trust charge commission rates that are generally considered discounted from customary retail commission rates. In seeking best execution, the determinative factor is not solely the lowest possible cost, but whether the transaction represents the best overall qualitative execution, taking into consideration the full range of a broker-dealer/custodian’s services, including execution capability, commission rates and responsiveness. Accordingly, although Truepoint will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions.

Our custodians will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we may recommend that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account, as described in the next paragraph.

### How We Select Brokers/Custodians

We seek to recommend a custodian/broker who

will hold your assets and execute transactions on terms that are overall most advantageous when compared with other available providers and their services. We consider a wide range of factors, including these:

- Combination of transaction execution services along with asset custody services (generally without a separate fee for custody);
- Capability to execute, clear, and settle trades ( buy and sell securities for your account)
- Capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- Reputation, financial strength, and stability of the provider
- Their prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “Products and Services Available to Us from Schwab”)

### Your Custody and Brokerage Costs

For our clients’ accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it



## Item 12 — Brokerage Practices

executes or that settle into your Schwab account. Schwab's commission rates applicable to our client accounts were negotiated based on our commitment to maintain \$200,000,000 of our clients' assets statement equity in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be if we had not made the commitment. In addition to commissions Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

### Products and Services Available to Us from Schwab

Schwab Advisor Services™ (formerly Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide our clients and us with access to its institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Here is a more detailed description of Schwab's support services:

#### Services That Benefit You

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph

generally benefit you and your account.

#### Services That May Not Directly Benefit You.

Our custodians also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both the custodians' own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at the custodian providing the investment research. In addition to investment research, our custodians also make available software and other technology that:

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

#### Services that Generally Benefit Only Us.

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

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.



### Item 12 — Brokerage Practices

Our custodians may provide some of these services themselves. In other cases, they will arrange for third-party vendors to provide the services to us. Our custodians may also discount or waive their fees for some of these services or pay all or a part of a third party's fees. Our custodians may also provide us with other benefits such as occasional business entertainment of our personnel.

#### **Soft Dollars**

Truepoint and its employees do not receive any financial compensation from brokerage referrals, nor does it receive any targeted or customized research, etc. As part of Fidelity Clearing & Custody Solutions, Truepoint will receive general research reports and newsletters that all such advisors receive. Any research services provided by Fidelity may be of benefit to all of our clients, not only clients having accounts at Fidelity.

#### **Order Aggregation**

On occasion, when initiating a global transaction in all client portfolios, trades in the same security will be bunched in a single order (a "block") in an effort to obtain best execution at the best security price available. When employing a block trade:

- We will attempt to fill client orders by day end;
- If the block order is not filled by day-end, shares will be allocated to underlying accounts on a pro rata basis, adjusted as necessary to keep client transaction costs to a minimum and in accordance with specific account guidelines;
- If a block order is filled (full or partial fill at several prices through multiple trades, an average price and commission will be used for all trades executed;
- All accounts receiving securities from the block trade will receive the average price; and
- Only trades executed within the block

on the single day may be combined for purposes of calculating the average price.

### Item 13 — Review of Accounts

#### **Description**

Members of Truepoint's investment team monitor accounts on a continual basis. With the use of software, portfolios are reviewed daily and rebalanced, as necessary, to the client's targeted allocations as noted in the client's Investment Policy Statement. Additionally, portfolios are reviewed quarterly by the Wealth Advisor in connection with the quarterly reporting process.

#### **Regular Reports**

As mentioned previously, Truepoint recommends independent, qualified custodians to hold client assets. Custodians directly provide clients with accounts statements at least quarterly.

Truepoint provides clients with quarterly performance reports detailing positions on an account level, as well as the asset allocation of the overall portfolio. These reports also provide the client with portfolio performance results and benchmark data for comparison. Clients are encouraged to compare the information presented in reports generated by Truepoint with the statements that are received from the custodian.

### Item 14 — Client Referrals and Other Compensation

#### **Incoming Referrals**

We are pleased that the majority of our new clients are generated by existing client referrals. We do not directly compensate clients for such referrals.

#### **Referrals Out**

We refer business to estate planning attorneys, accountants and insurance brokers. Certain individuals to whom we refer business engage Truepoint for retainer services at standard pricing. We may receive client referrals from individuals or firms to whom we refer business. Truepoint does not directly compensate for the referrals which it receives.

#### **Other Compensation**

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability of Schwab's products and services to us is not based on our giving particular investment advice, such as buying particular securities for our clients.

### Item 15 — Custody

All client assets are held at independent, qualified custodians. For certain clients, Truepoint is deemed to have custody since it has the ability to withdraw funds and securities from the client's account and/or directly debit fees.

As required, Truepoint has engaged a Certified Public Accountant to conduct surprise examinations of its process annually. These relationships are limited to a small number of clients.

Clients will receive monthly or quarterly account statements directly from the custodian where these assets are held. Truepoint urges clients to carefully review these statements and compare those statements with statements they receive from Truepoint.

### Item 16 — Investment Discretion

Clients of Truepoint hire us to provide discretionary investment advisory services, in which case, we place trades in a client account without contacting the client prior to each trade to obtain the client's permission. Clients give us discretionary authority when they sign an investment advisory agreement with our firm. This requires a client to pre-authorize Truepoint to execute transactions, which will return the portfolio to its targeted allocation. Other trading activity may include tax loss harvesting or portfolio restructuring.

### Item 17 — Voting Client Securities

#### **Proxy Voting Policy**

Proxy voting policies and procedures are most relevant for advisors who utilize individual securities as their primary investment vehicle. Although our investment process does not employ individual securities, the mutual funds and ETFs we utilize also issue proxies which we actively vote. The following highlights a few key provisions of Truepoint's proxy voting policy:

- Our utmost concern when voting proxies is that all decisions be based solely on the best interest of the client.
- We will limit our proxy voting to securities purchased in accordance with our investment recommendations.
- We will not vote proxies received for securities which are no longer held in a client's account.
- We will maintain our proxy voting records (statements received and votes cast) for five years.
- We will observe established guidelines for certain common proxy voting issues.

The description above is a concise description of Truepoint's proxy voting process. A copy of the proxy policy and procedures in its entirety is available upon request.

**Financial Condition**

Truepoint sustains a strong financial condition enabling it to meet contractual commitments to clients.