

# SEC Form ADV Part 2A Firm Brochure



March 27, 2024

This brochure provides information about the qualifications and business practices of Truepoint Institutional Advisors, 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.

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Item 2 — Material Changes

Since our last annual update filing on March 16, 2023, there were no material changes made to this brochure.

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## Item 4 — Advisory Business

### **About Truepoint Wealth Counsel, LLC**

Truepoint Institutional Advisors is a division of Truepoint Wealth Counsel, LLC, offering investment advisory services to charitable foundations and endowments, non-profits, retirement plans and other institutional investors. Our mission is to help small and mid-sized organizations manage their investments more effectively and efficiently.

### Principal Owners

Truepoint, Inc. owns 55% of Truepoint Institutional Advisors, LLC, with Mr. Christopher M. Meyer owning the remaining 45%.

### Institutional Engagement Level

Truepoint provides the following services for our institutional investment management clients:

- Assess investment objectives and risk trade-offs
- Establish appropriate asset allocation and portfolio structure
- Develop Investment Policy Statement (IPS)
- Ongoing monitoring and real-time portfolio rebalancing
- Portfolio benchmarking and clear performance reporting

### Retirement plan services include:

- Plan sponsor consulting and sharing of fiduciary responsibility
- Truepoint management of each participant portfolio
- Optional development of low-cost menu for self-direction
- Ongoing employee financial education and consultation

### ERISA

Truepoint is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such our firm is subject to specific duties and obligations under ERISA and the Code that include, amongst other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, we may only charge fees for investment advice about products for which our firm and/or related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which we receive such fees but such fees are offset by a commensurate reduction in our investment advisory fee.

### 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, 2023, the allocation between discretionary and non-discretionary AUM was as follows:

|                   |              |
|-------------------|--------------|
| Discretionary     | \$91,412,582 |
| Non-discretionary | \$474,722    |
| Total AUM         | \$91,887,304 |

## 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    | Institutional |
|--------------------|---------------|
| First \$5,000,000  | 0.50%         |
| Next \$5,000,000   | 0.40%         |
| Next \$10,000,000  | 0.30%         |
| Next \$30,000,000  | 0.20%         |
| Above \$50,000,000 | 0.10%         |

Truepoint Institutional Advisors, LLC seeks a minimum level of assets under management of \$1,000,000 for institutional investment management portfolios and \$1,500,000 for company retirement plans. Portfolio values below the suggested minimum are subject to a minimum fee of \$5,000, which may result in an annual rate in excess of 0.50%. 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 has access to 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.

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 Institutional Advisors delivers customized investment management solutions and independent, unbiased advice so organizational leaders can focus on fulfilling their mission. Our institutional clients include:

- Non-profit foundations and endowments
- Healthcare and community service organizations
- Private charitable foundations
- Defined benefit and pension plans
- 401(k) and other retirement plans
- Profit-sharing plans
- Trusts

### Account Minimums

Truepoint recommends a minimum asset requirement of \$1,000,000 for institutions seeking services.

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

### Investment Philosophy

Truepoint employs a holistic, evidence-based investment philosophy. We believe our role is to work with the board/investment committee to assess the investment objectives and risk tolerance, establish an appropriate asset allocation, develop the investment policy statement, and construct portfolios based on the following philosophical beliefs:

- Emphasize **long-term** investment principles over short-term outcomes.
- Control risk through broad, global diversification as opposed to concentrated portfolio bets.
- Seek to capture market returns using low-cost, rules-based investment strategies instead of higher-cost, traditional active managers. Our strategy uses low-cost exchanged-traded funds (ETFs) and institutionally-priced mutual funds to accomplish this goal.
- Maintain the strategic asset allocation with disciplined rebalancing rather than attempting to tactically allocate (i.e., market timing) and allow emotions to influence rebalancing decisions.

We recognize that certain investment principles have been proven to be persistent and pervasive over time and employing these factors has led to superior results. These factors include:

- Exposure to the market – stocks are expected to outperform bonds over time. This will not occur every year or even every 5 or 10-year period, but should over the long-term. For long-term investors, we believe investing in assets with higher return expectations outweighs the short-term volatility risk, and therefore, invest the majority of the portfolio in stocks.
- Value – relatively cheap assets tend to outperform relatively expensive assets. Just as stocks sometimes underperform bonds, value stocks sometimes underperform growth stocks. Nevertheless, we believe value should prevail over time, and therefore, tilt portfolios towards value.
- Size – small cap stocks should provide a performance premium over large cap stocks and therefore we employ a small cap tilt to portfolios.

Other factors that are incorporated into portfolios by the underlying investment managers include:

- Profitability – the tendency of more profitable assets to generate higher returns.
- Momentum – the phenomenon that assets that have performed well in the past relative to other assets continue to perform well in the future, and assets that have performed relatively poorly continue to perform poorly.

### Asset Allocation

The process begins by understanding the following:

- Time horizon
- Return objectives
- Willingness to assume risk
- Liquidity needs

Once we have a clear understanding of the investment objectives, we leverage Markowitz mean-variance and Monte Carlo modeling as a tool to determine the appropriate strategic asset mix for each client. Because the inputs into the models are the drivers to ensuring the output is relevant, the investment team develops forward-looking capital market assumptions. Importantly, the risk (i.e., standard deviation) of the asset classes and the correlation between asset classes are also developed internally.

Although these models are effective tools, our understanding of the inputs and interpretation of the outputs are equally important. No model can give the “right” answer; therefore, these models should be complemented with a thorough understanding of the statistical formulas, good judgment, and a real world, common sense approach to asset allocation. We have years of experience working with institutional clients and a deep understanding of portfolio modeling, two key components of structuring a long-term, successful asset allocation.

### Portfolio Structure

The portfolio construction process includes designing well-diversified portfolios consistent with the asset allocation targets. The research is conducted internally, but relies on industry research, best practices, and manager research. Portfolio construction considerations include:

- Geographic weightings (i.e., U.S. vs. foreign exposures)
- Portfolio tilts (i.e., style and size)
- Use of index funds vs. rules-based strategies designed to outperform the indexes



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- Number of funds and level of diversification (seek to avoid over- and under-diversification)

Extensive research and experience play key roles in designing custom portfolios to assist our clients in meeting their unique investment objectives.

### Managers: Rules-based Investment Strategies

Investment theory, academic studies, and real world results demonstrate that active equity managers have difficulty outperforming their benchmark returns. Even if there are skillful managers, investors would have difficulty identifying these managers beforehand. Relying on past performance is not a reliable measure of a manager's skill, as most do not have track records long enough to distinguish skill from luck and past performance is not a reliable indicator of future performance. Moreover, those investors who are confident in their ability to select superior managers are rarely patient enough to withstand the invariable performance slumps all active managers eventually experience. Therefore, we invest with index funds and other low cost, rules-based strategies that consistently and efficiently capture desired market factors.

### Types of Investments

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. Private equity investments carry a higher degree of risk because they are not publicly-traded and lack liquidity.

### Investment Risk

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.
- 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.

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- 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 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, 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.

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- 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.
- Structured Notes risk -
  - Complexity. Structured notes are complex financial instruments. Clients should understand the reference asset(s) or index(es) and determine how the note's payoff structure incorporates such reference asset(s) or index(es) in calculating the note's performance. This payoff calculation may include leverage multiplied on the performance of the reference asset or index, protection from losses should the reference asset or index produce negative returns, and fees. Structured notes may have complicated payoff structures that can make it difficult for clients to accurately assess their value, risk and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Payoff structures can be leveraged, inverse, or inverse-leveraged, which may result in larger returns or losses. Clients should carefully read the prospectus for a structured note to fully understand how the payoff on a note will be calculated and discuss these issues with Truepoint.
  - Market risk. Some structured notes provide for the repayment of principal at maturity, which is often referred to as "principal protection." This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, and/or market volatility.
  - Issuance price and note value. The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now generally disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer's estimated value of the note and the issuance price. The estimated value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring and/or hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.
  - Liquidity. The ability to trade or sell structured notes in a secondary market is often very limited, as structured notes (other than exchange-traded notes known as ETNs) are not listed for trading on securities exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution's broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date, or risk selling the note at a discount to its value at the time of sale.
  - Credit risk. Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

There also are risks surrounding various insurance products that are recommended to Truepoint clients from time to time. Such risks include, but are not limited to loss of premiums. Prior to purchasing any insurance product, clients should carefully read the policy and applicable disclosure documents.

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 previously referred clients to NATC. Referrals to NATC were 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., parent of the Advisor, wholly owns RhineVest Advisors, LLC. Effective March 2021, RhineVest Advisors, LLC changed its name to Commas.

## 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 based on the employee's own unique investment goals. These transactions are not necessarily communicated to Truepoint clients.

## Item 12 — Brokerage Practices

### Selecting Brokerage Firms/Best Execution

Truepoint (“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”), or National Advisors Trust, FINRA-registered broker-dealers, members SIPC, as the qualified custodians. We are independently owned and operated and not affiliated with any broker-dealer.

Fidelity, 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 a specific custodian, you will decide whether to do so and open your account with them by entering into an account agreement directly with them. We do not open the account for you.

### 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 Custodians”)

### Products and Services Available to Us from Custodians

Fidelity provides Truepoint with Fidelity’s “platform services”. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support us in conducting business and in serving the best interests of our clients. In addition, as part of our arrangement with Fidelity, we also receive discounts on certain third-party software applications that are used by us to manage accounts for which we have investment discretion. As a result, Truepoint may have an incentive to continue to use or expand the use of Fidelity’s services.

Schwab provides 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. In addition, Schwab makes available 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.

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### 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.

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 the Institutional Wealth Services division of Fidelity, 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 and 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 daily 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.

### 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 access to 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 do not directly compensate for referrals.

### Referrals Out

We refer business to estate planning attorneys, accountants and insurance brokers. We may receive client referrals from individuals or firms to whom we refer business. Truepoint does not directly pay 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.

### Retirement Plan Accounts

When Truepoint provides investment advice to you regarding your retirement plan account or individual retirement account, Truepoint is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way Truepoint makes money creates some conflicts with your interests, so Truepoint operates under a special rule that requires Truepoint to act in your best interest and not put our interest ahead of yours.

## Item 15 — Custody

All client assets are held at independent, qualified custodians. For certain clients, Truepoint is deemed to have custody because 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.

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

### Discretionary Authority for Trading

Clients may hire Truepoint to provide investment management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

### Limited Power of Attorney

We utilize a limited power of attorney to perform investment management services on behalf of our clients. As indicated, our investment management process employs a rebalancing strategy. This requires a client to pre-authorize Truepoint to execute transactions, which will return the portfolio to its targeted allocation.

## 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.

## Item 18 — Financial Information

Truepoint is not required to disclose any financial information pursuant to this item due to the following:

- a) Truepoint does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of rendering services;
- b) Truepoint is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts; and
- c) Truepoint has never been the subject of a bankruptcy petition.