



**BILL FEW ASSOCIATES**  
WEALTH MANAGEMENT

## ADV BROCHURE

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This brochure provides information about the qualifications and business practices of Bill Few Associates, Inc. If you have any questions about the contents of this brochure, please contact John Jones at 412-630-6000 or [jjones@billfew.com](mailto:jjones@billfew.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.

Bill Few Associates, Inc. is a registered investment advisor. Registration does not imply a certain level of skill or training.

Additional information about Bill Few Associates, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD for Bill Few Associates, Inc. is 133561.

Part 2A of Form ADV and other important information relating to accounts with Bill Few Associates, Inc. can be found at [www.billfew.com/bfa-disclosures](http://www.billfew.com/bfa-disclosures).

## **ITEM 2: MATERIAL CHANGES**

The last annual update of the Form ADV Part 2A was March 31, 2021.

*The following material changes occurred since the last Form ADV update:*

- *Bill Few Associates, Inc. no longer uses the services of affiliated broker-dealer, Bill Few Securities, Inc.*
- *Updated Item #4: Enhanced descriptions regarding Advisory Services pertaining to Retirement Accounts – added language to include DOL’s Prohibited Transaction Exemption 2020-2 (PTE 2020-2). Investment advice fiduciaries who rely on the exemption must render advice in the client’s best interest and not put interests ahead of the clients.*
- *Updated Item #4: American Funds F-2 Direct Program – updated fee schedule range.*
- *Updated Item #5: Fees and Compensation - to include the BFA Wrap Fee Program.*
- *Updated Item #15: Custody - Bill Few Associates, Inc. has custody of client funds or securities.*

Additional minor updates and clarifications occur throughout this document and we encourage you to read the entire Brochure.

We may, at any time, update this Brochure. We will send you a copy or offer you a copy (either by electronic means or in hard copy form), as required by regulations.

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#### **ITEM 4: ADVISORY BUSINESS**

Bill Few Associates, Inc. is a SEC-registered investment adviser with its principal place of business located in Pittsburgh, Pennsylvania. Bill Few Associates, Inc. began conducting business in 1987.

Bill Few Associates, Inc. is a wholly owned subsidiary of Bill Few Financial Group, Inc. (BFFG), which is owned by the Bill Few Associates, Inc. Employee Stock Ownership Trust.

Bill Few Associates, Inc. offers the following advisory services to our clients:

##### **INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives, based on a client's particular circumstances are established, we help develop a client's personal investment strategy and create and manage a portfolio based on those findings. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following types of securities:

Common Stock	Municipal Bonds
Commercial Paper	Mutual Funds/ETF's
Certificates of Deposit	Options
Corporate Bonds	Preferred Stock
Government Bonds	Variable Annuities

Because some types of investments involve certain additional degrees of risk, they will only be implemented or recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

##### **MUTUAL FUND MODEL PORTFOLIOS**

Our firm provides portfolio management services to clients through our Managed Mutual Fund Account program. We manage these accounts on a discretionary or non-discretionary basis. Each model portfolio is designed to meet a particular investment goal.

Through personal discussions with the client in which the client's goals and objectives are established, a client's base allocation is determined (i.e., equities/fixed income/cash). Account supervision is guided by the client's stated objectives as well as tax considerations, where appropriate.

In the program, our base asset allocation is determined through ongoing fundamental and technical research. The allocation is also discussed at our firm's Investment Policy Committee meetings. Through this research and discussions, it is determined how much we allocate to each investment category (ex. large-cap, small-cap, international, short-term bond, high-yield bond, etc.). At this point, we match our firm's base allocation with the client's investment needs to form a model created specifically to meet a particular client's investment goals. The accounts are managed to that individual model, although our firm may change the allocation as market conditions change. The accounts are rebalanced periodically as performance moves them away from the appropriate percentages.

Mutual funds are the primary investment vehicle, although our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the same security types identified earlier in this section under Individual Portfolio Management.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will periodically send reminders to clients requesting them to review their account information and to provide us with any updated information regarding changes in their financial situation and investment objectives.

We also conduct periodic meetings with clients to review their accounts and to update their objectives and risk tolerance as well as their suitability profile.

### **AMERICAN FUNDS F-2 DIRECT PROGRAM**

The American Funds F-2 Direct Program is a non-discretionary, fee-based program that facilitates investments into American Funds F-2 share class offerings directly held at the American Funds. Monies invested in this program are limited to the American Funds family, unlike our other fee-based programs which have an extensive list of available securities. Generally, the F-2 share class offerings have a higher cost than the F-3 that are available in the BFA Wrap Fee program when held at Pershing Advisory Solutions. Other differences of this program include account related fees, billing, and account minimums.

The minimum fund investment is \$250 per fund (\$1,000 for money market or tax-exempt funds) as specified in the funds' prospectus. Currently American Funds charges a one-time \$10 set up fee and a \$10 per annum custodial fee for IRAs and Coverdell ESA accounts.

Through personal discussions with the client in which the client's goals and objectives are established, a client's base allocation is determined (i.e., equities/fixed income/cash). Account supervision is guided by the client's stated objectives as well as tax considerations, where appropriate.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

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We also conduct periodic meetings with clients to review their accounts and to update their objectives and risk tolerance as well as their suitability profile.

### **FINANCIAL PLANNING**

We provide financial planning services, which entails a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client to achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

**Personal Financial Planning:** We review family records, budgeting, personal liability, estate information and financial goals.

**Tax & Cash Flow Analysis:** We analyze the client's income tax, spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.

**Investment Planning:** We analyze investment alternatives and their effect on the client's portfolio.

**Insurance Needs Analysis:** We review existing policies to ensure proper coverage for life, health, disability, and long-term care.

**Retirement Planning:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.

**Death & Disability Needs Analysis:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.

**Estate Planning:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

As part of the planning process, we gather required information through in-depth personal interviews. Information gathered may include the client's current financial status, tax status, future goals, performance objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or investment professional. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically, the financial plan is presented to the client within three months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. Please note, we are not a law firm, attorney, accounting or tax adviser. Our financial planning services should not be interpreted as legal or tax advice.

## **CONSULTING SERVICES**

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

As some individuals of Bill Few Associates, Inc. are licensed as insurance agents of various insurance companies, insurance recommendations are limited to only those products offered through these companies.

## **RETIREMENT ACCOUNTS**

Clients, and prospective clients, considering a rollover from a qualified employer sponsored retirement plan ("Employer Retirement Plan") to an Individual Retirement Account ("IRA") are encouraged to consider the advantages and disadvantages of an IRA rollover from their existing Employer Retirement Plan.

A plan participant leaving an employer typically has four options (and may engage in a combination of these options): 1) Leave the money in the former Employer Retirement Plan, if permitted; 2) Transfer the assets to the new employer's plan, if one is available and if rollovers are permitted; 3) Rollover the assets to an IRA; 4) Cash out (or distribute) the assets and pay the taxes due.

Investors may face increased fees when they transfer retirement savings from their current Employer Retirement Plan to an IRA. Investors are advised that even if there are no costs associated with the IRA rollover itself, there will be costs associated for account administration, investment management or both. In addition to the fees charged by Bill Few Associates, Inc., the underlying investments (mutual fund, ETF, annuity, or other investment) typically also charge management fees. Custodial fees may also apply. Investing in an IRA managed by Bill Few Associates, Inc. is typically more expensive than the current Employer Retirement Plan. Investors should inquire with their retirement plan sponsor about the costs and other fees associated with their current plan in order to compare their options.

While individuals of Bill Few Associates endeavor at all times to put the interests of the clients first as part of our fiduciary duty, clients should be aware that the additional compensation paid to Bill Few Associates and their financial professional when the choice is made to distribute and rollover the proceeds of an Employer Retirement Plan account to an IRA with our firm is a conflict of interest. Conflicts of interest are mitigated through discussions between the investor and the financial professional.

When we provide investment advice to you regarding your retirement accounts, we are fiduciaries 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 we make money creates certain conflicts with your interests, so we operate under PTE 2020-02, where applicable, a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under PTE 2020-02, when providing individualized investment advice to retirement investors, we must also:

- Meet a professional standard of care (give prudent advice);
- Not put our financial interests ahead of yours (give loyal advice);
- Avoid misleading statements about our conflicts of interest, fees and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about our conflicts of interest.

### **AMOUNT OF MANAGED ASSETS**

As of December 31, 2021, we were actively managing assets of \$1,251,400,000 on a discretionary basis and an additional \$451,100,000 of assets on a non-discretionary basis for a total of \$1,702,500,000.

### **ITEM 5: FEES AND COMPENSATION**

The advisory fee will be disclosed prior to services being provided and agreed upon in a written investment advisory agreement.

Our annual fees for portfolio management are based upon a percentage of assets under management and generally range from .25% to 1.25%.

Our Standard Fee Schedule is a tiered schedule and is billed as follows:

<u>Tier</u>	<u>Asset Level</u>	<u>Annual Rate</u>
First	\$ 500,000	1.25%
Next	500,000	1.00%
Next	500,000	.75%
Above	1,500,000	.50%

Generally, advisory fees are billed quarterly in advance and calculated based on the account's market value (including cash and cash equivalents) on the last business day of the prior quarter. Fees for new accounts, and for new deposits into existing accounts, will be pro-rated based on the remaining number of days left in the quarter. Accounts within the same household, and set to the same tiered fee schedule, can be combined for breakpoint purposes.

Fees are debited directly from the client's Pershing account unless the client requests to pay by invoice in which an invoice will be sent to the client detailing the advisory fees for the upcoming quarter.

For advisory accounts in which the management fee is directly deducted from their account, the client's custodian is advised by Bill Few Associates, Inc. of the fee amount that is to be deducted. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period, including the fee amount.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their account statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Generally, a minimum of \$250,000 of assets under management is required for portfolios comprised mainly of individual equities or individual bonds. The minimum account size for portfolios predominantly comprised of mutual funds is \$50,000. The account size may be negotiable under certain circumstances. Bill Few Associates, Inc. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Although Bill Few Associates, Inc. has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis which represents a conflict of interest. Client facts, circumstances and needs are

considered in determining the fee schedule. These include the complexity of the client assets to be placed under management; anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the financial professional and each client.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **AMERICAN FUNDS F-2 DIRECT PROGRAM**

American Funds F-2 Direct Program fees are calculated and debited by American Funds quarterly in arrears in the second month of each calendar quarter and is based upon the accounts average daily balance. The program's advisory fee is a flat fee that ranges between .25% - 1.25%. Billing is handled by American Funds and fees are deducted from the client account. Assets are held directly with American Funds in the F-2 share class, which have no 12b-1 fees but have a higher cost than their F-3 share class equivalent. There is a \$10 set up fee charged by the American Funds and an annual \$10 custodial fee for IRAs and Coverdell ESAs. We do not receive any compensation from the setup and custodial fees. The client must acknowledge and agree to allow American Funds to liquidate shares of the funds held in order to cover any applicable advisory or account service fees.

Although Bill Few Associates, Inc. has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis which represents a conflict of interest.

### **FINANCIAL PLANNING FEES**

Bill Few Associates, Inc.'s Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from \$500 to \$5,000, depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$500 for work that will not be completed within six months. The balance is due upon completion of the plan.

### **CONSULTING SERVICES FEES**

Bill Few Associates, Inc.'s Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting Services fees are calculated and charged on an hourly basis, ranging from \$200 to \$300 per hour. An estimate for the total hours is determined at the start of the advisory relationship.

### **OTHER REVENUE**

Bill Few Associates Inc. is licensed to sell insurance products in addition to its' advisory business. Certain investment personnel of our firm are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Bill Few Associates, Inc. permits third party payments/reimbursements for advisor education, seminars and entertainment.

While these individuals endeavor at all times to put the interest of the clients first as part of Bill Few Associates, Inc.'s fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

### **GENERAL INFORMATION**

**Termination of the Advisory Relationship:** A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of

any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro-rate the reimbursement according to the number of days remaining in the billing period after the effective date of the termination.

**Mutual Fund Fees:** All fees paid to Bill Few Associates, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Mutual Fund Share Classes:** Many mutual fund companies currently offer multiple share classes of their funds, each with a different expense structure. Often, financial institutions, such as investment advisers, are eligible to buy for their advisory clients lower cost shares than are available to retail customers. Bill Few Associates annually performs a review of the mutual funds held (and/or recommended) in its advisory accounts to ensure that its advisory clients are holding the lowest cost shares available to them. If during the annual review, a lower cost share class mutual fund is identified, Bill Few Associates, Inc. will convert the shares to the lowest cost share class for the client. As Bill Few Associates, Inc. uses the services of Pershing Advisory Solutions, LLC, not all securities or share classes are available on their platform.

**Additional Fees and Expenses:** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, margin interest, statement, delivery, transfer and other fees.

For investors that participate in the Bill Few Associates Wrap Fee Program, transactions costs for clearing and execution of trades are paid by Bill Few Associates, Inc. Additional information can be found in the BFA Wrap Fee Program Brochure.

Please refer to the "Brokerage Practices" section under Item 12 of this brochure for additional information.

**ERISA Accounts:** Bill Few Associates, Inc. is deemed to be a fiduciary to advisory clients that are employee benefit plans 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 Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation.

**Advisory Fees in General:** Clients should note that similar advisory services may or may not be available from other registered or unregistered investment advisers for similar or lower fees. In addition, fee-based accounts are typically more expensive over time versus commission-based accounts due to a higher level of service and ongoing management delivered.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Bill Few Associates, Inc. does not charge performance-based fees.

## **ITEM 7: TYPES OF CLIENTS**

Bill Few Associates, Inc. provides advisory services to the following types of clients:

- Individuals
- Charitable organizations
- High net worth individuals
- Corporations or other businesses
- Pension and profit sharing plans

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the services being provided. For a more detailed understanding of those requirements, please review the disclosures provided in Item 5.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Charting:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis:** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Quantitative Analysis:** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis:** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove to be incorrect.

**Asset Allocation:** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of equities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis:** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Risks for all forms of analysis:** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information

about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## INVESTMENT STRATEGIES

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases:** We purchase securities with the intention of holding them in the client's account for a year or longer. Typically, we employ this strategy when we believe the securities to be currently undervalued, and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases:** When utilizing this strategy, we purchase securities with the intention of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Margin transactions:** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows us to purchase stock without selling other holdings. Managing accounts on Margin is only done with prior client consent and authorization and represents a limited number of accounts under active management.

**Option writing:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The use of Option writing is only done with prior client consent and authorization and represents a limited number of accounts under active management.

The two types of options are calls and puts:

A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we anticipate the stock will increase substantially before the option expires.

A put gives the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we anticipate the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on a security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

**Risk of Loss: Securities investments are not guaranteed, and you may lose money on your investments. Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal. We ask that you work with us to help us understand your tolerance for risk.**

#### **ITEM 9: DISCIPLINARY INFORMATION**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that may be material to your evaluation of a firm or the integrity of its management.

Bill Few Associates, Inc. is an SEC registered investment adviser located in Pennsylvania. Pursuant to Pennsylvania Securities Act of 1972, Section 301(c.1)(1)(ii), all adviser representatives conducting an advisory business in Pennsylvania must be properly registered with the state.

Bill Few Associates, Inc. was previously dually registered as a broker-dealer and an investment adviser in Pennsylvania. As such, the firm utilized a registration exemption afforded dually registered firms to eliminate duplicate registrations for individuals that were both representatives of the broker-dealer and representatives of the investment adviser. A subsequent restructuring of the firm created a separate entity, Bill Few Securities, Inc., to conduct its broker-dealer business. At the time of this restructuring, the registration exemption previously afforded Bill Few Associates, Inc. was no longer applicable. As a result, Bill Few Associates, Inc. inadvertently violated the Pennsylvania Securities Act of 1972, Section 301(c.1)(1)(ii), by not having all adviser representatives properly registered with the state. Upon discovering the error, Bill Few Associates, Inc. promptly notified the Pennsylvania Bureau of Securities Licensing and submitted the appropriate registrations.

On September 23, 2014, Bill Few Associates, Inc. entered into a Consent Agreement and Order with the Pennsylvania Department of Banking and Securities and paid an administrative assessment in excess of \$2,500.

In 2018, Bill Few Associates, Inc. elected to participate in the Securities and Exchange Commission's Mutual Fund Share Class Selection Disclosure Initiative ("SCSD Initiative"). The SCSD Initiative provided investment advisers with the opportunity to voluntarily self-report to the SEC's Division of Enforcement possible inadequacies with their disclosures concerning mutual fund share class selection and the fees pursuant to Rule 12b-1 under the Investment Company Act of 1940. As part of the SCSD Initiative, BFA reviewed their disclosures and activities related to mutual fund share class selection. At the conclusion of the SCSD Initiative, BFA consented to a settlement agreement to reimburse accounts the amount of 12b-1 fees received (\$2,201,454.07) along with prejudgment interest (\$191,850.74). The SEC did not impose a fine or civil monetary penalty in recognition of the fact that BFA self-reported.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Certain investment personnel of our firm are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

While Bill Few Associates, Inc. and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

The following procedures are employed to address this conflict:

- We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- We disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and

- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Bill Few Associates, Inc. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Bill Few Associates, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [jjones@billfew.com](mailto:jjones@billfew.com) or by calling us at 412-630-6000.

Bill Few Associates, Inc. and individuals associated with our firm are prohibited from engaging in principal transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, outside business activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm buy or sell for their personal accounts securities identical to or different from those recommended to our clients. Such transactions occur at or about the same time as client transactions. In addition, any related person may have an interest or position in a certain securities which may also be recommended to a client.

## **ITEM 12: BROKERAGE PRACTICES**

**Broker Selection:** As an investment advisory client, it is your choice to select a broker-dealer to execute your trades and to custody the assets that will be held in your account. As a means of streamlining the overall administration and management of your investment accounts, we recommend clients choose the brokerage services of Pershing Advisory Solutions, LLC (PAS).

PAS is registered with the U.S. Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"). By working with PAS, your trades will be executed, cleared and custodied at Pershing LLC, a broker-dealer and clearing firm that is registered with the SEC and FINRA.

**Soft Dollar Arrangements:** Soft dollars is a term used when payments for research services by an investment adviser to a brokerage firm is made through commission revenue, as opposed to normal direct payments of cash. Bill Few Associates, Inc. does not have any soft dollar arrangements and does not receive any soft dollar benefits. The majority of our research is generated by our team of experienced research analysts utilizing generally available research reports and subscriptions that are paid for directly by Bill Few Associates, Inc.

**Directed Brokerage:** If a client directs us to use a broker-dealer other than Pershing Advisory Solutions, LLC (PAS) to execute some or all account transactions, the client must understand that it is his or her responsibility to negotiate the terms and conditions of such services. Under these circumstances, Bill Few Associates, Inc. has no authority to negotiate prices and commissions or obtain volume discounts on behalf of the client. This "directed brokerage" arrangement may impair our ability to obtain the best qualitative trade execution for you. In fact, in some cases you may pay higher transaction prices and commissions than those paid by clients who use the brokerage services of PAS.

**Brokerage for Client Referrals:** We do not recommend broker-dealers to clients based on our interest in receiving client referrals from the broker-dealer.

**Block Trading:** We will place block trades where possible and when advantageous to clients. Block trading is typically done for equities in which the total quantity of shares to be bought or sold is a significant amount. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Bill Few Associates, Inc. will typically aggregate trades among clients whose accounts can be traded at a given broker.

Bill Few Associates, Inc.'s block trading policy and procedures are as follows:

Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Bill Few Associates, Inc., or our firm's order allocation policy.

The trading desk or trader, in concert with the portfolio manager, must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.

The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Bill Few Associates, Inc. to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.

If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions/execution charge on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

If the order will be allocated in a manner other than stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

Bill Few Associates, Inc.'s client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

Funds and securities for aggregated orders are clearly identified on Bill Few Associates, Inc.'s records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

No client or account will be favored over another.

**Trading Errors:** It is Bill Few Associates policy to identify and correct any errors as promptly as possible without disadvantaging the client. Any losses incurred from a firm trading error is the responsibility of the firm. Any gains where it is not feasible to pass the gain to the client will be retained by the firm and used to offset losses.

## **ITEM 13: REVIEW OF ACCOUNTS**

### **INDIVIDUAL PORTFOLIO MANAGEMENT**

**Reviews:** While the underlying securities within Individual Portfolio Management Services accounts are monitored, these accounts are reviewed at least annually. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or market, political or economic environment.

These accounts are reviewed by Bill Few Associates financial analysts and/or the financial professional for each account.

**Reports:** In addition to the statements and confirmations of transactions that clients receive from their broker-dealer or custodian, we provide reports summarizing account performance, balances and holdings during regular review meetings with clients.

These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

### **MUTUAL FUND MODEL PORTFOLIO MANAGEMENT**

**Reviews:** While the underlying securities within the Mutual Fund Model Portfolio Management accounts are continually monitored, these accounts are reviewed at least annually. Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by Bill Few Associates financial analysts and/or the financial professional for each account.

**Reports:** In addition to the statements and confirmations of transactions that clients receive from their broker-dealer or custodian, we may provide reports summarizing account performance, balances and holdings during regular review meetings with clients.

These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

### **AMERICAN FUNDS F-2 DIRECT PROGRAM**

**Reviews:** While the underlying securities within the American Funds F-2 Direct Program are monitored, these accounts are reviewed at least annually. Accounts are reviewed in the context of the investment objectives. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by the financial professional for each account.

**Reports:** In addition to the statements and confirmations of transactions that clients receive from their custodian, we may provide reports summarizing account performance, balances and holdings during regular review meetings with clients.

These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

### **FINANCIAL PLANNING SERVICES**

**Reviews:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for. Such reviews will be conducted by the financial professional.

**Reports:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

## **CONSULTING SERVICES**

**Reviews:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

**Reports:** These client accounts will receive reports as contracted for at the inception of the advisory engagement.

### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

It is Bill Few Associates, Inc.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients. We believe these practices would create an unacceptable conflict of interest.

Bill Few Associates, Inc. has engaged in a solicitor's arrangement with SmartAsset Advisors LLC. Clients should understand that any referral fees incurred are paid by our firm and do not result in any additional fees or charges to the client. Users of the platform are under no obligation to contact, or become clients, of our firm. Solicitation arrangements inherently give rise to potential conflicts of interest because the solicitor is receiving an economic benefit for the recommendation of our advisory services.

### **ITEM 15: CUSTODY**

Bill Few Associates, Inc. does not maintain physical custody of client funds or securities. However, we are deemed to have custody of client assets under certain circumstances such as allowing clients to execute standing letters of authorization for asset movement, where we have authority to obtain temporary possession of client funds for deposit into their accounts and directly debiting advisory fees from client accounts. In the instances where Bill Few Associates is deemed to have custody, we will follow the requirements of rule 206(4)-2 including any required audits.

Clients will receive, at least quarterly, statements from their qualified custodian, detailing the activity, account holdings and balances of their investment account. It is extremely important for clients to carefully review their custodial statements to verify the accuracy of the fee calculations, deposits, withdrawals, and asset movements among other things. Clients should contact us directly if they believe that there may be an error in their statement.

We urge clients to compare the account statements from their qualified custodian(s) with the reports they receive from Bill Few Associates, Inc.

### **ITEM 16: INVESTMENT DISCRETION**

Clients may hire us to provide discretionary asset 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.

Our discretionary authority includes the ability to determine the specific securities to buy or sell, the amount of the securities to buy or sell and the timing when to buy or sell.

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change or amend such limitations by providing us with written instructions.

### **ITEM 17: VOTING CLIENT SECURITIES**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

Upon the client's request, we may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **ITEM 18: FINANCIAL INFORMATION**

Registered investment advisers are required to disclose any financial condition that is reasonably likely to impair their ability to meet their contractual obligations.

Bill Few Associates, Inc. has no financial circumstances to report that may impair our ability to meet our contractual obligations.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Bill Few Associates, Inc. has not been the subject of a bankruptcy petition at any time during the past ten years.