



copper leaf  
FINANCIAL

# 2022 Disclosure Brochure

Copper Leaf Financial, LLC  
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March 8, 2022

This Brochure provides information about the qualifications and business practices of Copper Leaf Financial, LLC (hereinafter “Copper Leaf”). If you have any questions about the contents of this Brochure, please contact us at (802) 878-2731. 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.

Copper Leaf is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Copper Leaf also is 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 number for Copper Leaf is 285378.

## Item 2 - Material Changes

This Item of the Brochure will discuss only specific material changes that are made to the Brochure since the last annual update and provide clients with a summary of such changes. This is our annual updating amendment filing with the following changes:

- ❖ We have updated our regulatory assets under management.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Michael L. Thompson, Copper Leaf's Chief Compliance Officer at (802) 878-2731. Additional information about Copper Leaf is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Copper Leaf who are registered, or are required to be registered, as investment adviser representatives of Copper Leaf.

*Date of Brochure: 03/08/2022*

*Date of Most Recent Annual Updating Amendment: 03/08/2022*

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## **Item 4 - Advisory Business**

Copper Leaf Financial, LLC (hereinafter “Copper Leaf”) is owned by John W. Davis, Bret L. Hodgdon and Michael L. Thompson and has been providing advisory services since 2016. As of December 31, 2021, Copper Leaf managed \$143,887,713 on a discretionary basis and none on a non-discretionary basis. We also have \$11,146,458 of assets under advisement for participant-directed retirement plans.

Copper Leaf’s investment advisory services are offered through a comprehensive wealth management process centered around holistic financial planning. The process involves the following steps:

*Discovery:* Exploration and identification of values, goals, circumstances and data.

*Investment Analysis:* Preparation of analysis and development of an Investment Policy Statement outlining a client’s current financial situation relative to goals and objectives.

*Development of Investment Plan:* Selection of a portfolio and strategies that will correspond with a client’s specific situation and objectives.

*Implementation:* Providing for transition and on-going services for the management of client accounts in accordance with investment and wealth objectives.

*Regular Progress Meetings:* Contact with clients to determine if financial circumstances or investment and wealth objectives have changed requiring alternative strategy.

*Advanced Planning:* Meeting client’s financial priorities beyond the basics, including life transitions, wealth transfer, wealth protection, charitable giving, etc.

### **Wealth Management Services**

Copper Leaf is a fee-only financial planning and investment advisory firm, providing personalized, comprehensive wealth management services to individuals, families, trusts, charitable organizations, pensions and corporations who seek an in-depth, on-going, long term relationship with a trusted guide in financial matters.

Three major components make up our approach to wealth management: holistic financial planning, investment management, and advanced planning. All wealth management services at Copper Leaf begin with financial planning through a thorough analysis of all

aspects of a client's existing financial circumstances, investment portfolios, savings, cash flow, aspirations & goals, taxes, retirement plans, liabilities, estate plans, etc.

### **Financial Planning Services:**

In order to provide true wealth management, Copper Leaf requires each wealth management client to complete an initial financial plan. Our financial planning process is designed to help clients identify life goals, analyze the financial impact of choices, and determine how we may help prudently accomplish client's objectives. We achieve this through the planning process described above, which involves gathering information and data, interviews designed to uncover and identify a client's true goals, objectives, aspirations and priorities, and a comprehensive analysis and review. In general, the financial plan provides the foundation for all investment recommendations and decisions moving forward.

### **Investment Management Services:**

Investment management and consulting is the astute management of investments over time to assist our clients in achieving their financial goals based on our initial and on-going planning work. It requires that Copper Leaf deeply understand our clients' most important challenges and then design an investment plan that takes clients' entire situation, time-frame and tolerance for risk into account, and that describes an approach that will maximize clients' probability of achieving those unique goals.

Investment management services include, but are not limited to, the following:

Investment Strategy, Personal Investment Policy, Asset Allocation, Asset Selection, Asset Location, Risk Tolerance, Regular Portfolio Monitoring, Rebalancing, Tax-Loss Harvesting

Copper Leaf designs a written investment policy statement (IPS) for each client, which outlines the client's current situation and a plan to aid in the selection of a portfolio that matches each client's specific needs.

Copper Leaf uses financial planning and investment advisory software and processes to further examine the client's objectives, risk parameters, liquidity needs, time horizons, tax circumstances, and family dynamics. Additional discussions and analysis may examine topics including income and cash flow requirements, business holdings and exit strategies, investments (including retirement accounts and retirement income resources), philanthropy, insurance, income tax and estate and legacy planning, pre-retirement

preparation, retirement income planning and sustainability analysis. The client's existing investments and activities will then be evaluated with respect to the client's investment policy statement and plan.

Copper Leaf will work with new clients to develop a plan to transition from any existing portfolio to the portfolio and strategies recommended by Copper Leaf. The client's financial plan and IPS is dynamic and will be updated as appropriate and as circumstances change. Copper Leaf will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the strategies and accounts as necessary.

Copper Leaf will typically create a portfolio of no-load mutual funds and exchange traded funds (ETFs) and may use model portfolios if the models match the client's investment policy. Copper Leaf will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. Copper Leaf primarily recommends portfolios consisting of passively managed asset class and index mutual funds or ETFs. Copper Leaf primarily recommends mutual funds offered by Dimensional Fund Advisors (DFA), AQR, Bridgeway, Stone Ridge and Vanguard. DFA and Vanguard sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover. Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication, or the client specifically requests they be retained for a personal reason. Copper Leaf manages mutual fund and equity portfolios on a discretionary basis. A client may impose any reasonable restrictions on Copper Leaf's discretionary authority, including restrictions on the types of securities in which Copper Leaf may invest client's assets and on specific securities, which the client may believe to be appropriate. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

Copper Leaf may also recommend fixed income portfolios to investment management clients, which consist of managed accounts of individual bonds or fixed income securities. Copper Leaf will request discretionary authority from investment management clients to manage fixed income portfolios, including the discretion to retain a third-party fixed income manager.

The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Investment Policy Statement. The fixed income manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that

the manager is provided with cost basis information). The fixed income manager will obtain Copper Leaf's consent prior to the sale of any client securities.

In certain circumstances, Copper Leaf will pursue other investment strategies on behalf of the client and can retain Parametric Portfolio Associates LLC to create other strategies to assist with tax management or other individual client needs. Parametric Portfolio Associates LLC is an unaffiliated third-party sub-adviser.

On an ongoing basis, Copper Leaf will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. Copper Leaf will periodically, and at least annually, review client's investment policy, risk profile and discuss the re-balancing of each client's accounts to the extent appropriate. Where applicable, Copper Leaf will provide to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services.

In addition to managing the client's investment portfolio, Copper Leaf may consult with clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans and estate planning & trust designs, among other things.

Copper Leaf does not participate in or sponsor any wrap fee programs.

Copper Leaf does not sell insurance or commissioned investment products, nor does it accept commissions as a result of any product recommendations. Copper Leaf does not pay referral or finders fees.

Copper Leaf does not prepare taxes, but may refer clients to our affiliate, Davis & Hodgdon Associates CPAS PLC (see further below in Item 10). Copper Leaf will also work with any other advisors who provide our clients with professional advice.

Copper Leaf provides consulting to businesses or non-profit clients for retirement plan evaluation, investment analysis, investment advice, etc.

#### **Employee Benefit Retirement Plan Services:**

Copper Leaf also provides advisory services to participant-directed employee retirement benefit plans through third party administrative services, which are online bundled service



providers offering an opportunity for plan sponsors to provide their participants with daily account access, valuation, and investment education.

Copper Leaf will analyze the plan's current investment platform, and assist the plan in creating an investment policy statement defining the types of investments to be offered and the restrictions that may be imposed. Copper Leaf will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles. Copper Leaf may refer clients to Davis and Hodgdon Associates, and clients may choose to engage Davis and Hodgdon to prepare analysis, consulting, or recommendations regarding employer sponsored retirement plans. Clients are responsible for any fees payable to Davis and Hodgdon.

For certain retirement plans, Copper Leaf also works in coordination and support with Buckingham Strategic Partners, LLC. (Please see Item 10). Retirement plan clients will engage both Copper Leaf and Buckingham Strategic Partners, LLC. Buckingham Strategic Partners, LLC will provide to the client additional discretionary investment management services and will exercise discretionary authority to select the plan investments made available to the plans' participants by selecting and maintain the plans' investments according to the goals and investment objectives of the plan.

Copper Leaf will continue to work with plans to monitor plan investments, provide fiduciary plan advice including regular considerations of the goals and objectives of the plan, and provide participant education services to the plan.

## **Item 5 - Fees and Compensation**

### **Wealth Management Services Fees**

All wealth management clients pay an on-boarding fee for the initial financial planning work required to complete the basic financial plan. All clients are required to execute an Investment Advisory Agreement. The on-boarding financial planning fee is determined at the time of engagement and is generally between \$2,500 - \$10,000, depending on the complexity of the client situation.

On-going wealth management services are provided on a fee-only basis and are based on a percentage of assets that Copper Leaf Financial manages according to the schedule below:

<b>Total Assets Under Management</b>	<b>Tiered Annual Fee</b>
Up to \$500,000	1.25%
\$500,001 to \$1,000,000	0.70%
\$1,000,001 to \$3,500,000	0.55%
\$3,500,001 to \$10,000,000	0.33%
\$10,000,000 plus	0.30%

There is a minimum fee of \$1,250 per quarter. At no time will the annualized fees exceed 2%.

Copper Leaf may aggregate the value of related family members' account balances for billing purposes. All accounts for members of the client's family (husband, wife and dependent children) or related businesses may be assessed fees based on the total household balance of all accounts.

In lieu of a fee based on a percentage of assets under management, Copper Leaf may charge a flat retainer fee. This will be determined on a case-by-case basis, based on a formula which fairly reflects an equivalent to our asset-based arrangement.

Copper Leaf has contracted with Buckingham Strategic Partners, LLC, (please see Item 10) for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. Copper Leaf has also contracted with Buckingham Strategic Partners, LLC for sub-advisory services with respect to clients' fixed income accounts. Copper Leaf pays a fee for Buckingham Strategic Partners, LLC services based on advisory fees paid to Copper Leaf on accounts which use Buckingham Strategic Partners, LLC. These fees vary based on the total client assets participating in Buckingham Strategic Partners, LLC through Copper Leaf. These fees are not charged to advisory clients.

The specific manner in which fees are charged by Copper Leaf is established in a client's written agreement with Copper Leaf. Clients will be charged in advance at the beginning of each calendar quarter based upon the fixed fee described earlier. New clients are charged a prorated fee for the remainder of the quarter in which the agreement is in place.

Copper Leaf will request authority from the client to receive quarterly payments directly from the client's account held by an independent custodian. Clients provide written limited

authorization to Copper Leaf or its designated service provider, Buckingham Strategic Partners, LLC, to withdraw fees from the account. Clients will receive custodial statements showing the advisory fees debited from their account(s).

A client agreement can be canceled at any time, by either party, for any reason upon receipt of 30-days written notice. Upon termination of any account, any prepaid, unearned fees will be refunded within the thirty day (30) notice period. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Copper Leaf's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to Copper Leaf for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders.

Such charges, fees and commissions are exclusive of and in addition to Copper Leaf's fee, and Copper Leaf shall not receive any portion of these commissions, fees, and costs.

All fees are reviewed periodically and may be adjusted annually or as circumstances or client conditions or requirements change.

**Employee Benefit Retirement Plan Services:**

Copper Leaf will serve as a non-discretionary 3(21) fiduciary advisor to retirement plan sponsors. This can include recommending investment options to the plan sponsor, monitoring investments and suggesting replacements when appropriate, providing participant education, advising plan sponsor in the development of the IPS, and implementation of plan documents with 3<sup>rd</sup> party vendors. Any 3<sup>rd</sup> party vendor fees such as recordkeeping, custodian fees, TPA fees, payroll etc., will not be included in the below fees.

Retirement Plan Advice/ initial plan set up:

1-10 employees	\$1,500
11-50 employees	\$2,000
50-100 employees	\$3,500
100 + employees	\$4,500

Copper Leaf charges an annual tiered fee for on-going 3(21) retirement plan advisory services based on assets within the plan. Minimum on-going annual retirement plan advisory fee, \$1,800.

Copper Leaf may charge for additional services, such as enrollment or education meetings, on an a la carte basis, based on an hourly rate of no less than \$250. For those plan sponsors who also seek discretionary 3(38) investment management and fiduciary oversight, Copper Leaf uses the services of Buckingham Retirement Solutions. Buckingham Retirement Solutions' annual fee for this service is charged as a percentage of assets within the plan and are listed below.

Assets Under Management	Buckingham's Annual Fee	Copper Leaf's Annual Fee	Total Fee
On the first \$1,000,000	0.20%	0.70%	0.90%
On the next \$4,000,000	0.15%	0.45%	0.60%
On the next \$5,000,000	0.08%	0.25%	0.33%
On all amounts above \$10,000,000	0.05%	0.15%	0.20%

**Consulting Services:**

Copper Leaf may provide stand-alone financial planning or consulting based on the specific needs of a prospective client. Financial planning and consulting fees are 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 an engagement with any client.

In limited circumstances, Copper Leaf may provide consulting or other services on an hourly basis. The hourly rate for these limited engagements is \$250 per hour plus travel and out-of-pocket expenses, with a minimum engagement of 2.5 hours. Fees are due and payable as incurred. If requested by the client, an estimate for total hours may be determined at the start of the advisory relationship. 50% of the estimated fee may be due upon signing the advisory agreement, with the balance due upon presentation of the plan to the client. Copper Leaf will never hold client funds greater than \$500 for more than six months in advance of completion of the financial plan.

## **Item 6 - Performance-Based Fees and Side-By-Side Management**

Copper Leaf does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

## **Item 7 - Types of Clients**

Copper Leaf provides services to individuals, including high net worth individuals, trusts, charitable organizations, and businesses.

Most of Copper Leaf's clients are well-educated professionals, executives, and established business owners and their families. Clients tend to be mid or late-career professionals, business owners, or senior management executives preparing for retirement, the sale or transition of a business, or a life changing inheritance, buy-out or financial event.

Copper Leaf generally requires a minimum account size of \$500,000.00. Minimum account sizes may be negotiable under certain circumstances.

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

### *Methods of Analysis and Investment Strategy*

Copper Leaf's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. Copper Leaf's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term

returns are determined principally by asset allocation decisions, rather than market timing or stock picking. Copper Leaf recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds. Copper Leaf selects or recommends to clients portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, Copper Leaf's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients, the investment directly in conservative fixed income securities to represent the fixed income class. Copper Leaf's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that Copper Leaf's strategy seeks to minimize.

In the implementation of investment plans, Copper Leaf therefore primarily uses mutual funds, ETFs and, as appropriate, portfolios of conservative fixed income securities.

Clients may hold or retain other types of assets as well, and Copper Leaf may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services, but may help to more generally assist the client.

Copper Leaf's strategies do not utilize securities that we believe would be classified as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

Copper Leaf receives supporting research from Buckingham Strategic Partners, LLC and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). Copper Leaf utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive asset class investment philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to Copper Leaf.

#### *Analysis of a Client's Financial Situation*

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, Copper Leaf relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, Copper Leaf may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make

projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

### Risk of Loss

#### **Investing in securities involves risk of loss that clients should be prepared to bear.**

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by Copper Leaf may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in Copper Leaf's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by Copper Leaf may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

### Interval Fund Risk

An interval fund is a type of closed-end fund containing shares that do not trade on the secondary market. Instead, the fund periodically offers to buy back a percentage of outstanding shares at net asset value. The rules for interval funds, along with the types of assets held, make this investment largely illiquid compared with other funds. The primary reasons for investors to consider investing in interval funds Copper Leaf may utilize include, but are not limited to, gaining exposure to certain risk categories that provide diversified sources of expected returns, part of which may be in the form of illiquidity premiums. Access to the intended risk and expected return characteristics may not otherwise be available in more liquid, traditional investment vehicles. Where appropriate, Copper Leaf may utilize certain interval funds structured as non-diversified, closed-end management investment companies, registered under the Investment Company Act of 1940. Investments in an interval fund involve additional risk, including lack of liquidity and restrictions on withdrawals. During any time periods outside of the specified repurchase offer window(s), investors will be unable to sell their shares of the interval fund. There is no assurance that an investor will be able to tender shares when or in the amount desired, and the fund may suspend or postpone purchases. Clients should carefully review the fund's prospectus to more fully understand the interval fund structure and the corresponding liquidity risks. Because these types of investments involve certain additional risk, these funds will only be utilized when consistent with a client's investment objectives, individual situation, suitability, tolerance for risk and liquidity needs. Investment should be avoided where an investor has a short-term investing horizon and /or cannot bear the loss of some or all of the investment.

The risk of loss described herein should not be considered to be an exhaustive list of all the risks which clients should consider.

### **Item 9 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Copper Leaf or the integrity of Copper Leaf's management. Copper Leaf has no information applicable to this Item.



## **Item 10 - Other Financial Industry Activities and Affiliations**

### Affiliated Accounting Firm

Copper Leaf is a registered investment adviser firm. However, Members of Copper Leaf are also owners and/or CPA's of the accounting firm, Davis & Hodgdon Associates CPAs PLC.

Davis & Hodgdon Associates CPAs PLC may recommend Copper Leaf to accounting clients in need of advisory services. Copper Leaf may recommend Davis & Hodgdon Associates CPAs PLC to advisory clients in need of accounting services. Accounting services provided by Davis & Hodgdon Associates CPAs PLC are separate and distinct from the advisory services of Copper Leaf, and are provided for separate and typical compensation. No Copper Leaf client is obligated to use Davis & Hodgdon Associates CPAs PLC for any accounting services as no Davis & Hodgdon Associates CPAs PLC client is obligated to use Copper Leaf for advisory services. For clients of both firms, with assets under management greater than \$1,000,000, Copper Leaf offers a discount on the use of our affiliated CPA firm tax preparation services.

### Buckingham Strategic Partners, LLC

As described above in Item 4, Copper Leaf may exercise discretionary authority provided by a client to select an independent third-party investment manager for the management of portfolios of individual fixed income securities. Copper Leaf utilizes Buckingham Strategic Partners, LLC for such fixed income management. Copper Leaf also contracts with Buckingham Strategic Partners, LLC for back office services and assistance with portfolio modeling. Copper Leaf has a fiduciary duty to select qualified and appropriate managers in the client's best interest, and believes that Buckingham Strategic Partners, LLC effectively provides both the back-office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of Copper Leaf continuously makes this assessment. While Copper Leaf has a contract with Buckingham Strategic Partners, LLC governing a time period for back office services, Copper Leaf has no such fixed commitment to the selection of Buckingham Strategic Partners, LLC for fixed income management services and may select another investment manager for clients upon reasonable notice to Buckingham Strategic Partners, LLC.

As a fiduciary, Copper Leaf has certain legal obligations, including the obligation to act in clients' best interest. Copper Leaf maintains a Business Continuity and Succession Plan and seeks to avoid a disruption of service to clients in the event of an unforeseen loss of key personnel, due to disability or death. To that end, Copper Leaf has entered into a succession

agreement with Buckingham Wealth Partners, LLC effective January 1, 2019. Copper Leaf can provide additional information to any current or prospective client upon request of Michael L. Thompson, at (802) 878-2731.

### Summit Wealth

Summit Wealth Group, LLC (“Summit”) and Copper Leaf have entered into a written Solicitation Agreement whereby Copper Leaf is compensated for prior introductions of investment advisory clients to Summit. Summit and Copper Leaf are not affiliated with one another. Clients introduced by Copper Leaf to Summit were required to enter into separate investment advisory or other agreements directly with Summit. This is a legacy arrangement and only applies to existing clients referred to Summit. Copper Leaf no longer refers or makes new client introductions to Summit. Copper Leaf’s compensation for these services is paid solely by Summit. Clients will not be charged an amount in excess of the amount that normally would be charged by Adviser for similar investment advisory services.

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

Copper Leaf has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Copper Leaf must acknowledge the terms of the Code of Ethics annually, or as amended.

Copper Leaf or individuals associated with Copper Leaf may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. It is the expressed policy of Copper Leaf that no person employed by Copper Leaf will take inappropriate advantage of their positions, and the interests of client accounts will be placed first at all times.

Copper Leaf anticipates that, in appropriate circumstances, consistent with clients’ investment objectives, it will cause accounts over which Copper Leaf has management authority to effect, and will recommend to investment advisory clients or prospective

clients, the purchase or sale of securities in which Copper Leaf, its affiliates and/or clients, directly or indirectly, have a position of interest. Copper Leaf's employees and persons associated with Copper Leaf are required to follow Copper Leaf's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Copper Leaf and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Copper Leaf's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Copper Leaf 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. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Copper Leaf's clients. In addition, the Code requires pre-clearance of certain transactions. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Copper Leaf and its clients.

Copper Leaf will provide a complete copy of its Code of Ethics to any client or prospective upon request.

It is Copper Leaf's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Copper Leaf will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

## Item 12 - Brokerage Practices

Copper Leaf arranges for the execution of securities transactions with the assistance of Buckingham Strategic Partners, LLC. Through Buckingham Strategic Partners, LLC, Copper Leaf may participate in the Schwab Advisor Services (SAS) program offered to independent investment advisors by Charles Schwab & Company, Inc., ("Schwab") and the Fidelity Institutional Wealth Services (FIWS) program, sponsored by Fidelity Brokerage Services, LLC ("Fidelity") and the TD Ameritrade Institutional program ("TD Ameritrade"). TD Ameritrade Institutional is a division of TD Ameritrade, Inc. member FINRA/SIPC. Schwab, Fidelity and TD Ameritrade are unaffiliated SEC-registered broker dealers and FINRA member broker dealers. Each offer to independent advisors services which include custody of securities, trade execution, clearance and settlement transactions.

The Schwab, Fidelity and TD Ameritrade brokerage programs will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. Copper Leaf regularly reviews these programs to ensure that its recommendations are consistent with its fiduciary duty. These trading platforms are essential to Copper Leaf's service arrangements and capabilities, and Copper Leaf may not accept clients who direct the use of other brokers. As part of these programs, Copper Leaf receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 14 of this Brochure).

Additionally, Copper Leaf offers a cash management aggregator system named Flourish Cash. Flourish Cash is a service offered by an unaffiliated third-party, Stone Ridge Securities, LLC, a registered broker-dealer and FINRA member. A Flourish Cash account is a brokerage account whereby the cash balance is swept from the brokerage account to deposit accounts at one or more third-party banks that have agreed to accept deposits from customers of Stone Ridge Securities, LLC. Stone Ridge Securities LLC is an indirect, wholly-owned subsidiary of Massachusetts Mutual Life Insurance Company. Please refer to the applicable disclosures provided separately by Stone Ridge Securities upon account opening.

As Copper Leaf will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid for mutual fund and equity securities transactions, clients must direct Copper Leaf as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that Copper Leaf will not have authority to negotiate commissions among various brokers or obtain volume

discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

Copper Leaf will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager retained by Copper Leaf on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

Schwab, Fidelity and TD Ameritrade do not generally charge clients a custody fee and are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the broker or that settle into the clients' accounts at the broker. Trading client accounts through other brokers may result in fees (including mark-ups and mark-downs) being charged by the custodial broker and an additional broker. While Copper Leaf will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

Copper Leaf also does not have any arrangements to compensate any broker dealer for client referrals.

When trading client accounts, errors may periodically occur. Copper Leaf does not maintain any client trade error gains. Copper Leaf makes client whole with respect to any trade error losses incurred by client and caused by Copper Leaf. For clients utilizing TD Ameritrade for brokerage services, TD Ameritrade maintains a policy that any trade error gains will be donated by TD Ameritrade to charity.

Copper Leaf generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which Copper Leaf arranges transactions. Buckingham Strategic Partners, LLC, LLC, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case a Copper Leaf client's order may be aggregated with an order for another client of Buckingham Strategic Partners, LLC who is not a Copper Leaf client. See Buckingham Strategic Partners, LLC's Form ADV Part 2.

### **Employee Benefit Retirement Plan Services:**

For non-pooled employee benefit plans, Copper Leaf does not arrange for the execution of securities transactions for plans as a part of this service. Transactions are executed directly through employee plan participation.

## **Item 13 - Review of Accounts**

### **Reviews**

#### **Investment Management Services:**

Account assets are supervised continuously and formally reviewed at least quarterly by Michael L. Thompson, Chief Compliance Officer of Copper Leaf Financial. The review process contains each of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a. a specific client request;
- b. a change in client goals and objectives;
- c. an imbalance in a portfolio asset allocation; and
- d. market/economic conditions.

For fixed income portfolios, certain account review responsibilities are delegated to a third-party investment manager as described above in Item 4.

#### **Employee Benefit Retirement Plan Services:**

Plan sponsors are provided with quarterly information and annual performance reviews with Copper Leaf. In addition, plan participant education information may also be provided to the Plan Sponsor or Administrator for distribution to the participants of the plan.

### **Financial Planning Services:**

Financial planning accounts will be reviewed as contracted for at the inception of the advisory relationship and periodically as deemed necessary thereafter.

### **Reports**

All clients will receive written quarterly performance reports, prepared by Buckingham Strategic Partners, LLC and reviewed by Copper Leaf that summarize the client's account and asset allocation. Clients will also receive at least quarterly statements from their account custodian, which will outline the client's current positions and current market value.

### **Employee Benefit Retirement Plan Services:**

Plan sponsors are provided with quarterly information and annual performance reviews from Copper Leaf. In addition, plan participant education information may also be provided to the Plan Sponsor or Administrator for distribution to the participants of the plan.

## **Item 14 - Client Referrals and Other Compensation**

As indicated under the disclosure for Item 12, Schwab, Fidelity and TD Ameritrade each respectively provides Copper Leaf with access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them.

These services benefit Copper Leaf but may not benefit its clients' accounts. Many of the products and services assist Copper Leaf in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Copper Leaf's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Copper Leaf's accounts. Recommended brokers also make available to Copper Leaf other services intended to help Copper Leaf manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice

management, information technology, business succession, regulatory compliance, and marketing. Copper Leaf does not, however, enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers. While as a fiduciary, Copper Leaf endeavors to act in its clients' best interests, Copper Leaf's requirement that clients maintain their assets in accounts at Schwab, Fidelity or TD Ameritrade may be based in part on the benefit to Copper Leaf of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the brokers, which may create a potential conflict of interest.

Copper Leaf also receives software from DFA, which Copper Leaf utilizes in forming asset allocation strategies and producing performance reports. DFA, through a web-based service, provides referrals of investor clients to Copper Leaf. DFA makes such referrals to many investment advisors based on the geographic location of the prospective client. DFA, Bridgeway, AQR and Stone Ridge also provide continuing education for Copper Leaf personnel. These services are designed to assist Copper Leaf in planning and designing its services for business growth. Copper Leaf does not directly or indirectly compensate any person(s) who are not advisory personnel for client referrals.

### **Item 15 - Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Copper Leaf urges clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 - Investment Discretion**

Copper Leaf requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to retain a third-party money manager for fixed income accounts. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.



When selecting securities and determining amounts, Copper Leaf observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Copper Leaf in writing.

### **Item 17 - Voting Client Securities**

Proxy Voting: As a matter of firm policy and practice, Copper Leaf does not accept the authority to and does not vote proxies on behalf of advisory client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. Copper Leaf, however, may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that Copper Leaf will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct Copper Leaf to transmit copies of class action notices to the client or a third party. Upon such direction, Copper Leaf will make commercially reasonable efforts to forward such notices in a timely manner.

### **Item 18 - Financial Information**

Registered investment advisers are required in this Item to provide clients with certain financial information or disclosures about Copper Leaf's financial condition. Copper Leaf has not been the subject of a bankruptcy proceeding. Copper Leaf Financial, LLC (Copper Leaf) is an investment advisory firm that meets the requirements of the Paycheck Protection Program (PPP) established by the U.S. Business Administration in connection with the COVID-19 pandemic. As such, Copper Leaf received a PPP loan to provide protection against existing and future market uncertainty that exists with the pandemic. The PPP funds were used to support the ongoing operations of Copper Leaf. All services and contractual obligations to our clients were and are able to be fully met and the firm has not experienced any interruption in service.

# Our Experience Leads to Your Success.

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