

## Form ADV Part 2A

**Wedgewood Partners, Inc.**

**9909 Clayton Road**

**Saint Louis, MO 63124**

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**[www.wedgewoodpartners.com](http://www.wedgewoodpartners.com)**

This brochure provides information about the qualification and business practices of **Wedgewood Partners, Inc.** If you have any questions about the contents of this brochure, please contact us at 314-567-6407, or by email at [skilper@wedgewood-partners.com](mailto:skilper@wedgewood-partners.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about **Wedgewood Partners, Inc.** is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

3/21/18

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## Material Changes

There have not been any material changes since our last brochure dated February 2017.



# Advisory Business

## Firm Description

Wedgewood Partners, Inc. (hereinafter "WPI"), a corporation organized under Missouri law, is an investment adviser registered with the Securities and Exchange Commission. WPI maintains its principal office at 9909 Clayton Road, Suite 103, St. Louis, MO 63124.

## Principal Owners

Anthony Guerrero, Chairman, Founder, CEO and David Rolfe, CIO are the principal owners. Michael Quigley, Senior Portfolio Manager has less than 5% interest as of 1/1/2015 and the voting trust of RiverPark Advisors LLC has 5.95%.

## Types of Advisory Services

WPI is primarily a Large Cap Growth (LCG) securities manager that offers the following products:

**WPI LCG Third Party Investment Program** – WPI provides portfolio management services to clients through various investment programs sponsored by independent, third-party investment firms and investment management consultants. Some, but not all, of these programs are wrap fee and Unified Managed Account (UMA) programs.

Often, the end-clients in our Third Party Investment Program are high net worth individuals, Pension/profit sharing plans, Foundation/charities, Government/municipal, Mutual Funds, other. We do not typically interact with these end-clients, as the third party sponsor or investment management consultant usually has a single point of contact, such as an analyst or consultant.

**WPI LCG Sub-adviser to Investment Companies** - WPI will also provide portfolio management services as a sub-adviser to investment companies (registered under the Investment Company Act of 1940) such as mutual funds. WPI will typically manage some or all of the assets of a Fund on a discretionary basis in accordance with the Fund's investment objectives, policies, and restrictions and subject to the supervision and control of the Fund Manager.

**WPI Private Portfolio Management** – WPI also provides continuous investment advice directly to clients regarding investment of their funds based upon the individual needs of the client. WPI manages these accounts on a discretionary basis. Account supervision is guided by the client's stated objectives, risk tolerance, economic situation, and asset allocation of each client. WPI does not actively market this product.

As of 12/31/2017, discretionary assets under management (AUM) totaled \$2.618 billion. WPI also managed approximately \$2.162 billion in model portfolio assets not included in the ADV Part 1.

## Tailored Relationships

Clients have the opportunity to place reasonable restrictions on the types of investments that WPI will make on their behalf. However, WPI does not provide Socially Responsible Investment (SRI) screens.

### Wrap Fee Program Participation Details

A “wrap-fee” program is one that provides the client with advisory and brokerage execution services, plus account reporting and custodial services, for one all-inclusive fee.

WPI participates in these programs as a sub-adviser.

In a sub-advisory capacity, WPI receives only a portion of the total wrap fee that is charged to the account.

Some of the sub-advised programs include:

Program	Sponsor
RBC Capital Markets Corp	RBC Capital Markets Corp
Mt Yale Investment Consulting Program	Mt. Yale Investment Consulting Program
UBS Access/SWP	UBS Securities LLC
Managed Account Utility Platform	Lockwood Capital Management, Inc.
Stratis	JP Morgan Securities Inc.

In these sub-advisory programs, WPI's investment management services are available to individuals subject to account minimums specified in the wrap program brochure. Depending on the program, account minimums may be between \$100,000 and \$250,000.

In these sub-advisory programs, a representative of the program sponsor or an independent financial adviser will work with the client to complete an investment questionnaire and recommend investing a portion of the client's assets in the WPI sub-advised portfolio. WPI will review all client applications for inclusion in its managed accounts. For approved clients, WPI's portfolio managers will be reasonably available to consult with clients if necessary.

The factors that prospective clients should consider include the size of a client's portfolio, the nature of the investments to be managed, commission costs, custodial expenses, if any, the anticipated level of trading activity and the amount of advisory fees only for managing the client portfolio.

## Fees and Compensation

### Description

Generally, WPI is compensated through AUM-based fees. WPI's standard fee schedule across all programs is as follows:

Assets under management	Maximum Annual Fee (%)
First \$1,000,000	1.50%
Next \$1,500,000	1.25%
Next \$2,500,000	1.00%
Any amount over \$5,000,000	0.75%

In certain circumstances, WPI's fees and account minimums may be negotiable.

Advisory fees may vary among WPI's clients based upon a number of factors, including:

- the size of the client's account
- the types and nature of related services provided
- the length of the advisory relationship with a client

WPI may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

### Fee Billing

Clients will be invoiced in advance  $\frac{1}{4}$  of the annual management fee at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter. The first payment is due upon execution of a service agreement and will be assessed pro rata in the event services do not begin at the start of a calendar quarter. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

### Other Fees

Clients may be charged fees in addition to the advisory fee paid WPI. This can include brokerage commissions and other custodian fees. Please refer to the section entitled Brokerage Practices for more information.



## Performance-Based Fees

WPI does not currently earn performance-based fees. However, in the case that we do, performance based fees will only be charged in accordance with the provisions of Reg. 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations. All performance-based fees have the ability to introduce a conflict of interest. WPI treats all client accounts with the same attention and discretion, regardless of fee, account size and working or personal relationship.

## Types of Clients

### Description

Generally, WPI manages separate accounts for high-net worth individuals (HNW), institutions and investment companies.

We manage the majority of our HNW clients through relationships with third-party wealth managers and investment management consultants. Typically, WPI has a few main points of contact with these managers and consultants, often in the research and due-diligence departments, but otherwise does not directly speak to the HNW clients. In any case, WPI requires that all clients pass a suitability screen before we accept portfolio management responsibilities.

Institutional accounts include: pensions, endowments, defined contribution and ERISA-based clients.

WPI will also provide portfolio management services as a sub-adviser to investment companies (registered under the Investment Company Act of 1940) such as mutual funds. WPI will typically manage some or all of the assets of a fund on a discretionary basis in accordance with the fund's investment objectives, policies, and restrictions and subject to the supervision and control of the Fund Manager.

### Account Minimums

We require clients that do not have an affiliation to a third-party that WPI has a relationship with, to have a minimum of \$1,000,000 AUM. Otherwise, account minimums are negotiable and range from \$100,000.

## Methods of Analysis, Investment Strategies and Risk of Loss

### Methods of Analysis

Our underlying equity investment philosophy is predicated on our strong belief that significant long-term wealth will be created by thinking, analyzing and investing as “owners” in companies. Our clients' portfolios are purposefully and most distinctly different to that of the typical institutional portfolio in terms of the concentration of holdings and in annual turnover. We seek to concentrate our portfolios in approximately 20 or so unusually profitable companies in just a handful of industries. We believe that if our research effort is focused and thorough enough to derive truly long-term convictions, a beneficial by-product is the concomitant reduction of company-specific

risk (though not short-term price and market risk) through the pursuit of superior knowledge of our limited investments.

Because this investment strategy involves a certain degree of equity investment risk, including permanent loss of capital, it will only be recommended when consistent with the client's stated tolerance for risk.

### Investment Strategies

The primary strategy that WPI offers is the Large Cap Focused Growth Product (LCG).

For the Third Party Investment Program and when acting as Sub-adviser to Investment Companies:

- Portfolios typically hold approximately 20 positions
- Investment process subsumes a thorough qualitative and quantitative screening of 500-600 of the largest companies (measured by market cap).
  - Quantitatively, we screen for past excellence. This includes the search for exceptionally high profitability.
  - Qualitatively, we search for the prospect of future excellence.
    - This analysis includes assessing the sustainability of a company's business model by comparing them to Porter's Five Forces of Competitive Advantage (i.e. barriers to entry, threat of substitutes, buying power, supplier power, degree of internal rivalry).
  - Often, approximately 40 companies exceed our profitability hurdles and qualitative requirements.
  - The remaining buy decision becomes a question of valuation. We look for a company to trade at a discount to its relative, absolute, and historical growth rates.
  - Of these companies, approximately 20 true growth companies are held for the long term.
- Using volatility as a proxy for risk, a concentrated portfolio tends to be much more risky than a more diversified portfolio. This risk can lead to permanent loss of capital.

WPI also administers, though no longer actively marketing, a comprehensive Private Portfolio Management strategy. WPI will create a portfolio consisting of:

- Individual equities, corporate debt securities, certificates of deposit (CDs), municipal securities, mutual funds, U.S. Government securities, and options contracts on securities.
- WPI will allocate the client's assets among various investments taking into consideration the objectives of the client.
- Using fundamental analysis, securities are continuously monitored and evaluated relative to market and industry conditions.

- WPI may utilize one or more of the following investment strategies in servicing Private Portfolio Management accounts:
  - long-term and short-term investment strategies
  - trading (securities sold within 30 days)
  - margin transactions, or option writing, including covered options, uncovered options or spreading strategies.
- Because these investment strategies involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated tolerance for risk.

WPI utilizes a number of sources of financial information in the firm's analysis of securities including:

- Financial newspapers, magazines and industry-sponsored trade publications
- Annual reports, prospectuses, SEC filings and conference call transcripts
- Corporate rating services and sell-side research

This Private Portfolio Management strategy often requires clients to take on various levels of equity market, interest rate and credit risk. All of these risks can lead to permanent loss of capital.

Pension consulting services are offered as a Private Portfolio Management strategy, typically to pension, profit sharing and 401(k) plans. These services consist of:

- WPI reviewing a client's investment needs and goals
- The review of various investments, consisting exclusively of mutual funds to recommend
- The number of investments to be recommended will be determined by the client, based on their needs and goals.

WPI will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate. WPI will generally review recommended investments on a quarterly basis. WPI does not exercise discretionary authority over these accounts, and does not generally handle securities transactions in these accounts. The pension consulting services strategy often requires clients to take on various levels of equity market, interest rate and credit risk. All of these risks can lead to permanent loss of capital.

## Disciplinary Information

### Legal and Disciplinary

WPI has no pending legal or disciplinary events.

## Other Financial Industry Activities and Affiliations

### Potential Conflicts of Interest

A 5.95% stake in Wedgewood is owned by a voting trust of RiverPark Advisors LLC., Wedgewood's partner on the RiverPark Wedgewood Fund [RWGIX; RWGFX]. RiverPark may solicit clients to WPI; however, additional fees are not paid to RiverPark as a result of the referrals. This also does not increase or change the fees paid by the underlying clients.

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

### Code of Ethics

WPI has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. WPI's Code of Ethics primarily focuses on the obligation to comply with securities regulations and the reporting by certain employees of personal securities transactions.

WPI's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. As part of the Code of Ethics and firm policy, WPI requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to termination. Any client or prospective client may request a copy of the Firm's Code of Ethics by addressing such request to: Wedgewood Partners, Inc. ATTN: Compliance Director.

### Participation or Interest in Client Transactions

Individuals associated with WPI may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is the express policy of WPI that no person employed by WPI shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

### Personal Trading

To supervise compliance with its Code of Ethics, WPI requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer or designee. WPI further requires the pre-clearance by an appropriate person of certain securities listed on a securities restriction list.

## Brokerage Practices



## Selecting Brokerage Firms/Best Execution

WPI has authority in managing discretionary client accounts to determine the amount and type of securities to be bought and sold and in some cases the securities broker or dealer to be used, and the commission rate to be paid. We effect portfolio transactions in a manner deemed fair and reasonable. The primary factor in all portfolio transactions is prompt execution of orders in an efficient manner at a favorable price. In selecting broker-dealers WPI evaluates all relevant factors and seeks best execution for its clients. Wedgewood does not participate in any soft dollar-arrangements, although the RiverPark/Wedgewood Fund may participate in such soft-dollar arrangements.

Based on the nature of WPI's investment strategies, accounts are traded through the account(s) custodian. WPI may trade with other broker/dealers in order to achieve best execution, obtain a wider variety of issues or take advantage of favorable mark-ups or mark-downs available elsewhere. However, because such third party trades may result in additional transaction costs to the client, WPI will typically limit execution as described. WPI may trade with third parties for fixed income transactions in which clients may pay the third party mark-ups or mark-down costs on the transaction.

In wrap fee programs, transactions are executed without commission costs through the sponsoring party, and a portion of the wrap fee is generally to be considered as being in lieu of commissions. WPI's execution procedures are designed to make every attempt to obtain the best execution possible, although there can be no assurance that it can be obtained. Clients should consider whether or not the participation in a wrap fee program may or may not result in certain costs or disadvantages to the client as a result of possibly less favorable executions.

## Directed Brokerage

Certain clients may instruct WPI to direct brokerage commissions to particular brokers selected by the client. Additionally, certain client accounts may be custodied with broker-dealers such that it may involve additional costs to execute trades with a broker-dealer other than the custodian or affiliate of the custodian. These client accounts are referred to as "Directed Brokerage Accounts". In such circumstances, the client is responsible for negotiating commission rates and WPI may not be able to obtain best execution for their transactions and may receive less favorable prices and pay a higher commission rate for executing these transactions. Ultimately, Directed Brokerage Accounts may cost clients more money. Directed Brokerage Accounts will generally trade separately and after Free Accounts that are non-directed and therefore may be disadvantaged. All Directed Brokerage accounts are traded on a rotational basis with other Directed Brokerage clients as part of Bucket B, as further defined below under Aggregation, Allocation and Rotation.

Certain WPI clients participate in wrap programs. These clients are referred to as "Wrap Accounts." Transactions for Wrap Accounts are arranged only through the sponsoring broker-dealer and commission charges, custodial and other fees are included within the total wrap fee. Often WPI has the ability to trade these accounts with other broker-dealers in order to achieve best execution, however, these transactions would generally be subject to additional commission charges or step-out fees in addition to the wrap fee charged for participating in the program. Additionally, various operational issues often would preclude WPI from efficiently settling transactions arranged with brokers other than the sponsoring broker. Clients in such wrap fee program will generally receive the same execution prices as other clients within the same wrap fee program, however, these prices may differ from the execution prices received by other WPI clients, or other clients that participate



in wrap fee programs in which WPI participates. Each wrap fee program is considered as a single group of Directed Brokerage clients and is traded on a rotational basis as part of Bucket B as further defined below under Aggregation, Allocation and Rotation.

### Soft Dollars

WPI does not engage in soft-dollar arrangements.

### Aggregation, Allocation and Rotation

When it is appropriate, WPI may aggregate or “block” client orders to achieve more efficient execution. In such cases, each client participating in the aggregation transaction will be charged the average price per unit for the security and transaction costs will be allocated pro rata among clients. Trades are allocated according to a pre-set weight. If there is a partial execution, shares are allocated pro rata across the client participants in the aggregated transaction. Consistent with WPI’s obligation to seek best execution, orders may be blocked to achieve lower commission rates, minimize the time associated with entering numerous small orders, and to more easily ensure that all accounts managed in a particular style obtain the same execution and to minimize differences in performance across accounts. In certain cases, it may be a disadvantage to aggregate client transactions. In those circumstances, WPI will create a list of all discretionary non-directed brokerage accounts (the “Free Accounts”) and execute client transactions on a rotational basis. The Free Accounts are executed before other clients (Bucket A). The RiverPark/Wedgewood Fund is included in Bucket A and RiverPark Advisors, Inc., the Fund’s adviser, is responsible for directing the trading of the Fund.

Wedgewood manages client accounts where there is a directed broker and where there may be additional costs associated with trading those client accounts with a broker-dealer other than the directed broker or where the client account is custodied (see special situations with regard to Directed Brokerage above). These client accounts are traded on a rotational basis (Bucket B) after Bucket A has completely executed its transactions.

WPI also manages accounts where it does not have complete discretion over client transactions. These accounts, mostly through participation in Unified Managed Account (“UMA”) programs, involve Wedgewood submitting a model portfolio to the UMA sponsor. Sponsors of UMA programs are typically responsible for generating and executing trade orders for program participants. WPI submits changes to its model portfolio to these accounts on a rotational basis (Bucket C). For transactions for clients in Bucket C, WPI only has limited information as to the timing of executions and therefore does not necessarily wait for transactions to be completely executed for one client, before informing the next client in the rotation of a change in the model portfolio.

For each investment decision that leads to transactions in client accounts the buckets will trade in the same order, Bucket A first, Bucket B second and then Bucket C third. Each bucket must complete its trading before moving on to the next bucket. Within each bucket, trades are entered on a rotational basis in order to ensure that no one client, or group of clients, has a perceived advantage over another client.

## Review of Accounts

### Periodic Reviews

While the underlying securities within Program accounts are continuously monitored, these accounts will be reviewed at least quarterly by WPI. The review will be conducted to determine if the current investment holdings of the account are consistent with the client's investment objectives. The reviews are conducted by Anthony Guerrero, CEO; David Rolfe, CIO; Michael Quigley, Senior Portfolio Manager & Morgan Koenig, Portfolio Manager

### Review Triggers

More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, an addition or subtraction of cash from management, drift or variance from the model portfolio weighting or the market, political or economic environment.

### Regular Reports

**WPI LCG Third-Party Investment Programs** - clients will typically receive the monthly/quarterly statements and confirmations of transactions from their broker dealer and/or custodian. They may receive reports from the Program Sponsor. WPI will not provide any reports to these clients. Clients in these third party sponsored wrap fee programs should refer to each program's disclosure document (Appendix A or other similar disclosure document) for additional information about the reports provided to program participants.

**WPI LCG Sub-Adviser to Investment Companies** - WPI will provide reports to the Fund Managers as contracted for at the inception of the advisory relationship.

**WPI Private Portfolio Management** - WPI provides these clients with comprehensive quarterly investment portfolio and performance reports. These reports summarize the clients' account(s) and its relative performance. Clients will also receive account statements and confirmations of transactions directly from their account custodian.

## Client Referrals and Other Compensation

### Incoming Referrals

Presently, WPI has a marketing agreement with RiverPark Capital Management, LLC ("Riverpark"), a registered investment adviser, whereby RiverPark helps WPI market their product. RiverPark does not receive additional fees for these referrals and it does not increase or change the fees paid by the underlying clients.

### Custody

WPI does not have physical custody of client accounts. WPI does have the ability to assist clients with money movement and therefore, participates in surprise custody exams. The custodian will provide client's accounts statements and confirmations.

## Investment Discretion

### Discretionary Authority for Trading

WPI requests that it be provided with written authority to determine which securities and the amounts of securities that are bought and sold. Any limitations on this discretionary authority shall be included in the written agreement between each client and WPI. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

## Voting Client Securities

### Proxy Votes

WPI, through Broadridge's ("BR") Proxy Edge, votes proxies on behalf of each client account over which WPI has proxy voting authority, based on WPI's determination of the best economic interests of that account. WPI has retained BR to provide research and recommendations on proxy voting issues and to vote proxies for each account.

In the event there is a conflict of interest, WPI may either refrain from voting, consult with the client on the proper vote, or obtain an independent third party.

In certain circumstances WPI may not vote proxies received. These circumstances include the following: 1) Securities that are not included in Wedgewood's model portfolio; 2) The client maintains proxy voting authority; 3) Termination of the client account; 4) Limited value of portfolio amount; 5) Securities lending programs; and/or 6) Unjustifiable costs.

WPI's proxy voting policy and procedures and information on how the proxy votes were cast are available upon request.

## Financial Information

### Financial Condition

WPI has never been the subject of a bankruptcy petition. Should, at some future date, WPI file for bankruptcy or should the principals decide to withdraw their capital, WPI may no longer be able to meet its contractual commitments to clients.



# Form ADV Part 2 Supplement

**Wedgewood Partners, Inc.**

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This brochure supplement provides information about Anthony Guerrerio, William Thomas, David Rolfe, Michael Quigley, Morgan Koenig, and Christopher Jersan that supplements the Wedgewood Partners, Inc. ADV Part 2 brochure. You should have received a copy of that brochure. Please contact Sheila Kilper at [skilper@wedgewood-partners.com](mailto:skilper@wedgewood-partners.com) if you did not receive Wedgewood Partners, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Anthony Guerrerio, David Rolfe, Michael Quigley and Morgan Koenig is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Additional information about **Wedgewood Partners, Inc.** is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **Education and Business Standards**

Wedgewood Partners, Inc. (WPI) personnel involved in determining or rendering investment advice to clients must possess, at a minimum, a bachelor's degree, have at least four years of experience in the investment industry, and all required licenses.

The Chartered Financial Analyst (CFA) designation is a qualification for finance and investment professionals, particularly in the fields of investment management and financial analysis of stocks, bonds and their derivative assets. The program focuses on portfolio management and financial analysis, and provides a general knowledge of other areas of finance. The designation is an international professional certification offered by the CFA Institute to financial analysts who complete a series of three examinations. To become a CFA charter holder, candidates must pass each of the three six-hour exams, possess a bachelor's degree from an accredited institution and have 48 months of qualified professional work experience. CFA charter holders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct.

The Chartered Alternative Investment Analyst (CAIA) designation is a qualification for finance professionals seeking deep knowledge and expertise in alternative investing. The CAIA charter is a globally recognized credential for professionals managing, analyzing, distributing, or regulating alternative investments. The CAIA Charter designation is the highest standard of achievement in alternative investment education and provides deep knowledge, demonstrated expertise, and global credibility in alternatives. The CAIA Charter is a comprehensive program comprised of a two-tier exam process. To become a CAIA Charterholder, candidates must pass each of the two exams and a) possess a bachelor's degree from an accredited institution and have one year of professional experience in the field of alternative investment analysis or other regulatory banking, financial, or related field or b) has four years of professional experience in the field of alternative investment analysis or other regulatory, banking, financial, or related field.

## **Disciplinary Information**

The individuals in this report have no reportable disciplinary events to disclose.

## **Other Business Activity**

The individuals in this report have no reportable outside business activity.

## **Additional Compensation**

The individuals in this report do not receive additional compensation other than their regular salary, bonus or profit sharing.

## **Officers of WPI and Investment Personnel**

### **Anthony L. Guerrerio**

Born: 1948

#### **Education:**

Graduated from the United States Military Academy in 1969 with a B.S. in Engineering. Graduated from Harvard Business School in 1977 with a Masters in Business Administration.

#### **Employment History:**

- Chairman, CEO, Wedgewood Partners, Inc., 05/1988 to present.
- Executive Vice President, Mark Twain Bancshares, 04/1979 to 02/1988.
- Director, EDP Operations, Salomon Brothers, 06/1977 to 04/1979.

### **David A. Rolfe**

Born: 1961

#### **Education/Designations:**

Graduated from University of Missouri in 1985 with a B.S.B.A. in Finance.

Chartered Financial Analyst Designation

#### **Employment History:**

- Chief Investment Officer, Wedgewood Partners, Inc., 05/1992 to present.
- Investment Officer, Boatmens Trust Company, 03/1988 to 04/1992
- Registered Representative, Paine Webber, Inc., 11/1986 to 03/1988
- Registered Representative, Westport Financial Group, 03/1986 to 11/1986

### **WILLIAM M. THOMAS**

Born: 1962

#### **Education/Designations:**

Graduated from Lake Forest College with a Bachelor of Arts, 1985

**Employment History:**

- President, Wedgewood Partners Inc., 2015-present
- Managing Partner, Active ETF Partners, 2012-2015
- Sr. VP, Curian Capital, 2012
- CEO, Grail Advisors, 2008-2011
- Sr. VP, Charles Schwab 2000-2008
- Managing Director, Scudder Kemper Investments, 1997-2000
- National Sales Manager, SSgA Funds, 1994-1997
- VP, Concord Financial Group 1987-1990
- Insurance and Broker Dealer Wholesaler, Nuveen Investments, 1987-1990
- Group Representative, Prudential Insurance, 1985-1987

**Michael X. Quigley**

Born: 1981

**Education/Designations:**

Graduated from St. Louis University in 2004 with a B.S.B.A. in Finance

Chartered Financial Analyst Designation

**Employment History:**

- Portfolio Manager, Wedgewood Partners, Inc. 09/2006 to present
- Assistant Portfolio Manager, Wedgewood Partners, Inc. 05/2004 to 09/2006
- Equities Trader, Wedgewood Partners, Inc. 12/2002 to 05/2004
- Intern, Wedgewood Partners, Inc. 05/2000 to 05/2004

**Morgan L. Koenig**

Born: 1981

**Education/Designations:**

Graduated from University of Missouri – St. Louis in 2003 with a BSBA in Finance, satisfying the

Investment and Portfolio Management Track

Chartered Financial Analyst Designation - 2009

Chartered Alternative Investment Analyst Designation - 2010



**Employment History:**

- Portfolio Manager – Research Analyst, Wedgewood Partners, Inc. 12/2014 to present
- Institutional Client Liaison, Wedgewood Partners, Inc. 01/2013 to 12/2014
- Sr. Hedge Fund Accountant/Analyst, Apollo Capital Management 08/2003 to 12/2012
- Portfolio Liaison, Kennedy Capital Management, Inc. 06/2003 to 8/2003
- Research Assistant, Kennedy Capital Management, Inc. 11/2001 to 08/2003

**Christopher Jersan**

Born: 1972

**Education/Designations:**

Graduated from Saint Louis University, magna cum laude, in 1998 with a B.S.B.A in Finance

Chartered Financial Analyst Designation

**Employment History:**

- Analyst, Wedgewood Partners, Inc., 06/2016 to present
- Equity Research Analyst, Kennedy Capital Management, 01/2006 to 06/2016
- Equity Analyst and Private Client Portfolio Manager, Commerce Trust Company, 08/2008 to 01/2006

**Supervision**

David A. Rolfe, Chief Investment Officer, acts as supervisor to Michael Quigley, Morgan Koenig and Christopher Jersan. All research and client contact is electronically remitted or verbally relayed to Mr. Rolfe's attention. He can be reached at [drolfe@wedgewood-partners.com](mailto:drolfe@wedgewood-partners.com) or 314-567-6407. Anthony L. Guerrero is not under the direct supervision of any one individual.

## **PRIVACY POLICY FOR CUSTOMERS OF WEDGEWOOD PARTNERS, INC.**

Wedgewood recognizes that it has an obligation to you to keep information about you secure and confidential.

Wedgewood maintains physical, electronic and procedural practices to safeguard your personal information. We evaluate new technology for protecting information and upgrade our systems when appropriate.

The only time Wedgewood will release information to another party is when you specifically authorize such release, or as directed by competent legal authority, (i.e. Subpoena), or regulatory body, (S.E.C., F.I.N.R.A.). Your authorization to release information may be in the form of a Deposit Verification, often required for the purchase of property; a Power Of Attorney, should you grant such power; or information you specifically direct us to provide to a tax preparation firm, Law Firm, etc. Without your consent, or an order from competent legal and/or regulatory authorities as described above, information will not be released.

Under the USA PATRIOT ACT, Wedgewood will respond to section 314(a) information requests. This section authorizes law enforcement to request information about suspected money laundering and terrorist financing.

Without your consent, or an order from competent legal and/or regulatory authorities as described above, information will not be released.

We must collect a certain amount of information to provide customer service, offer new products or services, administer our products and fulfill legal and regulatory requirements. Specific language and examples may not apply to all customers and the information we collect varies accordingly.

Examples include:

- ❖ account information, such as name, address, date of birth, Social Security number, gender, marital status, assets, income and investment option elections;
- ❖ information about your relationship with us, such as products or services purchased and account balances;
- ❖ information provided by your accountant or attorney;
- ❖ information from visitors to our Web sites, such as that provided through online account access, site visit data and online information collecting devices known as "cookies". Cookies enable the site to "remember" who you are so you can navigate the site easier. They also permit you to access secured information. We do not record personal or sensitive information in our cookies.

We will continue to provide this notice at the frequency required by law and will notify customers of any modification at least annually.

We will continue to follow the policies set forth in this notice even when a customer relationship no longer exists. However, that party will no longer be entitled to an annual notice.

This notice is being provided to you in accordance with the Federal Financial Privacy Law. As required by law, Wedgewood will provide you with an update of this policy annually. If you have any questions, please contact us at (314) 567-6407, (800) 537-1252 or [skilper@wedgewood-partners.com](mailto:skilper@wedgewood-partners.com)

Reviewed 9/2015

## Proxy Voting

### Policy

Wedgewood Partners, Inc., as a matter of policy and as a fiduciary to our clients, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of third party accounts. Wedgewood clients receive voting proxies direct. Our firm maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm's proxy policies and practices. Our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records.

### Background

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised.

Investment advisers registered with the SEC, and which exercise voting authority with respect to client securities, are required by Rule 206(4)-6 of the Advisers Act to (a) adopt and implement written policies and procedures that are reasonably designed to ensure that client securities are voted in the best interests of clients, which must include how an adviser addresses material conflicts that may arise between an adviser's interests and those of its clients; (b) to disclose to clients how they may obtain information from the adviser with respect to the voting of proxies for their securities; (c) to describe to clients a summary of its proxy voting policies and procedures and, upon request, furnish a copy to its clients; and (d) maintain certain records relating to the adviser's proxy voting activities when the adviser does have proxy voting authority.

Staff Legal Bulletin No. 20 was jointly published by the SEC's Division of Investment Management and Division of Corporation Finance on June 30, 2014. The Division of Investment Management provided guidance about investment advisers' responsibilities in voting client proxies and retaining proxy advisory firms, while the Division of Corporation Finance addressed the availability and requirements of two exemptions to the federal proxy rules that are often relied upon by proxy advisory firms.

### Responsibility

Steve Kaufmann and Dana Thompson has the responsibility for the implementation and monitoring of our proxy voting policy, practices, disclosures and record keeping, including outlining our voting guidelines in our procedures. Wedgewood utilize Broadridge, a third party service provider, to assist with proxy voting responsibilities.

### Procedure

Wedgewood Partners, Inc. has adopted procedures to implement the firm's policy and reviews to monitor and insure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

## **Voting Procedures**

- All employees will forward any proxy materials received on behalf of clients to Steve Kaufmann;
- Absent material conflicts, Steve Kaufmann will determine how Wedgewood Partners, Inc. should vote the proxy in accordance (always with management), complete the proxy and vote the proxy in a timely and appropriate manner.

## **Disclosure**

- Wedgewood Partners, Inc. will provide conspicuously displayed information in its Disclosure Document summarizing this proxy voting policy and procedures, including a statement that clients may request information regarding how Wedgewood Partners, Inc. voted a client's proxies, and that clients may request a copy of these policies and procedures.
- Steve Kaufman and Dana Thompson upon request will also send a copy of this summary to all existing clients who have previously received Wedgewood Partners, Inc.'s Disclosure Document; or they may send each client the amended Disclosure Document. Either mailing shall highlight the inclusion of information regarding proxy voting.

## **Client Requests for Information**

- All client requests for information regarding proxy votes, or policies and procedures, received by any employee should be forwarded to Steve Kaufmann.
- In response to any request Steve Kaufmann and/or Dana Thompson will prepare a written response to the client with the information requested, and as applicable will include the name of the issuer, the proposal voted upon, and how Wedgewood Partners, Inc. voted the client's proxy with respect to each proposal about which client inquired.

## **Voting Guidelines**

- In the absence of specific voting guidelines from the client, Wedgewood Partners, Inc. will vote proxies in the best interests of each particular client. Wedgewood Partners, Inc.'s policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client. Clients are permitted to place reasonable restrictions on Wedgewood Partners, Inc.'s voting authority in the same manner that they may place such restrictions on the actual selection of account securities.
- Wedgewood Partners, Inc. will generally vote in favor of routine corporate housekeeping proposals such as the election of directors and selection of auditors absent conflicts of interest raised by an auditors non-audit services.
- Wedgewood Partners, Inc. will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights.
- In reviewing proposals, Wedgewood Partners, Inc. will further consider the opinion of management and the effect on management, and the effect on shareholder value and the issuer's business practices.



In certain circumstances, Wedgewood Partners, Inc. may not vote proxies received. These circumstances include the following: 1) Securities that are not included in Wedgewood's model portfolio; 2) The client maintains proxy voting authority; 3) Termination of the client account; 4) Limited value of portfolio amount; 5) Securities lending programs; and/or 6) Unjustifiable costs.

#### **Conflicts of Interest**

- Wedgewood Partners, Inc. will identify any conflicts that exist between the interests of the adviser and the client by reviewing the relationship of Wedgewood Partners, Inc. with the issuer of each security to determine if Wedgewood Partners, Inc. or any of its employees has any financial, business or personal relationship with the issuer.
- If a material conflict of interest exists, Steve Kaufmann will determine whether it is appropriate to disclose the conflict to the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or receiving an independent third party voting recommendation.
- Wedgewood Partners, Inc. will maintain a record of the voting resolution of any conflict of interest.

#### **Recordkeeping**

Steve Kaufmann and/or Dana Thompson shall retain the following proxy records in accordance with the SEC's five-year retention requirement.

- These policies and procedures and any amendments;
- Any document Wedgewood Partners, Inc. created that was material to making a decision how to vote proxies, or that memorializes that decision including period reports to the General Manager;
- A copy of each written request from a client for information on how Wedgewood Partners, Inc. voted such client's proxies, and a copy of any written response.