



# BOSTON FINANCIAL MANAGEMENT

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## Form ADV Part 2

March 26, 2024

### **Boston Financial Management, LLC**

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This document discloses information about the qualifications and business practices of Boston Financial Management, LLC. If you have any questions about the contents of this document or would like to request a copy of this document, which will be provided free of charge, please contact Charles J. Zambri, MBA, MSF, Chief Compliance Officer, at [CharlieZ@BFMinvest.com](mailto:CharlieZ@BFMinvest.com) or 617-275-0364.

The information in this document has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Boston Financial Management, LLC 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 with which you determine to hire or retain an adviser. Additional information about Boston Financial Management, LLC and its investment advisory representatives is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Material Changes**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

There have been no material changes to our Brochure since our last annual updating amendment dated March 28, 2023.

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## Item 4 Advisory Business

Boston Financial Management, LLC is an independent wealth management firm that provides investment management, financial planning, estate planning and trust services to individuals, families, endowments, and not-for-profit organizations. We were founded to answer the unique challenges that come with wealth and continue to provide solutions to our clients' most important financial questions.

Our team creates comprehensive and customized financial plans to address the financial needs and life goals of our clients based on a review of their personal financial situation and investment objectives. We offer strategic advice that integrates with that of other advisors our clients may have. Our team monitors our clients' portfolios, manages investment changes and communicates regularly with clients to review any changes to their financial picture. As changes occur, BFM can implement appropriate adjustments to our clients' plans.

Boston Financial Management, LLC furnishes investment supervisory services to clients both on a discretionary and a non-discretionary basis. The strategies we offer are listed below, but additionally, we may manage client portfolios in accordance with specialized or hybrid strategies not listed. In managing accounts, we consult at the outset with the client for the purpose of establishing investment objectives, and to determine an appropriate investment strategy suited to the client's investment goals and risk tolerance.

- BFM High Quality Dividend Appreciation Strategy
- BFM High Quality Mid Cap Strategy
- BFM International Equity Strategy
- BFM High Quality Income Strategy
- BFM Global Asset Allocation Strategy
- BFM Global Impact (ESG) Asset Allocation Strategy
- BFM Balanced Strategy
- BFM Fixed Income Strategy

Clients may impose restrictions on investments in certain securities or types of securities or direct the purchase of specific securities for their accounts, and we will honor those restrictions and execute those directions. Investments are selected and periodically reviewed in light of such objectives and strategy. From time to time, we, in consultation with the client, review, and if appropriate, revise the investment objectives and strategy.

While the vast majority of our assets under management represent direct client engagements, a small percentage of our assets under management represent Boston Financial Management investment strategies that are made available through an unaffiliated third-party platform. In this circumstance, our Company has engaged a third-party platform to make our Company's strategies available to clients of the third-party.

Boston Financial Management also offers clients a broad range of estate and financial planning services, which may include any or all of the following:

- Customized cash-flow analysis & balance sheet review
- Estate plan review and integration with wealth management plan
- Retirement planning
- Estate & income tax exposure review
- Charitable planning
- Divorce financial analysis
- Trust Administration

Through Boston Fiduciary Services, LLC, we provide professional trustee and fiduciary services to individuals, businesses, and non-profit organizations. The Boston Financial Management Fiduciary Committee is comprised of experienced and credentialed professionals who provide oversight on all fiduciary matters where we are named as trustee. Boston Fiduciary Services, LLC is a wholly owned subsidiary of Boston Financial Management.

We are 100% owned by senior employees of the firm or trusts created by those employees. We have been providing advisory services since 1976.

### **IRA Rollover Recommendations**

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

### **Sub-Advisory**

Our strategies are offered through a sub-advisory agreement with a third-party advisor, Envestnet. Envestnet sponsors a program which makes Boston Financial Management strategies available to other financial advisors. Those financial advisors have the option to recommend our pre-defined investment strategies as part of their investment advisory services to their own clients. In its sub-advisory arrangement, Boston Financial Management provides non-discretionary advice and is not responsible for the execution of trades.

As of December 31, 2023, we managed \$4,341,951,644 of client assets on a discretionary basis and \$108,002,945 of client assets on a non-discretionary basis.

## Item 5 Fees and Compensation

Boston Financial Management's services are provided to clients on a customized fee basis based on the size and complexity of the relationship. Such fees are based on a percentage of the gross market value of the assets under management, including cash and cash equivalents. Generally, the fees our clients pay range from 0.40% to 1.25% of the assets under management. The specific manner in which fees are charged is established in a client's written agreement with us. Clients may elect to be billed directly for fees or to authorize us to directly debit fees from their accounts.

Fees are payable quarterly in advance (except for a few legacy clients that are billed in arrears). Accounts are valued using the gross market value of the assets under management on the last business day of the previous calendar quarter.

Some clients may elect to use margin on their investment accounts if they have a cash need or wish to invest additional funds in marketable securities. In these cases, BFM will calculate the advisory fee on the entire market value (gross value) of the assets under management without regard to the loan balance. For example, suppose a client account holds \$1,000,000 in assets under management and has an outstanding margin loan in the amount of \$100,000. In this case, the client's custodian statement will reflect a net market value of \$900,000, but the total assets under management (the total value of the securities held in the account) remain at \$1,000,000. BFM will calculate our fee on \$1,000,000 since that is the value of the assets we manage.

In the event of a termination during a quarterly period, the fee would be prorated through the termination date, and the portfolio valued as of the termination date; except that if the termination occurred within five (5) days after the client entered into the advisory arrangement, no charge would be made. Any unearned portion of the quarterly fee will be promptly refunded.

In some instances, we may furnish investment or planning advice through consultations which do not involve investment supervisory services. In such situations, we and the client may negotiate a fee based on time spent, or a fixed fee.

In addition to providing investment advisory and portfolio management services, Boston Financial Management offers intergenerational wealth management services and estate and financial planning advice, and trust services. This advice is generally offered at no additional charge to our investment advisory clients. Others wishing to retain us for this advice pay a negotiable fee based on the complexity of their specific situation.

Our 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 managers and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire and electronic fund transfer fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, exchange traded funds, limited partnerships, other external managers, hedge funds, private equity funds, and separate account managers also charge internal management fees, which are disclosed in the fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Boston Financial Management's fee, and we do not receive any portion of these fees and costs.

Client assets are maintained by a "qualified custodian" selected by the client. Certain custodians will charge you separately for custody services, while other custodians do not charge clients separately for custody but instead receive compensation from clients in the form of commissions on securities trades executed through the custodian or other transaction-related compensation. Custodians may

also receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than the custodian (this custodial fee is in addition to the other broker-dealer's fees). We encourage you to review your custodial agreement to understand the compensation arrangements with your particular custodian.

The value of liquid investments will be determined on the last day of the previous quarter, using values received from our pricing sources. We generally use prices received from Charles Schwab and/or Fidelity, which are our primary custodians, to value liquid investments. Our goal is to provide fair and accurate pricing for all securities.

The value of illiquid and difficult-to-value investments such as private equity, hedge funds, real estate, etc. will be determined using the most recent value provided by the investment manager, if such value is available. Otherwise, we will use the original purchase price. Typically, the valuation date for illiquid investments will lag the valuation of public securities by at least one calendar quarter.

Boston Financial Management, LLC does participate in *wrap fee* programs. Item 12 further describes the factors that we consider, including proprietary and third-party research, in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their commissions.

#### Sub-Advisory

When Boston Financial Management acts as a sub-advisor to program sponsors, the sub-advisory fees that we receive are negotiated between us and the program sponsors and vary for each relationship and strategy. The fees charged will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for sub-advisor services will depend on the specific program sponsors engaging Boston Financial Management as its sub-advisor. Both the program sponsor fee and the manager's portion are calculated using the value of the assets in the account on the last business day of the prior billing period.

When Boston Financial Management acts as a model provider, as well as in most sub-advisory cases, program sponsors are responsible for calculating asset-based fees on the market value (as of the close of the last day of the previous quarter) of the clients' accounts invested in Boston Financial Management models. These program sponsors withdraw fees from clients' accounts on a quarterly basis. From this fee collected, the sponsor firm then is responsible for paying Boston Financial Management its advisory fee. Fees are paid in arrears.

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

Boston Financial Management, LLC 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).

## Item 7 Types of Clients

Boston Financial Management, LLC provides wealth management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, trusts and estates, and other U.S. entities. In addition, Boston Financial Management, LLC acts as investment adviser to the Marlborough US Multi-Cap Income Fund, an open-ended investment company registered in the United Kingdom.

For our clients to derive the maximum benefit from our services, we suggest a minimum relationship size of \$2,000,000.

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

BFM structures each client's portfolio based upon the unique objectives and circumstances of the client. Client-specific investment objectives can include overall goals, risk tolerances, time horizon, liquidity needs, cash flow requirements, preference/comfort holding certain kinds of securities, tax, legal and other circumstances. As a client's circumstances change over time, we adjust the portfolio to meet the new objectives.

### Equity Philosophy

BFM believes that public equity returns in individual companies should mirror the underlying returns of the businesses when held for long periods of time. As such, companies with attractive economics and reinvestment opportunities provide compelling returns to shareholders, particularly when the market is mispricing the long-term potential of the business. Finding such unique opportunities requires hard work and patience; however, with thorough and independent research, we believe it is possible to identify a select number of companies to invest in. BFM focuses on finding high quality businesses that can be owned for many years. The team assesses the competitive risks and opportunities each individual business faces and invests in companies with solid growth opportunities. These businesses tend to share similar characteristics including but not limited to:

- A demonstrated history of stable and growing cash flow and high returns on invested capital;
- Stable business models relatively less exposed to economic gyrations and competitive threats;
- Competitive advantages that suggest sustainable profitability well into the future;
- Low capital intensity and conservative balance sheets; and
- Employee compensation aligned with shareholder interests and material insider ownership.

BFM's investment research is developed and performed independently, placing emphasis on the long-term competitive drivers of businesses, rather than on short-term accounting results. Where possible, the team speaks with management, competitors, and/or customers to form views on the quality of and opportunities/challenges facing each company. We also use information found in financial publications, company press releases and conference calls, annual reports, prospectuses, company filings with the Securities and Exchange Commission, research materials prepared by others and corporate ratings services. Thorough financial analysis is performed to assess the levers of profitability and growth, and ultimately value each business. Where possible, BFM focuses on finding niche companies that are often overlooked and under-covered by traditional sell-side analysts. With a differentiated focus than traditional research analysts, BFM's work and ideas are often outside of consensus thinking.

Our typical investment horizon is at least five years. Much of traditional investment management is overly focused on the next quarter or year. A focus on the longer term provides a time arbitrage advantage, which is a critical edge in an increasingly myopic and short-term oriented investment landscape.

BFM recognizes not all clients want to or can invest in actively managed portfolios of individual stocks. Our Global Asset Allocation Strategies are designed to meet the need of those who prefer a global, multi-asset approach comprised of funds and/or ETFs. The goal of the multi-asset approach is to provide diversified exposure to many asset classes in order to partially mitigate the ups and downs of the global markets through a range of economic scenarios. The strategies are dynamic to allow for over-weighting and under-weighting asset categories based on the investment team's outlook at any given time.



We also believe in purpose-driven investing and support our clients who wish to fold their social beliefs into their investment objectives. Our Global Impact Asset Allocation Strategy uses funds and/or ETFs that employ Environmental, Social & Governance (ESG) screening methods. Additionally, our team has the ability to customize our individual stock strategies based on our clients' unique ESG preferences. Potential limitations exist in ESG or Impact investing. The limitations can include, for example, the risk of lower performance and the risk of making subjective decisions about what securities to include or exclude in our strategies based on data that is self-reported by companies and investment managers.

### **Fixed Income Philosophy**

We believe our fixed income philosophy should mitigate the overall volatility of a portfolio while providing a reliable income stream to investors. We construct diversified portfolios of individual, investment-grade corporate issues and tax-exempt issues using general obligation and essential purpose municipal bonds. When certain market conditions exist, we will opportunistically add exposure to other areas of the fixed income market (non-investment grade, senior loans, private credit, U.S. treasury securities, etc.) to portfolios. We believe the interest rate environment and therefore duration targeting are the primary building blocks of a bond portfolio but deviation from credit quality can be additive in certain market environments.

### **Alternative Investments**

As appropriate, BFM utilizes alternative investment classes to further diversify portfolios and attempt to mitigate volatility. We may use investments such as private equity, private real estate, private debt, REITs, managed futures, hedge funds and venture capital. These types of investments generally have a higher level of risk due to their concentrated nature, leverage, lack of liquidity and other reasons.

We generally do not participate directly in any initial public offerings or secondary offerings. In rare instances, a client, for whatever reason unrelated to our management of her/his account, may be given the opportunity to participate directly in such offerings, in which instances these transactions are considered to be non-discretionary directed transactions and are handled by us as an accommodation to the client. Similarly, covered call options may be written for client accounts from time to time, as appropriate. Boston Financial Management does not ordinarily engage directly in short sales or margin transactions on behalf of clients.

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

The specific risks inherent in our strategies for managing investment portfolios are:

- Economic risk: The value of portfolio may go down as a result of unfavorable conditions in the domestic or international economy;
- Inflation risk: Prices and costs of goods and services may grow faster than the appreciation of the portfolio;
- Market value risk: Declines in the broader markets for securities as a whole, or for specific security types or securities in specific economic sectors, may have an adverse impact on specific securities held in a portfolio regardless of the underlying intrinsic value or relative strength of the entity issuing that security;
- Interest rate risk: Fixed-income security prices generally decline due to rising interest rates. Fixed-income securities with longer maturities tend to have higher yields and are generally subject to greater price volatility than those with shorter maturities and lower yields;
- Credit risk: A security's price declines due to deterioration in the issuers financial condition, or the issuer fails to repay interest and/or principal in a timely manner;
- Management risk: BFM's opinion about the intrinsic worth of a company or security may be

- incorrect resulting in not making timely purchases or sales of securities;
- Equity risk: Equity securities generally have greater price volatility than fixed-income securities;
- Security risk: Being invested in concentrated position(s) of any one security in a portfolio.

## **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 Boston Financial Management, LLC or the integrity of our management. Boston Financial Management, LLC has no legal or disciplinary events to disclose.

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

### **Boston Fiduciary Services, LLC**

Boston Fiduciary Services, LLC, which is indirectly wholly-owned and controlled by Boston Financial Management, LLC has been established to accommodate clients who do not need a regulated non-depository Trust Company but merely need or desire a Professional Trustee to act as trustee for their trusts.

### **Individual Trustee Services**

Individual employees of Boston Financial Management, LLC, at the request and sole discretion of a client, may serve as trustee of a client's trust. Employees acting as trustees of clients' trusts are expected to be comfortable with the personal liability involved and to secure the approval of the President before agreeing to serve. Implicit in the employees' acceptance is a commitment to offer their resignation as trustee when they are no longer Boston Financial Management employees, or when requested to do so by the client or by Boston Financial Management.

### **Wrap Fee Programs**

Boston Financial Management participates in a small number of wrap-fee programs sponsored by unaffiliated broker-dealers ("Sponsors"). Wrap program clients account for less than one percent of the total number of accounts managed by Boston Financial Management. In a given wrap-fee arrangement, the Sponsor recommends Boston Financial Management or other investment advisers to the wrap fee program clients and charges a single asset-based fee that covers brokerage costs, advisory costs, and custody fees. Boston Financial Management may sponsor marketing events with a wrap fee program Sponsor that may pose a potential conflict of interest, as clients are referred to Boston Financial Management by the program.

Under a wrap account program, Boston Financial Management offers continuous investment management advice to clients based on their individual needs. The investment style of Boston Financial Management used to manage these accounts is similar to the style it uses to manage non-wrap fee clients. Boston Financial Management maintains exclusive investment discretion as to which securities shall be purchased or sold in a client's account in a manner consistent with the selected investment strategy and client restrictions (if any).

Boston Financial Management is not responsible for collection of data about clients or prospects investment objectives if the Sponsor is referring the person. Boston Financial Management makes investment decisions for clients by relying on the Sponsor to provide Boston Financial Management with information regarding clients' investment objectives as well as any changes to the investment objectives. In addition, Boston Financial Management typically does not meet with wrap fee clients. Instead, the Sponsor will handle all client or prospect inquiries regarding accounts that Boston Financial Management manages.

A wrap account client has the ability to establish special limitations on the investments in his or her investment portfolio. Wrap account clients also maintain individual ownership of the securities in his or her account and have the right to withdraw, hypothecate, vote, and pledge such securities.

The Sponsors monitor the investment advisory services provided by Boston Financial Management, including the performance of the accounts (or portions of an account) that it manages. The Sponsor pays Boston Financial Management a fee for providing advisory services to clients pursuant to the terms of an agreement between the parties.

Wrap fee program client trades generally are executed only with the broker-dealer that sponsors the program. Thus, when Boston Financial Management participates in wrap fee programs, it is not free to seek best price and execution by placing program client transactions with other broker-dealers. Accordingly, the client should satisfy himself or herself that the Sponsor of the wrap fee program can provide adequate execution of client transactions.

Clients considering wrap fee programs should request and review Appendix 1: The Wrap Fee Program Brochure of Form ADV Part 2A of each program Sponsor.

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

Boston Financial Management, LLC has adopted a Code of Ethics for all supervised persons of the firm describing our high standard of business conduct, and fiduciary duty to our clients. Our Code of Ethics is based on the tenet that the interests of our clients come first.

All employees of Boston Financial Management are required to avoid security transactions for their own accounts which might be in conflict with or be detrimental to the interests of clients, or which are designed to profit from the market effect of our advice to our clients. Transactions in securities by Boston Financial Management employees are governed by and must be effected in compliance with our Code of Ethics, a complete copy of which will be provided upon request.

Our Code of Ethics recognizes that all supervised persons, access persons, and administrative staff members of Boston Financial Management owe a fiduciary duty to the clients for whom we serve as advisor. This code demands that, in addition to complying with all applicable securities laws, Boston Financial Management's staff perform their duties with complete propriety and do not take advantage of their position. The Code of Ethics requires periodic reporting of securities holdings and transactions, pre-clearance or prohibition from certain transactions, and reporting of violations of the code or applicable securities laws.

We anticipate that, in appropriate circumstances, consistent with clients' investment objectives, our Wealth Managers will cause accounts over which we have management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which our employees and/or our clients, directly or indirectly, have a position of interest. Our employees and persons associated with us are required to follow our Code of Ethics. Subject to satisfying this policy and applicable laws, our officers, directors, and employees may trade for their own accounts in securities which are recommended to and/or purchased for our clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making and implementing decisions in the best interest of advisory clients while, at the same time, allowing Employees to invest for their own accounts. Under the Code of Ethics 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 our clients. In addition, the Code of Ethics requires pre-clearance of certain specific transactions and restricts trading in certain

securities in close proximity to client trading activity. 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, to reasonably prevent conflicts of interest between us and our clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with our obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. We retain records of the trade order (specifying each participating account) and its allocation, which are completed prior to the entry of the aggregated order. Completed orders are allocated as specified in the initial trade order. Partially filled orders are allocated on a pro-rata basis.

It is our policy that we will not affect any principal securities transactions for client accounts. We will also not cross trades between client accounts. Principal transactions are generally defined as transactions where we, acting as principal for our own account, buy any security from or sell any security to any advisory client.

## **Item 12 Brokerage Practices**

When placing orders for the execution of transactions for a client account, Boston Financial Management may, unless our client otherwise directs, allocate transactions to broker-dealers for execution on markets at prices and at commission rates as in our good faith judgment will be in the best interest of our client. In selecting broker-dealers with respect to a particular client account, we take into consideration not only the available prices and rates of brokerage commissions, but also relevant factors (including without limitation execution capabilities, and proprietary and other research services provided by the broker-dealer) which factors may or may not be of direct benefit to that particular client. As a result, the commissions charged to the client account with respect to a particular transaction may be higher than those another broker-dealer might charge for the same transaction. We exercise good faith in negotiating what we believe to be reasonable commissions paid by each client account and seek to obtain the best price and execution for each transaction for the client account, taking into consideration the value of any brokerage, research or other services provided by the broker effecting the transaction.

In addition to brokerage and trade execution services, Boston Financial Management receives research and other services paid for with brokerage commissions which may include, economic and market information and analysis, portfolio strategy advice, industry and company analysis, and meetings or conference calls with analysts. These research and other services are typically proprietary to the broker-dealer providing them. Section 28(e) of the Securities Exchange Act provides a "safe harbor" permitting the use of brokerage commissions (soft dollar) to obtain such research and services. We believe that the products and services purchased with brokerage commissions provide lawful and appropriate assistance in the process of making investment decisions as provided for by Section 28(e). Boston Financial Management's only soft dollar relationship is with JP Morgan Securities, with whom we do a relatively small amount of trading.

Research products and services acquired through the use of soft dollars are intended to benefit all client accounts, not just those that paid for the benefits. We do not allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

When Boston Financial Management decides to purchase or sell a security in one of our investment strategies, the proposed client trades are presented to Wealth Managers for review and approval. Once a Wealth Manager approves the trades for their client accounts, the trades will be promptly

executed, with the goal being all trades approved prior to 11 am executed on that day. Trades approved after 11 am will be executed on the same day on a best efforts basis, at our Trader's discretion. While BFM's Investment Research team manages our investment strategies, ultimately, trading decisions reside with each respective Wealth Manager. Boston Financial Management may, in its discretion, aggregate purchases and sales of securities for a client account with the purchase and sale of securities of the same issuer for other clients of Boston Financial Management occurring on the same day. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the client account and accounts of other participating clients of Boston Financial Management will be deemed to have purchased or sold their proportionate share of the securities involved at the average price so obtained. In the event that less than the total of the aggregated orders is executed, purchased securities or proceeds will typically be allocated on a pro-rata basis. Transaction costs for any transaction will be shared pro rata based on each client account's participation in the transaction.

In addition to commissions or asset-based fees, your custodian may charge you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your custodial account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. In order to avoid "trade away" fees, Boston Financial Management may have an incentive to cause trades to be executed through your custodian rather than another broker-dealer. Boston Financial Management, nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for accounts custodied at certain custodians may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Our clients may direct us to exclusively use a specific broker for securities transactions in their accounts, however when doing so clients should be aware that they may forego certain benefits such as savings on execution costs that Boston Financial Management may obtain for our non-directing clients through volume discounts on batched orders; their execution costs may be higher than those of other non-directing clients.

When BFM makes an error while placing a trade for an account, BFM will bear the costs of correcting the trade. Trade errors resulting in a loss or unfavorable result for the client will, to the extent possible, be reversed and then re-booked correctly. However, in some instances, this is not possible. In those situations, BFM generally credits the client with funds in the amount of the error. Erroneous trades whereby a security was purchased or sold for a client account resulting in a gain are generally reserved to put the client account in the position the account would be in had the trade error never occurred. We believe this to be the appropriate course of action and avoids any undesirable tax consequences for the client. Gains are donated to charity by our custodians/broker-dealers. Where multiple transactions are involved, gains and losses resulting from the trade correction process may be netted prior to determining what amounts may be required to restore the Client to their original position. Gains and losses resulting from erroneous trades moved to BFM's trade error account at Fidelity are netted at the end of each calendar quarter. At the end of each quarter, BFM remits payment to Fidelity for any net loss in the trade error account, while net gains are donated to charity. Quarterly netting of gains and losses does not occur at our other custodians/broker-dealers. The gains and losses are donated to charity or covered by Boston Financial Management, respectively, as they occur.

## **Item 13 Review of Accounts**

At Boston Financial Management, all accounts to which we provide investment supervisory services are regularly reviewed by the respective Wealth Managers. The Wealth Managers have full authority with respect to the management of the client accounts assigned to them, in accordance with the guidelines set by the Investment Policy Committee and with the BFM strategies (listed in Item 4)

established by the Investment Research Team. That said, investment decisions for each client are made independently from those of other clients and are made based on each specific client's individual needs and objectives. Therefore, client accounts investing in the same strategies may look different from one another based on their unique circumstances such as risk tolerance, asset allocation, liquidity needs, capital gain situations, and their preference/comfort with holding certain kinds of securities, among others. Legacy positions not included in the BFM strategies that are managed by BFM on behalf of clients may be maintained at the Wealth Manager's discretion when in the client's best interest. Each Wealth Manager is responsible for working with the client in determining the account objective and appropriate level of risk.

In addition to statements and transaction confirmations from custodians, Boston Financial Management clients receive periodic reports detailing investment holdings and investment activity. These reports are typically delivered electronically or during meetings between the client and their Wealth Manager. Some clients may elect not to receive reports from Boston Financial Management and rely on the custodian's statements.

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

Boston Financial Management maintains a program to provide compensation to Employees for client referrals during the first two years of the client engagement for qualifying accounts.

Additionally, Boston Financial Management participates in and recommends brokerage/custodial service programs (Schwab Advisor Services & Fidelity Clearing and Custody) to advisory clients. While there is no direct linkage between the investment advice given and participation in the programs, economic benefits are received which would not be received if Boston Financial Management did not participate in the program. These benefits may include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving program participants exclusively; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; receipt of various publications; proprietary research; and participation in broker/custodian-sponsored conferences. Boston Financial Management understands that the benefits received through its participation in the programs generally do not depend upon the amount of transactions directed to, or amount of assets custodied by, the service program sponsors.

Boston Financial Management has entered into agreements with independent, unaffiliated broker-dealers to participate in advisor referral services designated to help investors find an independent personal investment advisor in their area. Boston Financial Management has marketing relationships with certain financial consultants at Beauport Financial and other entities. Boston Financial Management may pay to participate as a sponsor at investment and marketing seminars sponsored by such firms and receive new clients from such marketing relationships.

Boston Financial Management has entered into referral agreements with consultants (i.e. "solicitors") who are not affiliated with Boston Financial Management. All such arrangements are developed in accordance with Rule 206(4)-1 under the Investment Advisers Act of 1940. Among other things, the Rule requires that each prospective client referred by a consultant (i.e. "solicitor") be furnished with certain disclosures, including whether the solicitor is a current or former client of the Company (if applicable), the fact that compensation is paid for the solicitation and the material terms of any compensation arrangement (if applicable), and a description of any material conflicts of interest. Boston Financial Management will pay to the consultant/solicitor a cash referral fee equal to a percentage of the advisory fee paid by the client to Boston Financial Management. Because of this referral fee, some solicited accounts may be charged a higher management fee than those accounts that are not solicited.

## **Item 15 Custody**

Boston Financial Management works with several custodians. Our clients decide which custody agent to employ. We are happy to help our clients decide which custodian to use. We typically recommend Charles Schwab or Fidelity.

Boston Financial Management does not maintain direct custody of client assets, which must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. However, the firm is deemed by the SEC to have custody of certain client assets due to the firm's authority to withdraw or transfer assets from client accounts, if one of our associated persons acts as trustee of your trust account, or where the firm has similar authority with respect to client assets. Boston Financial Management has retained an independent public accountant to conduct an annual surprise examination of client assets for which the firm is deemed to have custody.

We will, if requested by our clients, recommend one or more appropriate qualified custodians. We are independently owned and operated and not affiliated with any bank or broker we may recommend as custodian. While we may recommend a custodian for your use, you will choose the custodian, and will open your account with the custodian by entering into an account agreement directly with them.

Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. Even though your account is maintained at a qualified custodian we may recommend, we can still use other brokers to execute trades for your account, as described in Item 12 - Brokerage Practices, above.

Clients receive from the organization providing custodial services reports of all transactions for their accounts, and copies of appraisals of all securities held in the accounts. These reports and appraisals are provided at least quarterly. Clients may, at their option, receive these reports and appraisals monthly. Boston Financial Management urges you to carefully review such statements and compare such official custodial records to any account statements or reports that we may provide to you. Due to differences in accounting procedures and pricing sources, the values reported may differ slightly.

## **Item 16 Investment Discretion**

Boston Financial Management, LLC usually receives discretionary authority from the client at the outset of an advisory relationship. Discretionary authority means that clients authorize us to determine the securities and the amount of the securities to purchase or sell, and the timing of the purchase or sale in their accounts without seeking prior approval for each transaction. In all cases, however, we exercise such discretion in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts we observe the investment policies, limitations, and restrictions of the clients for whom we are providing advice. Investment guidelines and restrictions must be provided to us in writing.

In some cases, we manage assets on a non-discretionary basis. Non-discretionary means that we obtain client approval before making changes to an investment account.

## **Item 17 Voting Client Securities**

Corporate governance matters are important and can impact the value of your investments. Because of this, we have established policies and procedures for voting proxies, summarized as follows:

It is the policy of Boston Financial Management, LLC to vote all proxies, where we have been delegated the fiduciary duty to do so, in order to maximize shareholder value and the value of our clients' investments. Should any conflict arise between the interests of Boston Financial Management LLC and our clients, we will act in the best interests of our clients. BFM's Proxy Voting Guidelines summarize our position on various issues of concern to shareholders and investors.

We coordinate with our clients' custodians to ensure that all proxy materials for each client are received and executed on a timely basis.

No set of guidelines can anticipate every issue that may arise. Our Guidelines are not exhaustive and do not include all potential voting issues or variations on existing issues. Many of the issues and the circumstances of individual companies are different, and there may be instances when we adjust our position and may not vote in strict adherence to these guidelines.

Boston Financial Management, LLC has also incorporated supplemental voting guidelines ("ESG Guidelines") that include an additional level of analysis on behalf of clients seeking to vote consistent with widely-accepted enhanced environmental, social and governance practices. The ESG Guidelines are designed for investors seeking a focus on disclosing and mitigating company risk regarding ESG issues.

As part of our ongoing investment process, our investment professionals may encounter significant corporate developments. As these situations arise, we may adjust votes for specific securities based on the current information.

If you have specific questions regarding how Boston Financial Management, LLC voted with respect to your holdings, or would like a copy of our Proxy Voting Guidelines, please contact Charles J. Zambri, MBA, MSF, Chief Compliance Officer of Boston Financial Management, LLC, at 617-275-0364.

## **Item 18 Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about an adviser's financial condition. Boston Financial Management, LLC has no financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients, and we have never been the subject of a bankruptcy proceeding.





# BOSTON FINANCIAL MANAGEMENT

## Item 1- Cover Page

Form ADV Part 2 Supplement

November 2, 2023

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Boston, MA 02109

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Portland, ME 04101  
207-517-7530

1597 Falmouth Road, Suite 2  
Centerville, MA 02632  
617-956-9714

[www.BFMInvest.com](http://www.BFMInvest.com)

This supplement provides information about the following supervised persons who formulate investment advice and have direct client contact:

Richard H. Morse, Chairman & Treasurer;  
Michael L. Brown, JD, CPA, Vice Chairman;  
Louis P. Crosier, President & Chief Executive Officer  
Susan G. Zimmerman, Managing Director;  
Dana F. Clark, Managing Director;  
Edward F. Glesmann, Jr., CFA®, Managing Director;  
Geoffrey A. Juviler, Managing Director;  
Jonathan D. Lynch, CFA®, Managing Director;  
Brad M. Weafer, CFA®, Chief Investment Officer;  
Timothy J. Farina, CFA®, Research Analyst;  
Bradford A. Gardner, Managing Director;  
Clarence H. King III, Managing Director;  
Stacy A. Reinhart, Managing Director;  
Timothy M. Robinson, CFA®, Research Analyst;  
Brian J. Walsh, CFP®, Managing Director;

Abbigail M. Psychogeos, Managing Director;  
Timothy Gray, CFP®, Vice President/Wealth Manager;  
Katie E. Exchange, CFP®, Vice President/Wealth Manager;  
Laurie L. Novak, CFP®, Managing Director;  
Jeremy S. Glenn, Managing Director;  
Jay P. Nicholls, CFA®, Director of Trading  
Susan Black, AEP, CAP®, CFP®, Managing Director;  
Jonathan L. Cottrell, Managing Director  
Donna M. Scotti, Managing Director  
Stephen F. McCabe, MBA, Managing Director;  
John D. Pini, CFA®, Vice President/Wealth Manager

This information supplements Boston Financial Management's Form ADV Part 2 disclosure document. You should have received a copy of that document. Please contact Charles J. Zambri, MBA, MSF, Chief Compliance Officer at 617-275-0364 or [CharlieZ@BFMinvest.com](mailto:CharlieZ@BFMinvest.com) if you did not receive our disclosure document or if you have any questions about the contents of this supplement.

## **Item 2- Educational Background and Business Experience**

### **Richard H. Morse, Chairman & Treasurer**

- *Born:* 1938
- *Education:* B.A. in Economics from Bowdoin College
- *Business Background:* Mr. Morse formed Boston Financial Management in 1990 as a successor to the private counseling firm he founded in 1976. He serves as its Chairman and Treasurer. Until March 2003, he also served as President. He is currently or has served as Trustee or Director for a variety of corporate and endowment organizations.

### **Michael L. Brown, JD, CPA®, Vice Chairman**

- *Born:* 1954
- *Education:* bachelor's degree in economics from the College of the Holy Cross  
J.D. from the New England School of Law. Also attended the University of Houston  
Holds Certified Public Accountant, Attorney, and Accredited Estate Planner Licenses
- *Business Background:* Mr. Brown joined Boston Financial Management in January of 2009 and currently serves as its Vice Chairman. Mr. Brown served as the firm's President & CEO prior to his role as Vice Chairman. Prior to joining Boston Financial Management, Mr. Brown served from 2006 as Managing Director of UHY Advisors, LLC, an accounting firm and successor to Brown & Brown, LLP, also an accounting firm of which he was a Founding Partner from 1983 to 2006. From 2000 through 2008 Mr. Brown also served as Founding Partner of Brown & Brown Financial, LLC, a registered investment advisory firm. From 1976 through 1982 Mr. Brown was with KPMG (Peat Marwick) where he served most recently as Senior Tax Manager.

### **Louis P. Crosier, President & Chief Executive Officer**

- *Born:* 1965
- *Education:* bachelor's degree in psychology and French Literature from Dartmouth College  
Master of Business Administration (M.B.A.) from Dartmouth College  
Master of Education from Harvard University
- *Business Background:* Louis joined Boston Financial Management in 2021. He has over 20 years of wealth management experience, most recently as President of Asset Allocation Strategies at Cambridge Trust Company. Cambridge Trust acquired Wellesley Investment Partners where Louis served as President. Louis began his wealth management career at Goldman Sachs. In 2002, he joined Windward Investment Management as Principal and subsequently Managing Principal. Windward was acquired by the Charles Schwab Corporation in 2010 and underwent a name change to Windhaven Investment Management. Louis served as Windhaven's Head of Distribution, Sales and Marketing from 2010 to 2012.

### **Susan G. Zimmerman, Managing Director**

- *Born:* 1957
- *Education:* B.A. in Economics from Denison University
- *Business Background:* Ms. Zimmerman joined Boston Financial Management as a Managing Director in April 2003. From October 1997 until April 2003 she was Senior Vice President and Director of Research at Woodstock Corporation. From January 1980 to August 1997 she was with Boston Safe Deposit & Trust Company.

### **Dana F. Clark, Managing Director**

- *Born:* 1955
- *Education:* B.S.B.A. degree from the University of Maine  
M.B.A. from Northeastern University
- *Business Background:* Mr. Clark joined Boston Financial Management as a Vice President in June of 2009. From November 2003, until he joined Boston Financial Management, Mr. Clark was a Senior Vice President of Brown Brothers Harriman & Co. From 1987 into 2003 he was with Putnam Investments serving in a number of capacities, most recently as Senior Vice President and Senior Portfolio Manager. Prior to that Mr. Clark served in several executive capacities for well-known local, national, and international companies.

### **Edward F. Glesmann, Jr., CFA®, Managing Director**

- *Born:* 1941
- *Education:* B.S.B.A. degree from Babson College  
Diploma from the National Graduate Trust School
- *Business Background:* Mr. Glesmann joined Boston Financial Management as a Vice President in August of 2009. From 2007 until he joined Boston Financial Management Mr. Glesmann was with Bank of America, N.A., serving as Senior Vice President in U.S. Trust Bank of America Private Wealth Management. From 2003 to 2007 he was at United States Trust Company, N.A., serving as Senior Vice President, Private Wealth Management. Prior to that Mr. Glesmann served for many years as Vice President, Trust and Investments at State Street Bank and Trust Company.

### **Geoffrey A. Juviler, Managing Director**

- *Born:* 1961
- *Education:* Bachelor of Arts degree in Anthropology from Syracuse University  
M.B.A. from Babson College.
- *Business Background:* Mr. Juviler joined Boston Financial Management as a Vice President in March 2003. From October 1999 until March 2003, he served as a Vice President of Woodstock Corporation. He was with Boston Private Bank and Trust Company from June 1995 to September 1999, and with Cunningham Henderson & Papin from November 1993 to June 1995. Previously, he was with Charles Schwab & Co. from November 1991 to November 1993, and Legg Mason from December 1990 to November 1991.

### **Jonathan D. Lynch, CFA®, Managing Director**

- *Born:* 1981
- *Education:* Bachelor of Arts degree in Economics from Boston College.
- *Business Background:* Mr. Lynch joined Boston Financial Management as an Associate in May of 2007. From April 2006 until May of 2007, he was with Brown Brothers Harriman & Co. and with Upromise Investments, Inc. from November 2003 to April 2006.

### **Brad M. Weafer, CFA®, Chief Investment Officer**

- *Born:* 1979
- *Education:* B.A. in Economics from the University of Vermont  
M.B.A. from Babson College
- *Business Background:* Mr. Weafer joined Boston Financial Management as an equity research analyst in June 2011 following completion of his MBA at Babson College. Prior to business school, Brad was a consulting actuary at Mercer for ten years.

**Timothy J. Farina, CFA®, Research Analyst**

- *Born:* 1988
- *Education:* BSBA from Boston University
- *Business Background:* Mr. Farina joined Boston Financial Management as a Client Service Associate in May of 2010 after earning his Bachelor of Science in Business Administration from Boston University.

**Bradford A. Gardner, Managing Director**

- *Born:* 1949
- *Education:* B.A. in Mathematics from Lafayette College, PMD from Harvard University Graduate School of Business Administration
- *Business Background:* Mr. Gardner joined Boston Financial Management as a Managing Director in April 2016. From May 1986 until April 2016, he was with Emerson Investment Management, LLC.

**Clarence H. King III, Managing Director**

- *Born:* 1956
- *Education:* M.A. from Harvard College
- *Business Background:* Mr. King joined Boston Financial Management as a Managing Director in April 2016. From March 2003 until April 2016, he was with Emerson Investment Management, LLC. From August 1997 until March 2003 Mr. King was a Principal and Portfolio Manager with Middleton & Company. Prior to that he was a Vice President and Portfolio Manager with Scudder, Stevens & Clark from September 1990 to October 1997.

**Stacy A. Reinhart, Managing Director**

- *Born:* 1956
- *Education:* B.A. from Yale University, M.B.A. from University of Pennsylvania Wharton School, Executive Education Program at Stanford University
- *Business Background:* Ms. Reinhart joined Boston Financial Management in April 2016. She was with Emerson Investment Management, LLC from May 2009 to April 2016. From June 1999 until April 2009, she was a Senior Vice President and Portfolio Manager with US Trust/Bank of America.

**Timothy M. Robinson, CFA®, Research Analyst**

- *Born:* 1979
- *Education:* B.A. in Economics from Tufts University; Certificate of Accountancy from the University of California, San Diego, Extension School
- *Business Background:* Mr. Robinson joined Boston Financial Management as an Equity Research Analyst in September of 2016. From December 2011 until he joined Boston Financial Management, Mr. Robinson was an Equity Research Associate at Susquehanna Financial Group, LLLP. From February 2011 to December 2011, he was with Off Wall Street Consulting Group, Inc. as an Equity Analyst. Mr. Robinson also served as an Equity Research Analyst at Voyant Advisors, LLC from May 2007 to January 2011 and as a Hedge Fund Accountant at Hedgeworks, LLC from May 2006 to April 2007.

**Brian J. Walsh, CFP®, Managing Director**

- *Born:* 1966
- *Education:* Bachelor of Science in Business Administration from Saint Michael's College  
Master of Business Administration from Suffolk University
- *Business Background:* Mr. Walsh joined Boston Financial Management in 2018 as a Wealth Manager & Managing Director. From June 2015 until February 2018, Mr. Walsh was a Portfolio Manager at Brown Advisory. Prior to his time with Brown Advisory, Mr. Walsh was with Highmount Capital as a founding partner and Portfolio Manager, from May 2002 to June 2015. Mr. Walsh has also held positions at Pell Rudman Trust Company, The Boston Company, and Mellon Private Asset Management.

**Abigail M. Psychogeos, Managing Director**

- *Born:* 1964
- *Education:* Bachelor of Arts in Economics from Bowdoin College
- *Business Background:* Ms. Psychogeos joined Boston Financial Management in 2018 as a Wealth Manager and Managing Director. From January 2017 until June 2018, Ms. Psychogeos was a Senior Vice President and Private Client Advisor at F.L. Putnam. Prior to her time at F.L. Putnam, Ms. Psychogeos served in various positions at Bainco International Investors as partner, president and senior portfolio strategist.

**Timothy Gray, CFP®, Vice President/Wealth Manager**

- *Born:* 1989
- *Education:* Bachelor's in Finance from University of Massachusetts Dartmouth  
Masters in Finance from Suffolk University
- *Business Background:* Mr. Gray joined Boston Financial Management in 2015 as a Client Service Associate before being promoted to an Associate Wealth Manager in 2019 and Vice President/Wealth Manager in 2023. From September 2011 until July 2015, Mr. Gray was a Client Service Associate at State Street Bank & Trust.

**Katie E. Exchange, CFP®, Vice President/Wealth Manager**

- *Born:* 1992
- *Education:* Bachelor of Science in Business Management from University of Maine
- *Business Background:* Ms. Exchange joined Boston Financial Management in 2018 as an Associate Wealth Manager before being promoted to Vice President/Wealth Manager in 2023. From October 2014 until September 2018, Ms. Exchange was an Account Officer at F.L. Putnam Investment Management.

**Laurie L. Novak, CFP®, Managing Director**

- *Born:* 1983
- *Education:* Bachelor's in Business Administration and Management from Southern New Hampshire University  
Master of Business Administration (M.B.A.) from Southern New Hampshire University
- *Business Background:* Ms. Novak joined Boston Financial Management in 2020 as a Wealth Manager. From March 2011 until January 2020, Ms. Novak was a Financial Advisor/Investment Adviser Representative at Congress Wealth Management, LLC. Prior to her time at Congress Wealth Management, she was a Senior Operations Associate and Shepherd Kaplan, LLC.

### **Jeremy S. Glenn, Managing Director, Head of Marketing and Distribution**

- *Born:* 1985
- *Education:* Master of Business Administration from Cornell Johnson Graduate School of Management  
Bachelor of Science in Marketing Communication from Emerson College
- *Business Background:* Mr. Glenn joined Boston Financial Management in 2022 as a Managing Director. From November 2020 until January 2022, Mr. Glenn was Vice President, Business Strategy at Cambridge Trust Company. Prior to his time at Cambridge Trust, he served as Chief Operating Officer/Chief Compliance Officer at Wellesley Investment Partners. In 2010, Mr. Glenn joined Windward Investment Management which was acquired by the Charles Schwab Corporation and underwent a name change to Windhaven Investment Management. Jeremy held several roles at Windhaven, as well as at Charles Schwab.

### **Jay P. Nicholls, CFA®, Director of Trading**

- *Born:* 1991
- *Education:* BS in Finance and minor in Economics from Framingham State University
- *Business Background:* Mr. Nicholls joined BFM as a Trading and Research Associate in June 2017. Prior to that he was a Bond Trader at BNY Mellon Wealth Management from May 2015 to June 2017.

### **Susan Black, AEP, CAP®, CFP®, Managing Director**

- *Born:* 1953
- *Education:* Undergraduate work done at Wellesley College and Bar-Ilan University  
Teaching License from Israeli Ministry of Education.  
Master of Education from Cambridge College with a dual concentration in counselling and management.
- *Business Background:* Ms. Black joined Boston Financial Management in 2022 as a Managing Director. From October 2020 until April 2022, Ms. Black was a Senior Vice President at Cambridge Trust. Prior to her time at Cambridge Trust, she was a Chief Planning Officer & Investment Adviser Representative at Wellesley Investment Partners, LLC.

### **Jonathan L. Cottrell, MBA, Managing Director**

- *Born:* 1963
- *Education:* Bachelor of Arts from Wittenberg University  
Master of Business Administration from Babson College's F.W. Olin Graduate School of Business
- *Business Background:* Mr. Cottrell joined Boston Financial Management in 2022 as a Managing Director. He has over 30 years of investment and private wealth experience, most recently as a Portfolio Manager and Trust Officer at Clearstead Trust, which acquired Atlantic Trust Company of Maine, where Mr. Cottrell served as a Senior Portfolio Manager since 2014. Additionally, Mr. Cottrell has served as Co-President of Fidelity FOREX, Inc., a subsidiary of Fidelity Investments and as President of Camden National Bank's brokerage division. Prior to those roles, Mr. Cottrell was a Senior Vice President with the Bank of Boston and a Vice President with The Boston Company.

### **Donna Scotti, MBA, Managing Director**

- *Born:* 1954

- *Education:* BS in Accounting from Boston College and a Master of Business Administration with a concentration in Finance from Boston College Carroll School of Management
- *Business Background:* Ms. Scotti joined Boston Financial Management in 2022 as a Managing Director. Prior to joining Boston Financial Management, Ms. Scotti was a Managing Director at Middleton & Co. Inc., where she was July 2017 through July 2022. From December 2012 to July 2017, Ms. Scotti was a Senior Vice President & Portfolio Manager at Winslow Wealth Management. During her career, Ms. Scotti has also held roles at Bank of New York Mellon and Bank of America.

### **Stephen F. McCabe, MBA, Managing Director**

- *Born:* 1978
- *Education:* Bachelor's in Business Administration from Babson College  
Master of Business Administration (M.B.A.) from Boston University
- *Business Background:* Mr. McCabe joined Boston Financial Management in 2023 as a Managing Director. From September 2015 until February 2023, Mr. McCabe was a Senior Portfolio Management and Director of Equity Research at Nixon Peabody LLP. Prior to his time at Nixon Peabody LLP, he was Vice President and Global Equity Analyst at Loomis Sayles LLP from 2011.

### **John D. Pini, CFA®, Vice President/Wealth Manager**

- *Born:* 1987
- *Education:* Bachelor of Science in Economics-Finance from Bentley University.
- *Business Background:* Mr. Pini joined Boston Financial Management as Vice President and Wealth Manager in September of 2023. From May 2022 until September of 2023, Mr. Pini was an Associate Wealth Manager with BNY Mellon Asset Management. Prior to his time with BNY, he was a Research Analyst from July 2014 and an Investment Adviser Representative with Middleton & Company, Inc. from February 2021 until June of 2022.

## **PROFESSIONAL DESIGNATIONS**

### **MINIMUM QUALIFICATIONS REQUIRED FOR EACH DESIGNATION**

#### **CFA® - Chartered Financial Analyst**

*Issued by:* CFA Institute (<http://www.cfainstitute.org/cfaprogram/Pages/index.aspx>)

*Prerequisites/Experience Required:* Candidate must meet one of the following requirements:

- Undergraduate degree and 4 years of professional experience involving investment decision-making; or
- 4 years qualified work experience (full time, but not necessarily investment related)

*Educational Requirements:* A self-study program of 250 hours of study for each of the 3 levels.

*Examination Type:* 3 course exams

*Continuing Education/Experience Requirements:* None

#### **CFP® – Certified Financial Planner**

*Issued by:* CFP Board (<https://www.cfp.net>)

*Prerequisites/Experience/Educational Requirements:*

- A bachelor's degree (or higher) from an accredited college or university.
- Completion of the CFP Board's coursework component, which consists of a college-level program of study in personal financial planning.

- The CFP Board requires 6,000 hours of experience through the Standard Pathway, or 4,000 hours of experience through the Apprenticeship Pathway. Qualifying experience may be acquired through a variety of activities and professional settings including personal delivery, supervision, direct support, indirect support or teaching.

*Other Requirements:* CFP professionals must agree to adhere to the high standards of ethics and practice outlined in the CFP Board's Standards of Professional Conduct and to acknowledge CFP Board's right to enforce them through its Disciplinary Rules and Procedures.

*Examination Type :* 170 multiple-choice questions.

*Continuing Education/Experience Requirements:* 30 hours of continuing education (CE) accepted by CFP Board every two years.

### **Accredited Estate Planner (AEP)**

The AEP designation is awarded by the National Association of Estate Planners & Councils to estate planners who have completed two graduate-level courses administered by The American College, meet specific professional requirements and who practice as one of the following: attorney, CPA, trust officer, CLU, CFP® certificate or ChFC.

### **Chartered Advisor in Philanthropy® (CAP®)**

The program is offered at the graduate level, and is part of The American College's Master of Science in Financial Services program. (Any two CAP® courses can be counted as electives towards the MSFS degree). However, the courses are carefully written so that those coming to the program from fundraising or grant-making backgrounds do not need any prior credentials or training in tax or finance. Instead, you will bring the skills and passion that add your unique contribution to the mix. Advisers will learn from you, just as you learn from them, as you interact in the online conversation. For advisers, the courses provide an insight into the process of philanthropic planning, including but not limited to, tax, tools and techniques.

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## **Item 3- 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 each supervised person providing investment advice. No information is applicable to this Item.

## **Item 4- Other Business Activities**

Registered investment advisers are required to disclose if any supervised person is actively engaged in any investment-related business or occupation, or if any supervised person is actively engaged in any business or occupation for compensation. No information is applicable to this Item.

## **Item 5- Additional Compensation**

Registered investment advisers do not receive any additional compensation beyond that received from Boston Financial Management, LLC

## **Item 6 - Supervision**

Supervised persons who formulate investment advice and have direct client contact are instructed to manage their assigned accounts in accordance with the objectives and requirements of clients, within the guidelines established by the Investment Policy Committee, which establishes criteria for the



management of client accounts, and the Investment Research Committee, which has oversight of the Master Research List of securities approved for investment by client accounts, subject to supervisory oversight by Boston Financial Management's President, Louis P. Crosier, and our Chief Compliance Officer, Charles J. Zambri, MBA, MSF.\*\*\*