



# *Baldwin & Clarke*

ADVISORY SERVICES, INC.

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This brochure provides information about the qualifications and business practices of Baldwin & Clarke Advisory Services, Inc. If you have any questions about the contents of this brochure, please contact us at: 603-668-4353, or by email at: [chuckb@bcasi.net](mailto:chuckb@bcasi.net). 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 Baldwin & Clarke Advisory Services, Inc. is available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), using CRD # 105666. Registration does not imply a certain level of skill or training.

December 17, 2018

## **Material Changes**

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### **Material Changes since the Last Annual Update**

- Changes to representatives Outside Business Activities disclosures.
- Additional disclosure has been added to Asset Management.

# Table of Contents

<b>Material Changes</b> .....	<b>i</b>
Material Changes since the Last Update .....	i
<b>Advisory Business</b> .....	<b>1</b>
Firm Description.....	1
Principal Owners.....	2
Types of Advisory Services.....	2
Tailored Relationships .....	3
Types of Agreements.....	3
Asset Management.....	3
Financial Planning.....	4
B&C WealthDirect Services .....	4
Termination of Agreement .....	4
<b>Fees and Compensation</b> .....	<b>4</b>
Description.....	4
Value Added Cash Management Portfolios .....	4
Fixed Income Only Portfolios .....	4
Equity or Balanced Portfolios.....	5
Personal and Business Planning .....	5
B&C WealthDirect Services .....	6
Fee Billing .....	6
Other Fees.....	6
Expense Ratios.....	7
Past Due Accounts and Termination of Agreement .....	7
<b>Performance-Based Fees</b> .....	<b>7</b>
Sharing of Capital Gains .....	7
<b>Types of Clients</b> .....	<b>7</b>
Description.....	7
Account Minimums.....	7
<b>Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>8</b>
Methods of Analysis.....	8
Investment Strategies .....	8

Risk of Loss .....	8
<b>Disciplinary Information .....</b>	<b>9</b>
Legal and Disciplinary .....	9
<b>Other Financial Industry Activities and Affiliations .....</b>	<b>9</b>
Affiliations .....	9
<b>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....</b>	<b>11</b>
Code of Ethics.....	10
Political Contributions .....	10
Trading instruction from client submitted via email .....	10
Participation or Interest in Client Transactions.....	10
Personal Trading.....	10
<b>Brokerage Practices.....</b>	<b>11</b>
Selecting Brokerage Firms.....	11
Best Execution .....	11
Soft Dollars .....	11
Order Aggregation .....	11
<b>Review of Accounts .....</b>	<b>11</b>
Periodic Reviews .....	11
Regular Reports.....	12
<b>Client Referrals and Other Compensation .....</b>	<b>12</b>
Incoming Referrals.....	12
Referrals Out .....	12
<b>Custody.....</b>	<b>12</b>
Account Statements.....	12
Performance Reports.....	13
<b>Investment Discretion.....</b>	<b>13</b>
Discretionary Authority for Trading.....	13
<b>Voting Client Securities .....</b>	<b>13</b>
Proxy Votes .....	13

<b>Financial Information .....</b>	<b>13</b>
Financial Condition .....	13
<b>Business Continuity Plan .....</b>	<b>13</b>
General .....	13
Disasters .....	14
Alternate Offices .....	14
Loss of Key Personnel .....	14
<b>Information Security Program.....</b>	<b>14</b>
Information Security .....	14
Privacy Notice .....	14
<b>Brochure Supplement (Part 2B of Form ADV) .....</b>	<b>16</b>
Education and Business Standards .....	16
Professional Certifications .....	16
Charles Baldwin, President.....	19
John Clarke Jr.....	20
Sean Clarke .....	21
Robert Hickok .....	21
Noah Kabbara.....	21
Michael Kennedy .....	23
Scott LaValley .....	24
Laura Robitaille.....	25

# Advisory Business

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## Firm Description

Baldwin & Clarke Advisory Services, Inc. (“BCASI “) was founded in 1985 to meet the financial planning, wealth transfer and investment needs of individuals, families, businesses, charitable organizations and qualified retirement plans.

**Asset Management:** A client centric fee-based service that utilizes an institutional investment process supported by an independent, open-architecture, “management of managers” platform and robust tools and technology. We provide clients access to global, traditional and alternative asset classes. Fees are charged pursuant to a standard fee schedule agreed to by the client at the time the management account is established and is based on the amount of assets under advisement. Fees may be negotiable under special circumstances.

Client portfolios are developed to meet the client’s investment return and risk objectives. This is usually accomplished through asset allocation modeling strategies. In all cases, client portfolio strategies are implemented through rigorously selected and monitored separate account managers, ETFs and/or mutual funds.

**Legacy Planning:** A comprehensive fee-based wealth transfer planning approach that assists a family in creating and executing its legacy vision. This includes the vision they have for themselves, their heirs and their community. In addition, the planning may address the values, lessons learned, traditions and family history that are important to a family, and develops strategies to pass those on to future generations. Finally, in concert with a client's current legal and tax advisors, we recommend the strategies required for the tax efficient transfer of assets to future generations.

**Financial and Estate Planning:** The firm also provides traditional comprehensive financial and estate planning on a fee basis. BCASI’s Integrated Financial Solution is a bespoke financial plan developed with proprietary analytical tools to provide unbiased guidance to families regarding education funding, retirement planning and risk management concerns. Will and trust reviews and planning are also included.

**The Integrated Legacy Solution:** A planning approach that incorporates a family’s values and heritage into the wealth transfer process. It includes advanced estate tax reduction strategies and enables multi-generational wealth transfers based on the principals of accountability, responsibility and stewardship. The objective is a perpetuation of family wealth in a manner that positively impacts future generations and the communities in which they live.

**Business Continuity and Succession Planning:** The firm also provides planning owners to include Exit Planning as well as Calculations of Value.

Exit Planning for Business Owners: BCASI also assists business owners plan for what may be the biggest transaction of their business lives: the exit from their companies when they want, to whom they want, and for what they want. BCASI uses a customized comprehensive approach to create and implement a Road Map that could lead to a business owner's successful exit from his or her business. BCASI's Exit Planning process helps business owners position their companies and their personal affairs, so that their exit is more likely to produce, the financial, tax and business continuity result they seek.

Calculation of Value: The Calculation of Value report is intended to provide an approximate indication of value based upon the performance of a limited and mutually agreed upon number of valuation procedures. The scope is limited in that many of the factors that affect the ultimate value of the business, such as the local and national economy, and the industry and its trends, may not have been extensively reviewed and considered. This is not an "appraisal" or formal valuation, but rather a calculation designed to give the user an efficient and cost effective approach to determine the approximate fair market value of a business. This estimate of value is a guideline and should not be construed as a replacement for a complete, comprehensive valuation. A complete and comprehensive formal valuation should be prepared as the basis for determining the value of the business for any transfer, exchange, or transaction. This Calculation of Value may not be used to provide any testimony or be used formally for any tax or ERISA, DOL, or any other legal purposes. The purpose of the valuation will be stated in the engagement agreement and this calculation may not be used for any purpose other than what is stated.

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## **Principal Owners**

Charles Baldwin and John Clarke each own 50% of the outstanding stock of the company.

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## **Types of Advisory Services**

On a fee for service basis, BCASI provides personal financial, estate and wealth transfer planning services as well as business continuity planning.

Additionally, BCASI provides investment supervisory (asset management) services and charges a management fee based upon a percentage of assets under management.

As of December 31, 2017, BCASI managed \$219,540,933 in assets. Approximately \$49,825,176 was managed on a discretionary basis, the remaining assets were managed on a non-discretionary basis.

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## **Tailored Relationships**

Client portfolios are developed to meet the client's investment return and risk objectives. This is usually accomplished through asset allocation modeling strategies. In all cases client portfolio strategies will be implemented through a combination of rigorously selected and monitored separate account managers, mutual funds and ETFs.

Agreements may not be assigned without client consent.

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## **Types of Agreements**

BCASI offers asset management and personal financial, estate and wealth transfer planning services as well as business continuity planning, exit planning, and Calculation of Value reports for our business clients, pursuant to mutually agreed to engagement agreements.

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## **Asset Management**

BCASI advises on mutual funds, separate account managers and ETFs whose investments may include: exchange listed securities, securities traded over the counter, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (annuities, life insurance contracts, mutual funds shares), U. S. government securities, derivatives, currency, commodities, real estate and sovereign debt instruments.

BCASI offers limited advice on individual stocks and bonds. Client's may hold individual stocks and bonds in their account(s) and transactions will be processed pursuant to client direction, through their brokerage account, when appropriate. The brokerage firm charges a fee for stock and bond trades. BCASI does not receive any compensation, in any form, from such trades, separate account managers or fund companies. BCASI will provide research information on securities that clients express an interest in and Portfolio Managers will provide opinions based on that research and industry experience.

Two persons associated with BCASI are registered as representatives with Lincoln Financial Securities Corp ("LFSC"). The relevant associated persons may pay a fee to LFSC for its supervisory responsibilities pursuant to NASD Rule 94-44. These associated persons are not permitted to provide BCASI's asset management services to clients except on a limited basis and only with prior approval from LFSC. The following persons are subject to these limitations: Michael Kennedy and Scott LaValley.

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## **Financial Planning**

BCASI offers personal financial, estate and wealth transfer planning services as well as business continuity planning, exit planning, and Calculation of Value reports for our business clients.

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## **B&C WealthDirect Services**

BCASI offers access to an on-line account consolidation tool. The fee for this service may be dependent upon the extent of other services being provided as well as the extent to which the client wishes to take advantage of WealthDirect tools.

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## **Termination of Agreement**

A Client may terminate any of the aforementioned agreements at any time by notifying BCASI in writing and paying a pro-rated fee for the time spent on the advisory engagement prior to notification of termination.

BCASI may terminate the aforementioned agreements at any time by notifying the client in writing.

## **Fees and Compensation**

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### **Description**

Asset Management:

BCASI bases its management fees on a percentage of assets under management. Clients are billed at the first day of each calendar quarter based upon the value of the assets under management at the end of the previous quarter.

If a client's contract becomes effective subsequent to the first day of a calendar quarter or month, or terminates before the last day of a calendar quarter or month, the fee is determined by applying the foregoing percentage to the applicable portion of such quarter (such total value being determined as of the last day of the calendar quarter) and reducing the fee proportionately. BCASI may, at its discretion, combine accounts for clients with multiple accounts for purposes of calculating the appropriate fee. Charitable organizations may receive a discount from the normal fee schedule.

Fees are negotiable at the discretion of the President of BCASI. The minimum annual fee is \$1,500. Effective November 1, 2014 the standard fee schedule is as follows:

### **Value Added Cash Management Only Portfolios**

(Money Market and/or Short Government Income Funds)

Bracket	Asset Value	Annual Percentage Rate
On the First	\$5,000,000	up to 0.25%
Balance		up to 0.20%

### **Fixed Income Only Portfolios**

Bracket	Asset Value	Annual Percentage Rate
On the First	\$2,000,000	0.65%
On the Next	\$3,000,000	0.50%
Balance		0.40%

### **Equity or Balanced Portfolios**

Bracket	Asset Value	Annual Percentage Rate
On the First	\$ 500,000	1.00%
On the Next	\$ 500,000	0.90%
On the Next	\$ 1,000,000	0.75%
On the Next	\$ 1,000,000	0.60%
On the Next	\$ 2,000,000	0.50%
On the Next	\$ 2,000,000	0.40%
On the Next	\$ 3,000,000	0.30%
On the Next	\$10,000,000	0.20%
Balance over	\$20,000,000	Negotiated Rates

Agreements entered into prior to November 1, 2014 may have a different fee schedule as depicted in their advisory agreement.

### **Personal and Business Planning:**

The fees for personal financial and estate planning range from \$250 to \$25,000. The fee charged to the client for a particular plan is negotiable within this range. The amount of fee charged to the client within the range will depend upon the complexity of the client's financial situation and the specific analysis required to complete the client's plan.

The fee for Integrated Legacy Solution planning services ranges from \$5,000 to \$70,000. (There could be additional fees incurred through outside attorneys or other advisors during the implementation phase that are not included in this range.) The fee for Integrated Legacy Solution planning services will depend upon the complexity of the client's situation and is negotiable within this range.

The fee for BCASI's Exit Planning for Business Owners ranges from \$5,000 to \$35,000. The fee for BCASI's Exit Planning for Business Owners will depend upon the complexity of the client's situation and is negotiable within this range.

The fees for business continuity planning range between \$3,000 and \$25,000. The fees for a Calculation of Value Report will range between \$5,000 and \$10,000. The amount of fee charged to the client within the ranges will depend upon the complexity of the

client's situation and the specific analysis required to complete the client's plan or report.

### **B&C WealthDirect services:**

The fees for B&C WealthDirect services range from free to \$2,500 quarterly. Each person signing up for access to the services will enter into an agreement that specifies the fee to be charged.

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### **Fee Billing**

Investment management fees are billed quarterly, in arrears meaning that we invoice you after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Clients are quoted a fee range for the specific financial planning services to be performed. A deposit equal to one half of the lower quoted fee will be payable at the time of the fact finding meeting and the balance due upon completion of the planning service. Fees are refundable within thirty days after the deposit is received from the client. Notice must be given to BCASI via certified mail, return receipt requested. A pro rata charge for advisory services performed during the thirty day period may be charged at the rate of \$50 per hour. Such charges for services already performed may be deducted from any refund.

WealthDirect clients are billed in advance. The first quarterly bill will be prorated based on the number of days remaining in the calendar quarter. Clients will be entitled to a pro-rata refund of any advanced fees paid when the service is terminated based on the number of days remaining in that calendar quarter. Service may be terminated by BCASI if an invoice for the service remains unpaid 15 days after its due date.

Some planning services are provided on an hourly basis. Hourly billing rates vary from \$100 to \$300.

Prepaid fees, beyond the initial deposit, will only be accepted if the project is within 6 months of completion.

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### **Other Fees**

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. BCASI does not participate in any of the above fees. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security. Some custodians also charge fees for custodial services and/or access to particular investment platforms. Clients using the Fiduciary Advisor Advocates ("FAA") program will be charged an additional 6 basis points for that service. Clients entering into agreements with other firms, such as Callan, pay fees in accordance with those agreements.

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## **Expense Ratios**

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by to BCASI.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Separate account managers also charge asset management fees, which may or may not be included in the above platform fees.

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## **Past Due Accounts and Termination of Agreement**

BCASI reserves the right to stop work on any account that is more than 90 days overdue. In addition, BCASI reserves the right to terminate any agreement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in BCASI's judgment, to providing proper financial advice.

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## **Performance-Based Fees**

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### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed accounts.

BCASI does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

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## **Types of Clients**

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### **Description**

BCASI generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations or other business entities.

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### **Account Minimums**

The minimum annual fee for new accounts is \$500 for start up qualified retirement plans, \$2,500 for established qualified retirement plans, and \$1,500 for other accounts (the minimum fee may be waived for certain "multiple" accounts). The Investment Advisory Fee is paid quarterly based on the market value of assets on the last day of the quarter. Fees for assets advised for less than a full quarter are prorated. Fees may be paid out of the investment income or principal or directly by the client. The Advisory Client is sent a detailed calculation of the fee deduction and a transaction summary statement reflecting the deduction from the investment account. BCASI may combine

multiple, so-called "household" accounts for purposes of applying the above fee schedule.

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

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### **Methods of Analysis**

BCASI looks to the research and analytical information provided by Callan Associates through FAA, Morningstar and selected custodians regarding separate account managers, mutual funds and ETFs as primary source material in the selection of investments.

This information is augmented by information obtained from financial newspapers and magazines, fund companies separate account managers, conferences, discussions with portfolio managers, brokerage firms, etc.

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### **Investment Strategies**

Investment Strategies are tailored to a client's specific objectives and risk tolerance level. Long-term strategic portfolios are developed for most clients. These portfolios are adjusted tactically as required by market conditions or client requirements.

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### **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a

higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Disciplinary Information**

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### **Legal and Disciplinary**

The SEC requires disclosure of any legal or disciplinary actions within the past ten years. In the past ten years, neither BCASI nor any management person has been involved in legal or disciplinary events such as criminal or civil actions, SEC administrative proceedings, or SRO proceedings.

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

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### **Affiliations**

BCASI has no arrangements that are material to its advisory or its clients with any related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company, real estate broker or dealer, or an entity that creates or packages limited partnerships.

The owners of BCASI maintain an insurance planning and placement firm, Baldwin & Clarke. Many of the people associated with BCASI are also associated with the insurance firm. These people offer insurance products as agents of the insurance firm. Those agents receive commissions on transactions written by them through that firm. No insurance products are sold or offered by BCASI. Non-commissionable annuity products may be recommended for some BCASI accounts.

The owners of BCASI maintain a Qualified Retirement Plan Consulting Company, Baldwin & Clarke Retirement Plan Services, Inc. Clients, who desire to, may receive services from this company.

The owners of BCASI maintain a company that offers investment banking and business financial consulting services, Baldwin & Clarke Corporate Finance, Inc. The services of this firm are available to BCASI clients.

Baldwin & Clarke, Baldwin & Clarke Retirement Plan Services, Inc., and Baldwin & Clarke Corporate Finance, Inc. are neither affiliates nor subsidiaries of Lincoln Financial Services Corp (“LFSC”).

Michael Kennedy and Scott LaValley are representatives of Lincoln Financial Services Corp. (“LFSC”), member FINRA, SIPC; as well as associated persons with BCASI. In the event that a client of the associated person freely chooses to implement the investment advice, which may be contained in their financial plan, requiring the services of a broker dealer, the broker dealer would be LFSC.

BCASI, nor any of its affiliated companies, are affiliates nor subsidiaries of LFSC.

BCASI has an agreement with FAA whereby BCASI will pay a fee to FAA which will allow clients of BCASI to utilize Callan Associates services through FAA.

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

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### **Code of Ethics**

The employees of BCASI have committed to this Code of Ethics.

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### **Political contributions**

BCASI maintains a policy relative to political contributions. This rule is outlined in detail in the firm's compliance manual. Any questions regarding political contributions should be directed to the firm's CCO.

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### **Trading instruction from clients submitted via email**

Clients are permitted to submit trading instructions via email. All such instructions will be responded to by 2 p.m. the day they are received. If the client does not receive a response within the specified time frame, it is assumed that the email was not received and the client is advised that they must follow up with a phone call to ensure timely execution of their trading instructions. Clients are provided with directions on how to make direct connection with the custodian of their account to execute trade requests.

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### **Participation or Interest in Client Transactions**

BCASI and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the BCASI Compliance Manual.

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### **Personal trading**

The Chief Compliance Officer of BCASI is Charles Baldwin. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential

treatment. John Clarke, Jr. reviews the trading for Charles Baldwin. Access persons must obtain approval before they directly or indirectly acquire beneficial ownership in any security in an initial public offering or in a limited offering.

## **Brokerage Practices**

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### **Selecting Brokerage Firms**

BCASI does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. BCASI recommends custodians based on the proven integrity and financial responsibility of the firm and availability of mutual funds, ETFs and separate account managers on their respective platforms.

BCASI does not receive fees or commissions from any of these arrangements.

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### **Best Execution**

BCASI recommends mutual fund investments, ETFs, and investments with separate account managers only. Whenever a client requests that existing securities holdings, other than mutual fund holdings or separate fund managers that are in the list of approved managers, be added to their accounts. We monitor performance and charge for it and execute trades of securities. All trades are client directed trades. BCASI does not receive any portion of trading fees assessed by custodians. BCASI will conduct an annual review of the custodians recommended to clients with respect to execution effectiveness and overall cost.

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### **Soft Dollars**

BCASI does not have any soft dollar arrangements with any firm.

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### **Order Aggregation**

We do not aggregate orders as we process individual securities transactions as directed by clients. We may actively manage individual stock and bond portfolios on a limited basis, and only at a client's request.

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## **Review of Accounts**

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### **Periodic Reviews**

The reviewers are the professionals for whom information is provided on ADV Part 2B. They develop and maintain client relationships on behalf of BCASI. There is no assignment of accounts by BCASI. The reviewers are instructed to carry out such reviews as required by client circumstances and objectives but no less frequently than annually. The reviews may be triggered by changes in a client's circumstances or in investment or economic conditions, which would impact on a client's financial plan and objectives. Every account is reviewed daily for significant changes in market value.

Portfolio holdings are reviewed on a global basis daily for changes in market value and reviewed frequently for changes in investment style, changes in personnel and performance concerns for both mutual funds and separate account managers. This information is received from Callan Associates, FAA, Schwab, fund companies, Morningstar, and TD Ameritrade.

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### **Regular Reports**

Financial Plans are updated, on an as needed basis, pursuant to the execution of a new client engagement agreement. Investment management/supervisory services are provided primarily through the use of separate account managers, ETFs, and mutual funds approved by BCASI. Representatives are restricted to the funds approved by BCASI. Many of the funds recommended by BCASI have passed the Callan Associates screening process. Clients receive quarterly statements produced by custodians as well as confirmation statements with each trade, monthly dividend and interest payments. BCASI provides quarterly performance reports, market reviews, and holding reviews to clients.

## **Client Referrals and Other Compensation**

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### **Incoming Referrals**

BCASI has been fortunate to receive many client referrals over the years. The referrals come from uncompensated sources such as: current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. BCASI may enter into solicitor agreements with selected individuals or firms who will be compensated for referrals that result in client engagements. All such compensation will be fully disclosed to the client, who will acknowledge such disclosure in writing. Clients introduced to BCASI in this manner will not pay a fee higher than other clients.

### **Referrals Out**

BCASI does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## **Custody**

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### **Account Statements**

BCASI does not provide custodial services for client assets and all client accounts are required to be held with a qualified custodian. Clients will receive account statements from the custodian that holds their accounts, and clients should carefully review these statements. It is important to compare the information on these statements with reports they receive from BCASI. Please note that there may be minor variations due to calculation methods.

BCASI and its Associated Persons do not take possession of client funds or securities. However, in certain asset management programs clients have authorized BCASI to deduct advisory fees from their accounts. While BCASI does not, nor permit its Associated Persons to, take possession of client assets, this level of account access is considered "custody" under the Advisers Act rules.

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### **Performance Reports**

BCASI provides quarterly performance reports, which are available electronically or in hard copy format.

## **Investment Discretion**

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### **Discretionary Authority for Trading**

BCASI accepts discretionary authority to trade on behalf of some of our clients. These clients sign a specific engagement agreement designating their account(s) as discretionary. With these clients BCASI has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. Clients who elect not to have discretionary accounts, consent to all trades before they are submitted.

The client approves the custodian to be used and the commission and/or fees paid to the custodian. BCASI does not receive any portion of the transaction fees or commissions paid by the client to the custodian.

## **Voting Client Securities**

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### **Proxy Votes**

BCASI does not vote proxies for securities held in client accounts.

## **Financial Information**

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### **Financial Condition**

BCASI does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

## **Business Continuity Plan**

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### **General**

BCASI has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

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**Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

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**Alternate Offices**

BCASI has contracted with a company that will provide services allowing the firm to be fully functional within 36 - 72 hours in the event of a loss of our main office. Our phone service will be promptly forwarded to working lines and it is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

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**Loss of Key Personnel**

BCASI has multiple Portfolio Managers on staff. In the event of the loss of one Portfolio Manager, the accounts would be promptly assigned to another.

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**Information Security Program**

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**Information Security**

BCASI maintains an information security program to reduce the risk that your personal and confidential information may be breached.

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**Privacy Notice**

BCASI will collect information, such as name, address, Social Security number, date of birth, current investment holdings, investment history and risk tolerance from its clients during the ordinary course of business.

This information is used for the purpose of designing and maintaining an investment portfolio that is intended to meet the investment goals within a client's risk tolerance level. This information is private client information and will only be disclosed to third parties who provide expert advice and/or custodial services to BCASI. Our employees and nonaffiliated third parties have access to this information whenever necessary in performance of their respective duties. This information is also provided to regulatory authorities as necessary when requested by those authorities.

This information is provided to custodians after the customer has completed a new account form for the appropriate custodian. This form constitutes written consent by the client.

Private client information is not disclosed to non-employees unless requested by the client, such as to persons preparing tax returns, trusts, or wills for the client or to nonaffiliated third parties who have been hired by BCASI to assist in a facet of the administration of BCASI, such as to assist in the preparation of our financial statements

and tax returns, and to assist in compliance matters, or in the event of a regulatory inquiry.

BCASI may share client information with other Baldwin & Clarke companies for the purpose of assisting those companies with engagements they may enter into with the client, or to access the capabilities of those companies to better enable BCASI to carry out its assignment for the client, consistent with Baldwin & Clarke companies' philosophy.

BCASI does not sell client lists or disseminate client information for any purpose not directly related to the provision of investment advisory services. No employee of BCASI may release private client information unless the client has specifically authorized it, or the Chief Compliance Officer has approved the release.

All client information will be maintained for a period of at least six years past the termination of the client relationship. Any client information that is determined to be eligible for destruction shall be shredded prior to its disposal. Digital information stored electronically will be safeguarded as outlined in BCASI's Data & Cyber Security Policy.

Clients shall be informed of BCASI's privacy policy annually.

All employees and nonaffiliated third parties who are given access to private client information shall be required to sign a confidentiality agreement at the beginning of said employee's employment or nonaffiliated third parties' engagement.

All files are to be locked whenever the office is unoccupied. The office is to be locked whenever it is not occupied.

## Brochure Supplement (Part 2B of Form ADV)

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### Education and Business Standards

BCASI generally requires demonstration of achievement in the field of financial analysis and related subjects. Such demonstration generally being a college degree with appropriate major. Except in the case of a person fitting the classification of trainee, business background in finance, financial analysis or other financial experience is sought.

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### Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

Chartered Financial Consultant (ChFC). The ChFC designation is awarded by The American College. The Chartered Financial Consultant® (ChFC) designation program focuses on the comprehensive financial planning process as an organized way to collect and analyze information on a client's total financial situation; to identify and establish specific financial goals; and to formulate, implement, and monitor a comprehensive plan to achieve those goals.

ChFC certification requirements:

- Completion of 6 required courses and 2 elective courses.
- Three-year qualifying full-time work experience.
- Bachelor's degree from an accredited college or university may qualify as one year of the three-year experience requirement

Chartered Life Underwriter (CLU). The CLU designation is awarded by The American College. The Chartered Life Underwriter® (CLU) designation is the professional credential for persons involved in the protection, accumulation, preservation, and distribution of the economic values of human life.

CLU certification requirements:

- Completion of 5 required courses and 3 elective courses.
- Three-year qualifying full-time work experience.
- Bachelor's degree from an accredited college or university may qualify as one year of the three-year experience requirement

Chartered Retirement Planning Counselor (CRPC). The CRPC Program focuses on the pre- and post-retirement needs of individuals. Enrollment in the program requires a study of a variety of principles in the retirement planning field. The program teaches the retirement process from start to finish, addressing issues such as estate planning and asset management. The College for Financial Planning® awards the CHARTERED RETIREMENT PLANNING COUNSELOR<sup>SM</sup> AND CRPC® designation to students who:

- successfully complete the program;
- pass the final examination; and
- comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning's review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Associates of Customer Service (ACS). The ACS designation is awarded by LOMA. The program is designed to:

- increase knowledge of financial services;
- understand customer expectations, patterns and behavior
- organize an effective customer service team.

Fellowship of Life Management Institute (FLMI): FLMI recipients are licensed by the Life Office Management Association (LOMA).

The FLMI designation covers important topics including:

- The basics of life insurance and annuity products and how these products meet customer needs
- The functions and interrelationships of each major operational area and how they contribute to the financial success of an organization
- Insurance administration for individual and group life and health coverage
- The basic features and principles of the legal environment in which financial services companies around the world operate
- Marketing principles and the functions of marketing within the Insurance Industry
- Financial and managerial accounting in life insurance companies
- Increase your knowledge about the financial services environment, investment principles, and institutional investing
- Product design and capital management issues affecting profitability and solvency for financial services providers

Certified Valuation Analyst® (CVA®) - The CVA® credential is granted by the National Association of Certified Valuators and Analysts™ (NACVA®) only to qualified individuals with considerable professional experience in the field of business valuation. Those individuals have met NACVA's rigorous standards of professionalism, expertise, objectivity and integrity in the field of business valuation, financial consulting and related consulting disciplines. NACVA's CVA designation is the only valuation credential accredited by the National Commission for Certifying Agencies® (NCCA®), the accreditation body of the Institute for Credentialing Excellence™ (ICE™). To become accredited by NACVA, the candidate is required to successfully complete an intensive training and testing process. An initial requirement to becoming a CVA is that the applicant either be a licensed Certified Public Accountant (CPA) holding an active, valid and unrevoked CPA license in his or her own state, or hold a business degree and/or an MBA (Masters of Business Administration), or higher business degree, from an accredited college or university. Further, those without a CPA license must have two years or more full time or equivalent experience in business valuation and related disciplines. Those who have earned the CVA credential must be recertified every three years in order to maintain their credential.

Accredited Estate Planner® The designation is available to credentialed professionals actively licensed or certified as an accountant; attorney; insurance and financial planner; philanthropic advisor; or trust officer – holding one or more of the following credentials CAP®, CFA, CFP®, ChFC®, CLU®, CPA, CPWA®, CSPG, CTFA, JD, MSFS, and MST– who are devoting at least a third of one's professional time to estate planning. Eligible applicants must have 15 years experience engaged in estate planning, or have 5 years experience with acceptable education qualifications.

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## Charles Baldwin, President

Date of birth: May 1942

Educational Background:

- Attended Northeastern University receiving a BA in Business with honors in 1965
- Attended Amos-Tuck School of Business at Dartmouth College receiving an MBA in 1967

Business Experience:

- 07/1985 – Present; President, Treasurer, Secretary, BCASI
- 01/1971 - Present; Insurance Producer/Partner, Baldwin & Clarke LLP
- 04/1982 – Present; Director, Baldwin & Clarke Retirement Plan Services, Inc.
- 01/1989 – Present; Director, Baldwin & Clarke Corporate Finance, Inc.
- 06/1993 – 02/2018; Director, 1<sup>st</sup> BCCW Capital Corp
- 03/2015 - Present; General Agent, The Ohio National Life Insurance Company
- 05/1999 – 03/2013; Registered Representative, Park Avenue Securities, LLC
- 07/1976 – 03/2013; General Agent for Guardian Life

Professional Licenses/Designations: CLU, ChFC

Disciplinary Information: None

Other Business Activities:

Mr. Baldwin is a trustee of the Crotched Mountain Foundation, a current member of its Finance Committee, and Chair of the Investment Committee – all on a volunteer basis.

Additional Compensation: None

Supervision:

Charles Baldwin is supervised by John Clarke, Jr., Partner. He reviews Mr. Baldwin's client accounts through our client relationship management system.

Mr. Clarke's contact information:

603-668-4353 [jjc@bcfinance.com](mailto:jjc@bcfinance.com)

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**John Clarke Jr.**

Date of birth: May 1942

Educational Background:

- Attended Northeastern University receiving a BA in History in 1966

Business Experience:

- 07/1985 –Present; Director/Registered Representative, BCASI
- 07/1976 –Present; Partner, Baldwin & Clarke
- 01/1989 –Present; President/Treasurer/Secretary/Director, Baldwin & Clarke Corporate Finance, Inc.
- 06/1993 –02/2018; President/Registered Representative, 1<sup>st</sup> BCCW Capital Corp
- 04/1982 –Present; President/Teasurer/Secretary/Director, Baldwin & Clarke Retirement Plan Services, Inc.
- 07/1976 – 01/2008; General Agent, Guardian Life Insurance Co.

Professional Licenses/Designations:

Series 24 – Must pass an exam to become licensed and complete continuing education classes biannually to maintain license.

Disciplinary Information: In October 2003 Mr. Clarke signed an Acceptance, Waiver & Consent with the NASD. Without admitting or denying allegations, Mr. Clarke consented to a monetary fine in the amount of \$15,000. The NASD alleged that Mr. Clarke failed to establish a proper escrow account at a bank for a private placement, and allowed a registered rep to continue to perform duties as a registered rep at a time when the representatives registration status was inactive, and failed to have a written needs analysis and a written training plan in order to achieve compliance with the continuing education rule.

Other Business Activities:

Homeland Renewable Energy, Inc. - Executive Chairman, from 2003 to present. 5% of time is spent conducting activity. The percentage of annual income is less than 10%.

Eccentric USA LLC – Managing Director, 2005 to present. Less than 1% of my time is spent conducting activity. There is no income from this activity.

Clarke Farm – Owner, Farmer, 134 Camp Lee Road, Epping, NH, 1980 to present. 20% of time is spent conducting activity. The percentage of annual income is approximately 10%.

Additional Compensation: None

Supervision:

John Clarke Jr. is supervised by Charles Baldwin, Chief Compliance Officer. He reviews Mr. Clarke's client accounts through our client relationship management system.

Mr. Baldwin's contact information:  
603-668-4353 [chuckb@bcasi.net](mailto:chuckb@bcasi.net)

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## Sean Clarke

Date of birth: September 1969

### Educational Background:

- Attended the University of New Hampshire- Whittemore School of Business & Economics and obtained a Masters Degree in Business Administration in 2003
- Attended University of New Hampshire and received a Bachelors Degree in Political Science in 1992.

### Business Experience:

- 08/1997 –Present; Investment Adviser Representative, BCASI
- 12/1998 – 02/2018; Registered Representative, 1<sup>st</sup> BCCW Capital Corp

### Professional Licenses/Designations:

FINRA Licenses: Series 6, Investment Company Products Representative, 02/1994; Series 7, General Securities Representative, 02/1996; Series 31, Futures Managed Funds Examination, 03/1996; Series 63, Uniform Securities Agent State Law Exam, 02/1994; Series 65, Investment Advisers Law Exam, 06/1999. Grade of 70 or better required for passing.

Disciplinary Information: None

### Other Business Activities:

Treasurer, Alumni Board, University of NH, 2015-present.

Additional Compensation: None

### Supervision:

Sean Clarke is supervised by Charles Baldwin, Chief Compliance Officer. He reviews Mr. Clarke's client accounts through our client relationship management system.

Mr. Baldwin's contact information:  
603-668-4353 [chuckb@bcasi.net](mailto:chuckb@bcasi.net)

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**Robert Hickok**

Date of birth: June 1944

Educational Background:

- Attended the University of Virginia and obtained a BA in Sociology & Anthropology in 1996
- American College; Masters of Science Degree in Financial Service, 2007

Business Experience:

- 04/2004 – 03/2018; Field Representative, Guardian Life Insurance Corporation of America
- 05/2004 – 03/2018; Registered Representative, Park Avenue Securities
- 07/2003 - 03/13, 02/2018 - Present; Investment Advisor Representative, Baldwin & Clarke Advisory Services, Inc.

Professional Licenses/Designations:

ChFC, CLU, AEP.

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Robert Hickok is supervised by Charles Baldwin, Chief Compliance Officer. He reviews Mr. Hickok's client accounts through our client relationship management system.

Mr. Baldwin's contact information:

603-668-4353 [chuckb@bcasi.net](mailto:chuckb@bcasi.net)

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**Noah Kabbara**

Date of birth: December 1990

Educational Background:

- Attended University of New Hampshire Peter T. Paul School of Business & Economics and obtained a BS in Business Administration, Cum Laude, in 2013.

Business Experience:

- 12/2013 – Present: Service & Investment Support Analyst

Professional Licenses/Designations:

FINRA Licenses: Series 65

Disciplinary Information: None

Other Business Activities:

Owner of Rental Property – From 2014 to present. He spends less than 5% of his time conducting this activity and the percentage of annual income is 10%.

Additional Compensation: Owner of rental property

Supervision:

Noah Kabbara is supervised by Charles Baldwin, Chief Compliance Officer. He reviews Mr. Kabbara's client accounts through our client relationship management system.

Mr. Baldwin's contact information:

603-668-4353      [chuckb@bcasi.net](mailto:chuckb@bcasi.net)

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**Michael Kennedy**

Date of birth: August 1949

Educational Background:

- Attended North Country Community College, Psychology major, 1972 - 1973
- Attended State University of New York, Psychology major, 1973 - 1975

Business Experience:

- 11/1991 – Present; Investment Adviser Representative, BCASI
- 11/1991 – Present; Self Employed Marketing Representative, Baldwin & Clarke Retirement Plan Services, Inc.
- 11/1991 – Present; Self Employed Marketing Representative, Baldwin & Clarke Corporate Finance, Inc.
- 07/2000 – Present; Registered Representative, Lincoln Financial Services, Corp.
- 11/1991 – 2009; Agent, Baldwin & Clarke
- 2009 – Present; Self Employed Broker, Baldwin & Clarke
-

Professional Licenses/Designations: CLU, ChFC, CFP, CRPC

Disciplinary Information: None

Other Business Activities: I am currently engaged in the sale of insurance products for Guardian Life and/or outside the scope of Guardian Life. Approximately 30-35% of my time is spent and annual income is derived from this activity.

Additional Compensation: None

Supervision:

Michael Kennedy is supervised by Charles Baldwin, Chief Compliance Officer.

Mr. Baldwin's contact information:

603-668-4353 [chuckb@bcasi.net](mailto:chuckb@bcasi.net)

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## Scott LaValley

Date of birth: September 1960

Educational Background:

- Attended University of New Hampshire and obtained a BS in Administration, Magna Cum Laude, in 1981.
- MSFS from American College in 1994

Business Experience:

- 08/1982 – Present; Manager, Baldwin & Clarke
- 11/1993 – Present; Manager & Registered Representative, BCASI
- 08/1983 – Present, Self Employed, Life and health insurance sales
- 11/1993 – Present, Self Employed, Variable product sales
- 07/2000 – Present, Registered Representative, Lincoln Financial Securities Corp.

Professional Licenses/Designations: CLU and ChFC in 1985, CFP 1999, CRPC 2008, CVA® 2016

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Scott LaValley is supervised by Charles Baldwin, Chief Compliance Officer.

Mr. Baldwin's contact information:  
603-668-4353 [chuckb@bcasi.net](mailto:chuckb@bcasi.net)

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## **Laura Robitaille**

Date of birth: November 1963

Educational Background:

- Attended Anoka Ramsey Community College and obtained an Associates degree in Liberal Arts in 1983.
- Attended NH College and obtained a Bachelor's degree in Accounting and Business Management in 1991 and an MBA in 1995.

Business Experience:

- 04/1992 – Present; Investment Adviser Representative/Operations Manager, BCASI
- 04/1992 – Present, Clerical, Baldwin & Clarke

Professional Licenses/Designations: FLMI 2000; ACS 1998

Disciplinary Information: None

Other Business Activities:

1. Home Depot, 129 March Ave, Manchester, NH 03103; Category: Retail Sales; Title: Part-time Employee; Investment Related: No; Duties: Assist customers with their purchases and returns; Start Date: 3/5/18; Hours Per Month: 80; Hours During Trading Hours: 0.

2. Hooksett Lions Club, 9 Riverside Drive, Hooksett, NH 03106; Category: Board of Directors; Title: Committee Member - Secretary; Investment Related: No; Duties: Meeting notes, tracking correspondence, selling advertising; Start Date: 7/2016; Hours Per Month: 12; Hours During Trading Hours: 0.

Additional Compensation: None

Supervision:

Laura Robitaille is supervised by Charles Baldwin, Chief Compliance Officer. Laura is not directly responsible for any client accounts.

Mr. Baldwin's contact information:

603-668-4353 [chuckb@bcasi.net](mailto:chuckb@bcasi.net)