

**Item 1 - Cover Page**

**Presidential Brokerage, Inc.**

CRD Number 28784

**5445 DTC Parkway, Suite 1100**

**Greenwood Village, CO 80111**

**303-694-1600**

**www.presidentialwm.com**

**March 30, 2019**

This Brochure provides information about the qualifications and business practices of Presidential Brokerage, Inc. DBA Presidential Wealth Management (“Presidential”). If you have any questions about the contents of this Brochure, please contact us at 800-230-1288 or [acampen@presidentialwm.com](mailto:acampen@presidentialwm.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Additional information about Presidential also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

There are no material changes to this brochure since this brochure was last updated on December 20, 2018

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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

Currently, our Brochure may be requested by contacting Tony Campen, Chief Compliance Officer, at 800-230-1288 or [acampen@presidentialwm.com](mailto:acampen@presidentialwm.com). Our Brochure is also available on our web site [www.presidentialbrokerage.com](http://www.presidentialbrokerage.com), also free of charge.

Additional information about Presidential is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Presidential who are registered, or are required to be registered, as investment adviser representatives of Presidential.

### Item 3 -Table of Contents

Item 1 – Cover Page .....	i
Item 2 – Material Changes .....	ii
Item 3 -Table of Contents.....	iii
Item 4 – Advisory Business.....	1
Item 5 – Fees and Compensation.....	4
Item 6 – Performance-Based Fees and Side-By-Side Management.....	5
Item 7 – Types of Clients .....	6
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	6
Item 9 – Disciplinary Information.....	7
Item 10 – Other Financial Industry Activities and Affiliations.....	7
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	8
Item 12 – Brokerage Practices .....	8
Item 13 – Review of Accounts.....	8
Item 14 – Client Referrals and Other Compensation.....	9
Item 15 – Custody .....	10
Item 16 – Investment Discretion.....	10
Item 17 – Voting Client Securities .....	10
Item 18 – Financial Information .....	10

#### **Item 4 – Advisory Business**

Presidential is full-service Investment Adviser that provides individualized products, services and advice which range from mutual fund wrap programs to multi-manager separately managed accounts. In addition to its investment advisory business Presidential is a FINRA registered Broker/Dealer and licensed insurance agency. These non-advisory activities involve approximately 75 percent of the firm’s professional staff’s time. Presidential has been in business since 1991 and its principal owners are Gary Nemer, Scott Winters and William Nelson .

As of 12/31/2018 Presidential’s assets under management were \$104.7 million of which \$ 12.2 Million were managed on a discretionary basis and \$92.5 million were non-discretionary assets.

#### **Advisory Products and Services Offered:**

Presidential Brokerage, Inc. (“Presidential”), through its advisory representatives, offers a variety of investment advisory products and services as described below. Presidential offers several wrap programs made available to Presidential and its clients by Presidential’s clearing firm Wells Fargo Clearing Services, LLC (“WFCS”) and Wells Fargo Advisors, LLC (“WFA”). WFCS is a non-bank affiliate of WFA and also provides custodial and execution services for accounts participating in the advisory programs it makes available to Presidential and its clients. Presidential may also refer its customers to third-party money managers through solicitation arrangements described later in this brochure.

#### **Wrap Fee Programs Sponsored by Presidential:**

Presidential Sponsors the following wrap fee programs:

- Asset Advisor
- Private Investment Management

Comprehensive information regarding each of the Presidential Sponsored Wrap Fee Programs, including the specific management style, program minimums and other costs/expenses associated with each program, is attached as Appendix 1 – Wrap Fee Program Brochure – when applicable.

#### **Investment Advisory Programs available through WFCS/WFA**

The programs available from Presidential through WFCS and WFA include: Allocation Advisors, FundSource, Custom Choice, Diversified Managed Allocations (“DMA”), Masters Investment Consulting (“Masters”), and Private Advisor Network (“Network”). With the exception of Network, these programs are “wrap fee” programs sponsored by Wells Fargo Advisors whereby Clients pay a single fee to cover all advisory services, clearing and execution. Clients participating in any of these programs will be provided with separate disclosure brochures that are specific to the individual programs and managers if applicable. Clients should carefully review these brochures and program contracts for additional information about each specific program before selecting from among them.

**Allocation Advisor**

The Allocation Advisor Program offers fully allocated discretionary portfolios that represent a way to implement your asset allocation, utilizing either strategic (10-15 years), cyclical (3-5 years), or tactical (3-12 months) asset allocation. The program presents a unique exchange-traded funds (ETFs) selection and monitoring service designed to help investors work towards their financial goals. For more information on this program and more detailed disclosures please refer to the Allocation Advisor disclosure document.

**FundSource**

FundSource is a discretionary mutual fund wrap program providing clients with access to over 25 Optimal Blend fund portfolios actively managed by the Manager Strategy Group at WFA. The portfolios are constructed of load-waived, no-load and institutional share class mutual funds. Clients, along with their Presidential advisory representative, can also create a tailored allocation for the client's specific needs using these mutual funds in Customized Blends within FundSource. While Customized Blends are built by advisory representatives and clients, the funds are also monitored by WFCS's Manager Strategy Group. Both Optimal and Customized Blends offer automatic fund replacement as well as auto-rebalancing.

In addition to the Optimal Blend and Customized Blend portfolios, there are an additional 9 portfolios available through FundSource Foundations at a lower entry level for smaller accounts. For more information on this program and more detailed disclosures please refer to the FundSource disclosure document.

**Custom Choice**

Custom Choice is a non-discretionary mutual fund wrap program that allows a client and their Presidential advisory representative to construct their own asset allocation from a broad universe of over 3600 institutional share class, no-load and load-waived mutual funds. This program helps clients maintain their strategic asset allocation by offering optional auto-rebalancing. For more information on this program and more detailed disclosures please refer to the Custom Choice disclosure document.

**DMA**

DMA is a discretionary advisory program that offers separately managed portfolios featuring asset allocation, diversification and risk-based portfolio management to investors. WFA's Manager Strategy Group evaluates a broad range of asset classes and investment styles and identifies classes or styles that perform differently under varying market conditions. From these, the Manager Strategy Group uses quantitative and qualitative measures to select what it perceives to be "best of breed" investment managers for the DMA program. Focusing both on the merits of the individual investment managers and on how the various investment managers on advisory roster complement one another, Presidential has developed what it believes to be a continuum of diversified strategies for investors, based on specific risk tolerances and financial situations, called Optimal Blends. Clients can select one of the Optimal Blends or, working with their advisory representative, construct their own strategy using the DMA roster of investment managers. For more information on this program and more detailed disclosures please refer to the DMA disclosure document.

**Masters**

Masters is a discretionary advisory program designed to assist Presidential advisory representatives and clients in identifying professional investment managers who can not only help a client meet their specific investment goals, but also keep their tolerance for risk in mind. A Masters client has access to more than 150

of the nation's top professional institutional investment managers at pre-negotiated entry levels and fee schedules. For more information on this program and more detailed disclosures please refer to the Masters disclosure document.

### **Network**

The mission of the Network program is to assist clients in identifying professional money managers who can help meet the specific investment goals, risk tolerance and objectives of each client. Each Network portfolio is professionally managed on a discretionary basis, in a separate account (individual stock and bond holdings) where the client pays Presidential either a fee-in-lieu of commission or commission (on a negotiated commission rate) that covers a package of services: transaction charges, consulting services, and compensation to Presidential for the value-added service that they provide the client. The third-party manager will charge an asset-based fee under a separately executed contract. Keep in mind that fee-based accounts are not designed for either excessively traded or inactive accounts and may not be suitable for all investors. During periods of lower trading activity, fees may be lower in this program if the investor selects to open a commission-based account. For more information on this program and more detailed disclosures please refer to the Network disclosure document.

**Program Termination** – Program services described above may be terminated upon 10 days advance notice. Upon written receipt of notice to terminate its Client Agreement with any of Presidential's investment advisory programs, and unless specific transfer instructions are received, Presidential and its agent will, in as orderly and efficient manner as deemed possible, proceed with liquidation of the Client's account. There will not be a charge by Presidential for such redemptions. However, the Client should be aware that certain mutual funds impose redemption fees as stated in each company's fund prospectus in certain circumstances. Clients must keep in mind that the decision to liquidate securities or mutual funds may result in tax consequences that should be discussed with the client's tax advisor.

Factors that may affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Due to the administrative processing time needed to terminate Client's investment advisory service and communicate the instructions to Client's investment advisor, termination orders received from clients are not market orders; it may take several business days under normal market conditions to process a Client's request. During this time, a Client's account is subject to market risk. Presidential and its agent are not responsible for market fluctuations of the Client's Account from time of written notice until complete liquidation, although efforts will be made to process the termination in an efficient and timely manner.

### **Other Advisory Services**

#### **Personal Financial Planning Services for Fee**

Presidential provides personal financial planning services for a fee in the form of a financial plan encompassing such areas as Estate Planning, Retirement Planning, Investment Planning, and Business Succession planning. Such Plan is prepared from information provided by the client to Presidential relating to a client's current financial picture, personal preferences relating to basic elements such as risk tolerance, and long-term financial objectives. Presidential and the client work as a team putting together the

information necessary to create a Plan. The quality and value of the completed Plan is dependent upon a client providing complete and accurate information.

The cost of Plan preparation is dependent upon the extent and complexity of the Plan. Typical plans prepared by Presidential cost between \$300 and \$2,500; the cost and extent of a Plan is negotiated and agreed upon prior to development of the Plan. These costs are separate from and do not include any costs associated with the implementation of any Financial Plan, whether executed through Presidential or elsewhere. The fee will be determined in advance and will be specified on the Financial Planning Agreement. Payment is due upon completion and delivery of the plan. Once the plan is delivered the Client has 5 days to request a refund if not satisfied with the plan.

In providing personal financial planning services there is an inherent conflict between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation and, if the client elects to act on any of the recommendations, the client is under no obligation to effect transactions through the investment advisor.

### **EQIS Capital Management**

Presidential has developed a unique relationship with EQIS Capital Management, Inc. ("EQIS"), an SEC-registered Investment Advisor located in San Rafael, California. EQIS has developed, through proprietary technology, a unique advisory platform that allows for fractional equity share allocation in a separately managed account. Until recently, diversification across numerous asset classes and management styles was unattainable or unattractive for most investors because of lower liquidity, lower transparency, higher fees, and larger account minimums (often over a million dollars) which are typically associated with institutional style money management.

While the primary relationship between Presidential and EQIS is that of a solicitor, Presidential's relationship with investors is in an investment advisor capacity. Presidential, through a separately executed investment advisory agreement, provides constant supervisory services for the investor by "managing the managers," reviewing performance and risk, and making recommendations regarding the models as necessary on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

All fees are subject to negotiation.

The specific manner in which fees are charged by Presidential is established in a client's written agreement with Presidential. Presidential will generally bill its fees in advance on a quarterly basis. Clients may also elect to be billed directly for fees or to authorize Presidential to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

Presidential's advisory 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 advisors and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in each fund’s prospectus. Such charges, fees and commissions are exclusive of and in addition to Presidential’s fee, and Presidential shall not receive any portion of these commissions, fees, and costs.

A table of the standard fee schedule for the programs described in this brochure:

Program	First \$250,000		Next \$750,000		Over \$1 million	
	Quarterly fee	Annual fee	Quarterly fee	Annual fee	Quarterly fee	Annual fee
Allocation Advisors	0.5%	2.0%	0.375%	1.5%	0.25%	1.0%
FundSource*/Foundations	0.4375%	1.75%	0.375%	1.5%	0.2875%	1.15%
Custom Choice	0.4375%	1.75%	0.375%	1.5%	0.2875%	1.15%
DMA	0.75%	3.0%	0.625%	2.5%	0.5%	2.0%
Masters (Equity and Balanced Accounts)	0.75%	3.0%	0.625%	2.5%	0.5%	2.0%
Masters - Fixed Accounts	0.4375%	1.75%	0.3125%	1.25%	0.25%	1.0%
Network (Equity and Balanced Accounts)	0.5%	2.0%	0.375%	1.5%	0.25%	1.0%
Network (Fixed Accounts)	0.25%	1.0%	0.1875%	0.75%	0.125%	0.5%

The fees charged for advisory services will be shared with WFCS for clearing, execution and performance reporting services and, if applicable, with third-party money managers in the case of Masters and DMA accounts. In the case of Network accounts, the fees are shared with WFCS, but the third party manager charges their fees under a separate contractual arrangement with the client. The fees received by Presidential, after sharing with WFCS and any third-party manager(s), will vary depending on the program and the final negotiated total fee, and may range from 0.5% to 1.65% annually. The splitting of fees is done at no additional cost to the Client.

\*An additional \$4 monthly fee is assessed for balances under \$20,000.

Generally, fees are charged quarterly in advance, based on the assets under management (“AUM”) at the end of the prior quarter. Fees will be prorated for partial quarters including inception fees and termination fee refunds. For Network accounts, fee billing by the third-party manager under a separate contract may be done either in advance or in arrears, depending on the manager, as detailed in the separate manager’s agreement. Partial contributions and/or withdrawals mid-quarter may be charged /refunded depending on the amount of the fee or refund as detailed in the program agreement.

Lower fees for comparable services may be available from other sources.

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

Presidential 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), not does it offer any programs from third-party advisors that charge customers, or compensate us, based on performance-based fees.

## Item 7 – Types of Clients

Presidential provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions and trust programs.

Minimum dollar amounts are required to establish certain managed accounts as outlined in the table below:

<b>Program</b>	<b>Minimum Initial Investment</b>
Allocation Advisors	\$25,000
FundSource	\$25,000
FundSource Foundations	\$10,000
Custom Choice	\$25,000
DMA	\$150,000
Masters	\$100,000
Network	\$100,000

Under certain circumstances the minimum may be waived or reduced, including for related accounts that may be combined to meet minimum requirements.

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

For those programs where we directly manage the client’s assets, we may use various methods to assist us in managing your account, including both long and short term trading when directly managing client asset, either on a client-directed or discretionary basis. The methods and strategies will vary based on the investment advisor representative providing advice. Models and strategies used by one investment advisor representative may be different than strategies used by other investment advisor representatives. Some investment advisor representatives may use just one method or strategy while other investment advisor representatives may rely on multiple. We do not require or mandate a particular investment strategy be implemented by our investment advisor representatives. Further, we have no requirement for using a particular analysis method and our investment advisor representatives are provided flexibility (subject to supervision and compliance requirements) when developing their investment strategies. This section does not apply to those advisory programs whereby third-party managers or strategies managed by WFA are employed.

### Examples of methodologies that our investment strategies may incorporate include:

**Asset Allocation** - Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

**Technical Analysis** – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

**Long Term Purchases** – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities’ short term price fluctuations.

Our strategies and investments may have unique and significant tax implications. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

#### Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indicator of future performance.

#### **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 Presidential or the integrity of Presidential’s management. Presidential has no disclosures

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

Presidential is a FINRA registered broker/dealer and a licensed Insurance Agency. All of Presidential’s advisory representatives are registered representatives of Presidential and may earn sales commissions when effecting securities transactions for clients in that capacity. Most of Presidential’s advisory representatives are also licensed insurance agents that generate commissions through the sale of insurance products. Commissions generated by both the brokerage and the insurance products may involve clients that are also clients of the Presidential in its capacity as an advisor. Also, the firm and its representatives receive compensation from the third party program providers described in Item 4. All of these forms of compensation result in a conflict of interest when these products are offered and sold to clients. When making recommendations of these products and services are made only in the best interest of the client.

Presidential also enters into solicitation arrangements with other advisors or money managers to refer Presidential’s clients to outside programs and third party money managers. Prior to referring any client to a third party advisor Presidential verifies that they are properly registered with the appropriate federal and/or state agencies responsible for Investment Advisory licensing and registration including, but not limited to, the California Department of Corporations.

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

On occasion, an advisory representative will make the purchase and/or sale of securities for their own accounts that are also recommended to their clients. Presidential has a fiduciary duty to its advisory clients and will always give client trades priority over same-day trades executed for Presidential or and/or affiliated persons to ensure that clients receive the best execution.

Presidential has adopted a Code of Ethics which states that high ethical standards are essential for the success of Presidential and to maintain the confidence of clients serviced by its advisory representatives. Presidential's long-term business interests are best served by adherence to the principle that the interests of clients come first. Presidential has a duty to act solely for the benefit its clients. Potential conflicts of interest may arise in connection with the personal trading activities of our personnel. Accordingly, Presidential has adopted this Code of Ethics containing provisions designed to (1) prevent improper personal trading; (2) identify conflicts of interest; and (3) provide a means to address any actual or potential conflict of interest. Adherence to the Code of Ethics and the related restrictions on personal investing is considered a basic condition of employment by Presidential. Clients or potential clients may receive a copy of this Code of Ethics by contacting Presidential at 800-230-1288.

## **Item 12 – Brokerage Practices**

As an advisor, Presidential requires that its clients that they use the firm's clearing broker-dealer for custodial and brokerage services for wrap accounts offered by WFCS as they are not available through other broker-deals. The fees charged by Presidential for its advisory services as well as for execution services as a broker-dealer may be available at a lower cost elsewhere but are not available through Presidential.

Occasionally, order errors may occur. When they do, Presidential corrects the error in a manner which makes the client whole. Any losses resulting from order errors are absorbed by Presidential and/or WFCS.

## **Item 13 – Review of Accounts**

Presidential periodically reviews the performance of accounts including those it refers to third party money managers. Accounts managed on a discretionary basis by Presidential are reviewed regularly by Investment Advisor Representatives ("IARs") and on a quarterly basis by the Chief Compliance Officer based on a sample population for each of the models offered. Advisory clients may also contact Presidential with questions at any time.

Third party money managers will supply reports to Presidential and to clients referred by Presidential as described in the disclosure brochures of the respective money managers. Discretionary accounts managed by Presidential will receive statements at least quarterly from the custodians where their accounts are domiciled.

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

Presidential's advisory representatives also sell securities and insurance products, in their separate capacities as registered representatives and insurance agents, and receive sales commissions for those activities. Some of the advice offered by advisory representatives involve investments in mutual fund products. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as a 12(b)-1 fee. The advisory representatives may receive a portion of the 12(b)-1 fee from some investment companies in their separate capacities as registered representatives. Clients should be aware that these 12(b)-1 fees come from fund assets, and thus, indirectly from client's assets. The receipt of these fees could represent an incentive for registered representatives to recommend funds with 12(b)-1 fees or higher 12(b)-1 fees over funds with no fees or lower fees, therefore creating a potential conflict of interest. While the advisory representatives of Presidential endeavor at all times to put the interest of the clients first as part of their fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of the advisory representatives when making recommendations.

Presidential may receive, from time to time, compensation in the form of marketing expense reimbursements from various Mutual fund, UIT or Insurance companies or REITs. These reimbursements may be related to Presidential's Advisory business, its activities as an Insurance Agency or as a Broker/Dealer, and are usually a direct result of, and in proportion to, business conducted with the reimbursing company.

Presidential also benefits by recommending the programs and services of WFCS and WFA. These firms provide services to Presidential which enhance Presidential's operations and support structure. For example, these firms may provide software, research, reporting capabilities, fee-billing assistance, compliance notices, account access and order entry services which, if not provided, would have to be obtained elsewhere. Because such services are provided for little or no cost, a conflict of interest exists when Presidential recommends these firms to clients for custody and brokerage services.

Solicitation Arrangements - Presidential may enter into agreements with Solicitors (Referring Parties) to refer clients to Presidential. If a referred client enters into an investment advisory agreement with Presidential, a cash referral fee may be paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. Presidential will only enter into such arrangements with individuals properly registered as solicitors and follow CCR 260.236(c)(2) requirements. Presidential also enters into solicitation arrangements with other advisors or money managers to refer Presidential's clients to outside programs. Under these circumstances Presidential and/or its advisor representatives may be paid a cash referral fee, which is based upon a percentage of the client advisory fees that are generated. In either circumstance the referral agreements between any referring party and Presidential, and vice versa, will not result in any charges to clients in addition to the normal level of advisory fees charged. However, a conflict occurs any time the fees paid to the referrer are greater than fees derived by referring the client to another advisor. Presidential's Relationship with WFCS – Presidential utilizes WFCS for clearing and custodial services. As a result, Presidential may receive income from WFCS as it relates to these clearing and custodial services.

### **Item 15 – Custody**

Presidential is deemed to have custody of client assets only to the extent that it can authorize the payment of advisory fees from a client's account.

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

### **Item 16 – Investment Discretion**

Depending on the program chosen, Presidential or of its representatives may have discretionary authority limited to the trading of securities in a client's account. Other programs require the client to grant trading authority to a third-party manager. Discretionary trading authorization must be granted in writing by the client and will be included in the advisory agreements when applicable.

The standard advisory agreements for FundSource, Masters, DMA and Compass includes language that grants Presidential discretionary authority to change managers or funds. However, Presidential does not utilize this discretionary authority except when granted under a separate written authorization.

### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, Presidential does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Presidential's financial condition. Presidential has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Additionally, Presidential does not solicit the prepayment of more than \$500 in fees per client, more than six months or more in advance.

# FACTS

## WHAT DOES PRESIDENTIAL BROKERAGE DO WITH YOUR PERSONAL INFORMATION?

### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security Number and Income
- Assets and Investment Experience
- Risk Tolerance and Transaction History

### How?

All financial companies need to share customers' personal information to run their every day business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Presidential Brokerage chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Presidential Brokerage share?	Can you limit this sharing?
<b>For our every day business purposes –</b> such as to maintain your account(s), manage your investments, provide account related services, respond to court orders and legal investigations, or report to credit bureaus	<b>Yes</b>	<b>No</b>
<b>For our affiliate's every day business purposes –</b> information about your transactions and experiences	<b>Yes</b>	<b>No</b>
<b>For our marketing purposes –</b> to offer our products and services to you	<b>No</b>	<b>We don't share</b>
<b>For joint marketing with other financial companies</b>	<b>No</b>	<b>We don't share</b>
<b>For our affiliate's every day business purposes –</b> information about your creditworthiness	<b>No</b>	<b>We don't share</b>
<b>For nonaffiliates to market to you</b>	<b>No</b>	<b>We don't share</b>
<b>For our Advisor that transfers to another brokerage firm</b>	<b>Yes</b>	<b>Yes*</b>

### To limit our sharing

- Call **800-230-1288** – Ask for our Customer Service Department **OR**
- Visit us online: [www.PresidentialWM.com](http://www.PresidentialWM.com)

**Please note:**

If you are a *new* customer, we can begin sharing information **30** days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice.

**\*In the event your financial representative servicing your account leaves us to join another financial institution, the representative is permitted to retain copies of your information so that he or she can assist with the transfer of your account and continue to serve you at their new firm. The representative's continuing use of your information will be subject to the new firm's privacy policy.**

### Questions?

Call **800-230-1288** or go to [www.PresidentialWM.com](http://www.PresidentialWM.com)

<b>Who we are</b>	
<b>Who is providing this notice?</b>	Presidential Brokerage, Inc.
<b>What we do</b>	
<b>How does Presidential Brokerage protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does Presidential Brokerage collect my personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>▪ <b>Open an account</b> or <b>Seek advice about your investments</b></li> <li>▪ <b>Make a wire transfer</b> or <b>Supply your income information</b></li> <li>▪ <b>Supply your Employment History</b></li> </ul>
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>▪ Sharing for affiliate's every day business purposes – information about your creditworthiness</li> <li>▪ Affiliates from using your information to market to you</li> <li>▪ Sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
<b>What happens when I limit sharing for an account I hold jointly with someone else?</b>	Your choices apply to you, individually, unless you state otherwise.
<b>Definitions</b>	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies <ul style="list-style-type: none"> <li>▪ <b>Presidential Brokerage</b></li> </ul>
<b>Nonaffiliates</b>	Companies not related by common ownership or control. They can be financial and nonfinancial companies <ul style="list-style-type: none"> <li>▪ <b>Presidential Brokerage does not share with nonaffiliates so they can market to you.</b></li> </ul>
<b>Joint Marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>▪ <b>Presidential Brokerage does not jointly market.</b></li> </ul>