

**DISCLOSURE BROCHURE**  
FORM ADV PART 2A



KERR FINANCIAL PLANNING CORPORATION (INC)  
D/B/A KERR WEALTH MANAGEMENT

**Office Address:**

7255 N 1<sup>st</sup> Street  
Suite 101  
Fresno, CA 93720

**Tel:** 559-277-4771

**Fax:** 559-573-8558

**Email:** [akerr@kerrwealth.com](mailto:akerr@kerrwealth.com)

**Website:** [www.kerrwealth.com](http://www.kerrwealth.com)

May 21, 2025

This brochure provides information about the qualifications and business practices of Kerr Wealth Management. Being registered as an investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 559-277-4772. 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 KERR WEALTH MANAGEMENT (IARD #277142) IS AVAILABLE ON THE SEC'S WEBSITE AT [WWW.ADVISERINFO.SEC.GOV](http://WWW.ADVISERINFO.SEC.GOV)**



## Highlight of General Services Provided and Known Conflicts of Interest

---

### Services provided:

- Financial Planning and Consulting Services
- Investment Management Services

### Known Conflicts of Interest:

All recommendations made by Kerr Wealth Management and its Advisors ("The Firm") creates a conflict of interest. A conflict exists when "The Firm" makes a recommendation that results in additional compensation. A conflict exists when "The Firm" makes a referral to one of its affiliate companies because additional compensation is made directly or indirectly. "The Firm" makes regular recommendations for tax, accounting, insurance, or retirement administration services to its affiliates. A conflict exists when recommendations made by "The Firm" results in any kind of compensation for any recommendations. Other providers may be available at a lower price. Any fee charged creates a conflict of interest. Customers are made aware of such conflicts via this document and our ADV Part 2A and 2B.

***The following recommendations and services provided by "The Firm" and or one or more of its affiliates create a conflict of interest and our clients and or potential clients are advised:***

- ***Rollover recommendations to or from a 401(k), 403(b) or other qualified employer sponsored account, held away account review / analysis fees, annuity surrender, annuity purchase through our affiliate insurance agency, life insurance surrender, life insurance purchase through our affiliate insurance agency, asset management, opening an account with our contracted custodian, insurance recommendations, tax recommendations, administrative recommendations or using our retirement TPA services which compensate our affiliate company provider, financial planning recommendations, 529 recommendations, investment management recommendations, broker dealer recommendations, transfer recommendations, estate recommendations, pension recommendations, fund recommendations, security recommendations, general investment advice, Kerr Wealth Management and its advisors use of similar or exact securities (Stocks, ETF's, Mutual Funds, Bonds etc), paying for any service provided by Kerr Wealth Management that may be cheaper from another provider.***

### Additional Conflicts of Interest:

A conflict exists when Kerr Wealth Management and its advisors recommend the use of Kerr Insurance Brokers, Inc. or Kerr Payroll Solutions, LLC because additional compensation may be earned by one of these affiliated entities which are owned by Andrew T. Kerr, the owner of Kerr Wealth Management. It is also a conflict of interest when a wealth management customer uses Kerr Payroll Solutions, LLC tax services because additional compensation is generated. Similar services may be available through another provider for a lower price.

**\*\*\*A conflict always exists, and no advice is conflict free. By reading this document you acknowledge such conflicts exist as disclosed above and below in our ADV Part 2A and Part 2B.**

**It is a conflict to use any service provided by an affiliated company if such recommendation for service originated from your Kerr Wealth Management advisor or one of its affiliates.**

**If you make an unsolicited request to use services from our affiliates, it may not be a conflict of interest.**

**By signing your client Investment Advisory, ERISA and or Financial Planning Agreement you are attesting you have received, read and understand our firm ADV Part 1A and your Advisor's ADV Part 2B and that you understand such conflicts of interest exist and that you are moving forward with "The Firms" services after reading "The Firms" ADV, Privacy Policy and Business Continuation Plan.**



## **Item 2: Material Changes**

---

### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

---

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

Since the last filing of this brochure on March 14, 2025 the following has been updated:

- The brochure has been updated for SEC registration.
  - Item 4 has been updated to disclose the most recent calculation for client assets under management.
- 

### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

## Table of Contents

<b>Item 1: Cover Page</b> .....	i
<b>Item 2: Material Changes</b> .....	<b>4</b>
Annual Update .....	4
Material Changes since the Last Update.....	4
Full Brochure Available.....	4
<b>Item 4: Advisory Business</b> .....	<b>1</b>
Firm Description.....	1
Types of Advisory Services Portfolio Management Services.....	1
Client Tailored Services and Client Imposed Restrictions .....	7
Wrap Fee Programs.....	7
Client Assets under Management .....	7
<b>Item 5: Fees and Compensation</b> .....	<b>7</b>
Method of Compensation and Fee Schedule .....	7
Client Payment of Fees .....	10
Additional Client Fees Charged.....	11
Prepayment of Client Fees .....	11
External Compensation for the Sale of Securities to Clients .....	11
<b>Item 6: Performance-Based Fees and Side-by-Side Management</b> .....	<b>11</b>
Sharing of Capital Gains.....	11
<b>Item 7: Types of Clients</b> .....	<b>11</b>
Description.....	11
Account Minimums.....	11
<b>Item 8: Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>11</b>
Methods of Analysis and Investment Strategy.....	12
Investment Strategy and Method of Analysis Material Risks .....	13
Security Specific Material Risks.....	14
<b>Item 9: Disciplinary Information</b> .....	<b>17</b>
Criminal or Civil Actions.....	17
Administrative Enforcement Proceedings .....	17
Self-Regulatory Organization Enforcement Proceedings.....	17
<b>Item 10: Other Financial Industry Activities and Affiliations</b> .....	<b>17</b>
Broker-Dealer or Representative Registration.....	17
Futures or Commodity Registration .....	17

Material Relationships Maintained by this Advisory Business and Conflicts of Interest.....	17
Recommendations or Selections of Other Investment Advisors and Conflicts of Interest.....	19
<b>Item 11: Code of Ethics, Participation or Interest in Client Transactions.....</b>	<b>19</b>
Code of Ethics Description.....	19
Investment Recommendations Involving a Material Financial Interest and Conflict of Interest.....	19
Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest.....	19
Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest.....	20
<b>Item 12: Brokerage Practices.....</b>	<b>20</b>
Factors Used to Select Broker-Dealers for Client Transactions.....	20
Aggregating Securities Transactions for Client Accounts .....	24
<b>Item 13: Review of Accounts.....</b>	<b>24</b>
Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved .....	24
Review of Client Accounts on Non-Periodic Basis.....	25
Content of Client Provided Reports and Frequency .....	25
<b>Item 14: Client Referrals and Other Compensation.....</b>	<b>25</b>
Economic benefits provided to the Advisory Firm from External Sources and Conflicts of Interest.....	25
Advisory Firm Payments for Client Referrals .....	26
<b>Item 15: Custody.....</b>	<b>26</b>
Account Statements.....	26
<b>Item 16: Investment Discretion.....</b>	<b>27</b>
Discretionary Authority for Trading.....	27
<b>Item 17: Voting Client Securities.....</b>	<b>27</b>
Proxy Votes.....	27
<b>Item 18: Financial Information.....</b>	<b>27</b>
Balance Sheet.....	27
Financial Conditions Reasonably Likely to Impair Advisory Firm’s Ability to Meet Commitments to Clients.....	27
Bankruptcy Petitions during the Past Ten Years.....	27
<b>Brochure Supplement (Part 2B of Form ADV).....</b>	<b>29</b>
Supervised Person Brochure.....	29
Item 2 Educational Background and Business Experience .....	29
Item 4 Other Business Activities .....	29
Item 5 Additional Compensation .....	30
Item 6 Supervision.....	30

<b>Brochure Supplement (Part 2B of Form ADV)</b> .....	<b>32</b>
Supervised Person Brochure.....	32
Item 2 Educational Background and Business Experience .....	32
Item 3 Disciplinary Information.....	32
Item 4 Other Business Activities .....	32
Item 5 Additional Compensation .....	33
Item 6 Supervision.....	33
<b>Brochure Supplement (Part 2B of Form ADV)</b> .....	<b>35</b>
Supervised Person Brochure.....	35
Item 2 Educational Background and Business Experience .....	35
Item 3 Disciplinary Information.....	35
Item 4 Other Business Activities .....	36
Item 5 Additional Compensation .....	36
Item 6 Supervision.....	36

## **Item 4: Advisory Business**

---

### **Firm Description**

Kerr Financial Planning Corporation doing business as Kerr Wealth Management. Kerr Wealth Management is a Sub-Chapter S Corporation organized in the State of California.

The firm was formed in January 2014, and the principal owner is Andrew Kerr.

The firm surrendered its registration on May 18<sup>th</sup> of 2016 and re-registered in September of 2017.

---

### **Types of Advisory Services**

#### **Portfolio Management Services**

Kerr Wealth Management offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Kerr Wealth Management creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, time frame and risk tolerance levels) and then constructs an investment plan to aid in the selection of a portfolio that matches each client's specific situation. If a client utilizes financial planning services then an IPS is not required but may be requested based on the advisor's perception of client risk tolerance or personality towards market risk. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Regular portfolio monitoring
- Portfolio trade management and rebalancing.
- Individual security, stock, bond, ETF or mutual fund review, selection and or trading.

**An IPS is not created if a client completes a financial plan because a financial plan captures the required information to create an investment portfolio.**

Kerr Wealth Management evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client and the client provides such risk tolerance information which will be the basis for an investment portfolio management approach and overall risk tolerance. Portfolio allocations may fluctuate and Kerr Wealth Management and its advisor's may increase or decrease cash in a client's portfolio based on a forward view of the market. Increasing cash may reduce earnings potential, reducing cash may increase risk.

Kerr Wealth Management seeks to provide investment decisions that are made in accordance with the fiduciary duties owed to its accounts and without consideration of Kerr Wealth Management's economic, investment or other financial interests. To meet its

fiduciary obligations, Kerr Wealth Management attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Kerr Wealth Management's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is Kerr Wealth Management's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time. Kerr Wealth Management may use economic indicators or other material market factors when implementing (buying / selling). Not all client's will experience simultaneous buying or selling of their portfolio. Many factors effect a decision to buy or sell or implement a portfolio design. Kerr Wealth Management may use the same or similar stock in more than one client account. Kerr Wealth Management typically follows a handful of public companies therefore if suitable may recommend or purchase a stock, bond, ETF, mutual fund or CD or securities for more than one client. Kerr Wealth Management does not promise each client the same offer price but will do its best to purchase securities at a reasonable price given the timing, economic conditions and expectations of a stock.

Client portfolios are rebalanced on an as needed basis and are reviewed quarterly. Many factors can influence or dictate if a rebalance (buy / sell) is necessary. Factors may include, but are not limited to: economy, stock market conditions, investment advisor opinions, security information or company specific information. Depending on a clients investment policy or situation they may not get rebalanced at the same time as other clients. Clients may also get rebalanced at the same time.

Kerr Wealth Management and it's advisors may invest in securities, (ETF's, Mutual Funds, Stocks or Bonds) that client's may be invested in. From time to time Kerr Wealth Management and it's advisor's may rebalance their own portfolios before, during or after a client/s portfolios are rebalanced. This is not to create a disadvantage or advantage because we may treat ourselves and or advisor's portfolios as a client portfolio. This may create a conflict of interest as described in item 10 below.

### **Pension (ERISA) Consulting**

Kerr Wealth Management offers ongoing consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans) based on the demographics, goals, objectives, time horizon, and/or risk tolerance of the plan's participants. Kerr Wealth Management may act as either a 3(21) or 3(38) advisor:

**Limited Scope ERISA 3(21) Fiduciary.** Kerr Wealth Management typically acts as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor Kerr Wealth Management has a fiduciary duty to act in the best interest of the client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using Kerr Wealth Management can help the plan sponsor delegate liability by following a diligent process.

1. Fiduciary Services are:

- Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options.
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Kerr Wealth Management's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Kerr Wealth Management is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Kerr Wealth Management will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

Kerr Wealth Management may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Kerr Wealth Management and Client.

3. Kerr Wealth Management has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

1. Employer securities;

2. Real estate (except for real estate funds or publicly traded REITs);
3. Stock brokerage accounts or mutual fund windows;
4. Participant loans;
5. Non-publicly traded partnership interests;
6. Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
7. Other hard-to-value or illiquid securities or property.

**3(38) Investment Manager.** Kerr Wealth Management can also act as an ERISA 3(38) Investment Manager in which it has discretionary management and control of a given retirement plan's assets. Kerr Wealth Management would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

1. Fiduciary Services are:

- Kerr Wealth Management has discretionary authority and will make the final decision regarding the initial selection, retention, removal and addition of investment options in accordance with the Plan's investment policies and objectives.
- Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan.
- Provide discretionary investment advice to the Client with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Kerr Wealth Management's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Kerr Wealth Management is not providing fiduciary advice as defined by ERISA to the Plan participants. Kerr Wealth Management will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.



- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

Kerr Wealth Management may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Kerr Wealth Management and Client.

3. Kerr Wealth Management has no responsibility to provide services related to the following types of assets ("Excluded Assets"):
  - a. Employer securities;
  - b. Real estate (except for real estate funds or publicly traded REITs);
  - c. Stock brokerage accounts or mutual fund windows;
  - d. Participant loans;
  - e. Non-publicly traded partnership interests;
  - f. Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
  - g. Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to Kerr Wealth Management under this Agreement.

Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

**Cash Positions.** Depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), the Registrant may maintain cash and cash equivalent positions (such as money market funds, etc.) for defensive and liquidity purposes. Unless otherwise agreed in writing, all such cash positions are included as part of assets under management for purposes of calculating the Registrant's advisory fee. ANY QUESTIONS: The Registrant's Chief Compliance Officer, Andrew T. Kerr, remains available to address any questions that a client or prospective may have regarding the above fee billing practice.

### **Financial Planning**

Kerr Wealth Management offers the following financial planning services:

#### **Full Written Financial Plans:**

- Comprehensive Financial Plans (Goal Based & Cash Based)

**Limited Scope Services:**

- Cash Flow Analysis (cash flow may refer to a variety of scenarios including, but not limited to: real estate, rental income, business income, household income and social security)
- Portfolio Review, Evaluation & Recommendations – This includes assets not held with the firm (held away) and or assets held through a client's 401k, 403b or qualified plan.
- Limited Tax Planning – involves a CPA. We do not provide tax advice. The firm assists clients in maximizing contributions to retirement accounts and understanding potential tax liability.
- Business Consulting (provided as a one time or on-going service for an on-going fee)
- Personal Consulting (provided as a one time or on-going service for an on-going fee)
- Business Risk Management
- Retirement Planning
- Insurance Planning
- Education Planning
- Medi-Cal Planning
- Special Needs
- Divorce Planning – assist clients in splitting assets, re-titling assets, consulting with attorney, tax professional and financial planning post marriage.
- Cash value and annuity review services \*The firm does not sell cash value life insurance or annuity products.
- Inheritance Planning.
- Estate Planning – The firm does not provide legal advice. Estate planning involves understanding the various types of trusts available as well as potential estate tax, inheritance tax and other estate costs.
- Self-Directed IRA planning – the firm and its advisors provide cash flow plans and assist clients in reviewing the feasibility and financial scenarios associated with an alternative self-directed asset already chosen by the client. The firm and its advisors do not solicit self-directed alternative assets and it is the clients sole responsibility to identify a self-directed asset such as real estate or private investments. The firm and its advisor's can open self-directed IRA accounts and manage traditional assets inside of the self-directed IRA. Traditional assets refer to (stocks, bonds, mutual funds, ETF's, CD's and cash). We do not manage nontraditional custodial assets inside of a self-directed IRA and we do not recommend alternative assets or self directed assets to clients. It is the client's sole responsibility to locate an alternative asset to place inside of their self-directed IRA. It is the client's responsibility to understand IRS rules relating to prohibited transactions.

**In offering financial planning, a conflict exists between the interests of the investment adviser and the interests of the client because recommendations may**

**result in additional services which will result in additional compensation to the advisory firm.**

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 affect the transaction through the investment adviser.

---

#### **Client Tailored Services and Client Imposed Restrictions**

Kerr Wealth Management will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by Kerr Wealth Management on behalf of the client. Kerr Wealth Management may use model portfolios or custom designed portfolios together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may or may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

Agreements may not be assigned without written client consent.

---

#### **Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees.

Kerr Wealth Management does not participate in any wrap fee programs.

---

#### **Client Assets under Management**

The following represents Kerr Wealth Management client's assets under management, by account type as of April 29, 2025:

<i><b>Type of Account</b></i>	<i><b>Assets Under Management</b></i>
<i><b>Discretionary</b></i>	\$110,086,083
<i><b>Non-Discretionary</b></i>	\$0.00
<i><b>Total</b></i>	\$110,086,083

---

### **Item 5: Fees and Compensation**

---

#### **Method of Compensation and Fee Schedule**

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

Fees are negotiable and based on potential scope of work.

#### **Asset-Based Fees for Individual Portfolio Management**

<i><b>Asset Based Fee (AUM) Fee</b></i>
<i><b>.50 -3.0%- Negotiable</b></i>

Kerr Wealth Management offers discretionary direct asset management services to advisory clients. Kerr Wealth Management charges an annual fee of no more than 3% based on total

assets under management.

The annual fee is negotiable based on upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with clients, etc).

Fees are billed monthly in arrears. Kerr Wealth Management uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based. Kerr Wealth Management utilizes a third party software provider to manage billing. From time to time fee's billed are reviewed to insure accuracy. Kerr Wealth Management will correct fee discrepancies as soon as they are discovered. Discrepancies are usually resolved within 30 days unless there is an unforeseen circumstance preventing us from making a correction and or refund within 30 days. Clients may also pay via check, credit card or cash.

Before engaging the Registrant to provide investment advisory services, clients are required to enter into a Discretionary Investment Advisory Agreement, setting forth the terms and conditions of the engagement (including termination), which describes the fees and services to be provided.

Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After five (5) business days, the Client may cancel by providing written notice to Kerr Wealth Management and Kerr Wealth Management may terminate advisory services with thirty (30) days written notice to the Client. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

Registrant, in its sole discretion, may charge a lesser investment advisory fee than shown above and/or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, prior fee schedules, competition, negotiations with client, etc.). Please Note: As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. ANY QUESTIONS: Registrant's Chief Compliance Officer, Andrew T. Kerr remains available to address any questions that a client or prospective client may have regarding advisory fees.

### **Held Away Assets**

Kerr Wealth Management provides advice for held away accounts. A fee for this service will be negotiated between client and advisor and can range from a fixed fee to a percentage of assets under management. Fees will be billed at the end of the month. (In arrears) A report will be generated with recommendations and provided to the client.

### **New Account Processing Fee**

**A processing fee of \$45 per application will apply to all accounts regardless of account type.** Additional setup fees (\$45) for existing client's opening new accounts will also apply. This fee covers the cost of administrative labor.

Clients may terminate the agreement without penalty for a full refund of Kerr Wealth Management's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract with 30 days' written notice.

### **Other Administrative Fees**

An administrative fee will apply when a client requests assistance with completing or reviewing documents other than Kerr Wealth Management's custodian documents and agreements. The administrative charge is \$45 per document. This fee may change with or without notice in the future. Changes would likely reflect a cost of inflation, taxes and wages adjustment as it relates to operating costs at Kerr Wealth Management.

### **529 Plans**

The firm does not charge AUM fees for 529 plans. The firm charges an annual fixed advisory fee of \$250.00 for portfolio design, consultation and documentation.

### **Pension (ERISA / 401K) Plan Design and Asset Management Service Fees**

The annual fees are based on the market value and included assets and will not exceed 2.5%. All fees are negotiable. A processing fee of \$45 per application for all ERISA plan applications will apply. This fee can be paid for out of each participants account or paid by the plan sponsor outside of the plan. ERISA plan setup fees are based on potential scope of work and billed hourly. A good faith estimate will be provided. Asset based fees are charged monthly in arrears based on the assets as calculated by the custodian or record keeper of the included assets (without adjustments for anticipated withdrawals by plan participants or other anticipated or scheduled transfers or distribution of assets) on the last business day of the previous month. If the services to be provided start any time other than the first day of a month, the fee will be prorated based on the number of days remaining in the month. If this Agreement is terminated prior to the end of the fee period, Kerr Wealth Management shall be entitled to a prorated fee based on the number of days during the fee period services were provided.

The compensation of Kerr Wealth Management for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees

deducted from Plan Assets. Kerr Wealth Management does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Kerr Wealth Management will disclose this compensation, the services rendered, and the payer of compensation. Kerr Wealth Management will offset the compensation against the fees agreed upon under this Agreement.

### **Financial Planning Fees**

Clients may terminate the agreement without penalty for a full refund of Kerr Wealth Management's fees within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice with any unearned, prepaid refunded to the client or any unpaid, earned fees due to Kerr Wealth Management.

**Hourly fee for financial planning and consulting is: \$150 per hour**

**Hourly fee for mediation or attorney requested expert financial services: \$450 per hour.**

**Fixed Fees for financial planning and consulting is: Minimum: \$175 – Maximum \$25,000 (negotiable)**

Fees are billed upon completion of a plan. Clients are welcome to pay in advance but not more than 50% of the estimated amount. Fixed fee's are based on scope of work and an estimate is provided prior to providing any work.

Fees for all services provided are subject to change based upon market demands, operating expenses and other business considerations. Clients may elect to have fees paid from their portfolio. If a fee is deducted from portfolio assets Kerr Wealth Management will generate an invoice receipt for the client.

### **Retirement Plan Service Fees**

Our standard rate for retirement plan services are \$150 per hour. Some projects are priced based on scope of work and will be assigned a flat negotiated amount between the client and advisor. Other processing fees may apply. Processing fees range from \$10 to \$100. Please refer to your agreement with your administrator. A per application fee of \$25 also apply to each plan participant.

---

## **Client Payment of Fees**

### **Payment of Asset-Based Portfolio Management Fees**

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a monthly basis. Fees are paid in advance.

### **Payment of Maintenance and Setup Fees**

These are fixed fees that are to be billed to the clients directly or from assets under management. Maintenance fees are billed each month in advance along with the asset based fees. Setup fees are due in advance to pay for the cost of setup and administration.

### **Payment of Asset-Based Pension Consulting Fees**

Asset-based pension consulting fees can be withdrawn directly from the client's accounts with client's written authorization on a monthly basis or outside of plan assets. Fees are paid in arrears.

### **Payment of Financial Planning Fees**

Fixed financial planning fees are paid via check, debit, credit card or out of client's assets under management at the rate of 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

### **Documentation & Account Setup Fees**

All individual investment and retirement account applications will be billed a fee not to exceed 1% of the assets under management should a client request to pay fees from assets. This fee covers the cost of administration and account setup. All employer sponsored pension plan participants will be billed a fee not to exceed 1% of assets under management. This fee covers the cost of administration and account setup.

---

### **Additional Client Fees Charged**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Kerr Wealth Management. Please see Item 12 of this brochure regarding broker-dealer/custodian.

---

### **Prepayment of Client Fees**

Kerr Wealth Management collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

---

### **External Compensation for the Sale of Securities to Clients**

Neither Kerr Wealth Management nor any of its affiliated persons receive any external compensation for the sale of securities to advisory clients.

---

## **Item 6: Performance-Based Fees and Side-by-Side Management**

---

### **Sharing of Capital Gains**

Kerr Wealth Management does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

---

## **Item 7: Types of Clients**

---

### **Description**

Kerr Wealth Management generally provides advisory services to the following types of clients:

- ❖ Individuals
  - ❖ Business Owners
  - ❖ High-Net-Worth Individuals
  - ❖ Charitable Organizations
  - ❖ Corporations or Business Entities
- 

### **Account Minimums**

There is no account minimum for any of Kerr Wealth Management's services.

---

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

---

## **Methods of Analysis and Investment Strategy**

- A. Registrant's Methods of Securities Analysis: Registrant analyzes historical asset class performance and applies modern portfolio asset allocation techniques to customized client portfolios. Its security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general economic and market and financial information, due diligence reviews, and specific investment analyses that clients may request. Registrant also draws upon investment information, certain analyses and data research to provide investment advisory services. Registrant's selection of asset classes is driven by research into global asset classes, economic data, fund company data, various industry sources and view of the economic environment.
- B. Registrant's Investment Strategies: Registrant's investment approach is based on the belief that markets are "efficient," meaning, that the market of buyers and sellers tends to price an asset quickly and fairly, based on the currently "known" information. Investor portfolios should be determined principally by asset allocation decisions and may include various individual stocks, bonds or other securities to accomplish asset allocation. Registrant does not forecast business cycles or interest rates. There are no strategies for automatically shifting allocations among stocks, bonds, and cash. Registrant's strategy for each position is designed to capture the return behavior of an entire asset class. Generally, Registrant's investment selections involve non-actively managed, asset class ETF's or mutual funds and individually selected stocks or other individual securities. Registrant believes that these assets are most likely to deliver asset class returns and have the added benefit of low internal costs. Occasionally, Registrant will include mutual funds managed on a non-passive basis.
- C. Registrant primarily allocates from asset classes such as Large U.S. Stocks, Small U.S. Value Stocks, Short-Term Bonds, and International Stocks. Such classes may be an EFT, Mutual Fund or individual stock or bond. Each asset class has its own risk and return characteristics. By allocating investments among the several asset classes, Registrant seeks to reduce the overall volatility of a portfolio and enhance returns. The asset classes selected and the percentage weighting given each class profoundly affect the overall volatility and expected return of a portfolio. Registrant seeks to determine efficient weightings for each client's portfolio in order to maximize the probability of achieving the client's long-term objectives while minimizing short-term risk. The registrant also adheres to client requests which may require the selection of a security not chosen by the registrant.
- D. Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s). Investing in securities involves risk of loss that clients should be prepared to bear. The registrant's at Kerr Wealth Management make no promise, guarantee or warranty of any investment performance whether good or bad.

### ***Methods of Analysis***

Kerr Wealth Management's methods of analysis may include fundamental analysis, technical analysis and modern portfolio theory (MPT). Kerr Wealth Management and it's advisor's use stocks, bonds, mutual funds, money market, cash, REITS and ETF's. Kerr Wealth Management



and it's advisors may use one or all of the following methods when managing client portfolios and may use one, some or all of the various securities mentioned.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Multifactor Strategy** is a theory used to target specific behavior within a broad range of asset classes including, value, momentum, minimum volatility, size and quality.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

**Technical Analysis** is a process that involves using charts, historical performance data, PE and EPS ratios, averages, trends and all relevant information.

### ***Investment Strategies***

Kerr Wealth Management uses short term, long term trading and options trading (including covered options, uncovered options, or spreading strategies).

---

## **Investment Strategy and Method of Analysis Material Risks**

### ***Methods of Analysis***

**Strategic Models** – uses a variety of ETF's, mutual funds and or stocks or a combination of all three or a combination of just one type of security with an objective of creating a diversified portfolio tailored to a client's particular risk profile. Strategic models can have all equities or all fixed income or a blend of both equity and fixed income. Models do not guarantee a safer investment, a return or the risk of loss of principal.

**Active Management** – is the process of selecting and managing individual securities i.e. stocks, bonds, ETF's or mutual funds. Kerr Wealth Management will actively with discretion design, trade (buy / sell) securities on behalf of the client.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Multifactor Strategy** concentrates on factors in attempt to improve portfolio allocation, reduce cost by taking a passive approach and take advantage of various strategies. We use mutual funds and ETFs from various fund companies to implement a multifactor strategy. Multifactors or single factor ETF's or Mutual Funds typically act as a replacement or addition to a portfolio to add a layer of asset class and style diversification.

**Modern Portfolio Theory** assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### ***Investment Strategies***

Kerr Wealth Management's use of options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

**Short term trading** is designed to capture short term market opportunities but does involve greater timing risk or potential risk of incorrect judgement. Other risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Options transactions** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options. The methods mentioned above does not imply that we always use all methods at one time or that we always use a particular method.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

---

### **Security Specific Material Risks**

Kerr Wealth Management's use of options trading generally holds greater risk of capital loss. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature. Mutual fund recommendations consider cost, performance, fund manager, holdings, risk and many other factors. Cost is considered compared to performance or expected performance. Passive index funds may have lower cost than an actively managed fund with lesser positive performance. Cheaper funds may be available.

**Equity:** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed Income:** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa.

This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

ETF recommendations consider cost, performance, fund manager, holdings, risk and many other factors. Cost is considered compared to performance or expected performance. Passive index funds may have lower cost than an actively managed fund with lesser positive performance. Cheaper funds may be available.

**Real Estate:** Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities:** Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do. From time to time Kerr Wealth Management may advise a client to terminate an annuity if it is determined that the client is not getting the performance results they need or thought they would receive. It may also be determined that surrendering an annuity may be beneficial for an investor if their needs have changed or they find a more cost effective alternative with the potential for greater returns. Clients are never guaranteed greater returns. Surrendering an annuity may or may not result in surrender penalty fees that can cause principal loss. It is up to the client to make a final decision about their annuity and said client acknowledges they may or may not lose money by surrendering their annuity. Kerr Wealth Management may advise client’s on annuity purchases and those purchases generate a commission to Kerr Insurance Brokers, Inc. This is a conflict of interest. Kerr Wealth Management does not charge asset management fees to oversee annuities.

Such annuities advised may be fixed immediate annuities or fixed index annuities.

**Fee Only Annuities:** Kerr Wealth Management uses Charles Schwab and Company Custodian to access and provide annuities via insurance company partners for clients in need of variable annuity products. These products do not pay a commission like fixed or indexed annuities to our affiliate Kerr Insurance; rather Kerr Wealth Management charges a standard fee-only fee just like a traditional brokerage account. Kerr Wealth Management is not compensated by an insurance company or Charles Schwab for recommending such products. Our normal fee schedule applies. Kerr Wealth Management is responsible for the investment fund choices and rebalancing of variable annuities.

**Options:** Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk. Kerr Wealth Management and its advisors do not recommend options but may accept an option contract request as an unsolicited client request and the client is responsible for completing suitability paperwork and acknowledges the extreme risk associated with options investing including the potential to lose all of their potential value and beyond.

**Penny Stocks:** A penny stock typically refers to the stock of a small company that trades for less than \$5 per share. Though some penny stocks trade on large exchanges such as the New York Stock Exchange (NYSE), most trade via over-the-counter (OTC) transactions through the electronic OTC Bulletin Board (OTCBB) or through the privately-owned OTC Markets Group. There is no trading floor for OTC transactions. Quotations are also all done electronically. Kerr Wealth Management and its advisors do not recommend penny stocks but may accept a penny stock as an unsolicited client request and the client is responsible for completing suitability paperwork and acknowledges the extreme risk associated with penny stock investing including the potential to lose all of their potential value.

**SPAC:** A special purpose acquisition company (SPAC) is a company with no commercial operations that is formed strictly to raise capital through an [initial public offering \(IPO\)](#) for the purpose of acquiring an existing company. Also known as "[blank check companies](#)," SPACs have specific risks and in particular they can be hard to value. SPACs carry market risk including the risk to lose principal value or all principal value.

**IPO:** An initial public offering refers to the process of offering shares of a private corporation to the public in a new stock issuance. Kerr Wealth Management and its advisors do not recommend IPO's or have access to IPO's. We may however recommend a newly traded stock to clients the day following IPO or the moment it becomes available to the general investing public after it is considered an IPO. IPO companies can demonstrate extreme volatility during the first hours or days of it being traded post IPO and can go up or down in value.

**Crypto Currency (Funds, Wallets, and Cryptocurrency related securities):** Crypto Currency may be part of a recommendation and or a review process. Cryptocurrency is subject to

EXTREME VOLITILITY, and investors are subject to complete loss in a rapid fashion. Volatility is both up and down. Whether it be an ETF, Mutual Fund, Wallet or other cryptocurrency related security such recommendations propose risk including loss of principal. Cryptocurrency investments or related investments are not for everyone and may be more appropriate for a higher risk tolerant investor.

**Past performance is not indicative of future results. Investing in any investment and securities mentioned above involves a risk of loss that you, as a client, should be prepared to bear, including 100% of your principal value.**

## **Item 9: Disciplinary Information**

---

### **Criminal or Civil Actions**

The firm and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

The firm and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

The firm and its management have not been involved in legal or disciplinary events related to past or present investment clients.

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

---

### **Broker-Dealer or Representative Registration**

Kerr Wealth Management is not directly affiliated with any Broker Dealers.

### **Futures or Commodity Registration**

Neither the firm nor its employees are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

#### **General Conflicts of Interest Disclosure**

**Virtually all recommendations that result in compensation to Kerr Wealth or it's advisors are a conflict of interest because recommendations may result in compensation. Nothing is free of conflict.** In general - almost any fee charged by Kerr Wealth Management can be and should be considered a conflict of interest. Recommendations are a conflict of interest because we charge a fee for doing so. Further, any service for a fee can be and should be considered a conflict of interest because virtually all services provided by Kerr Wealth Management may be provided at a cheaper price elsewhere. Investment recommendations do not guarantee a positive return and investors can lose principal and may see their principal values fluctuate due to market conditions.

**The following recommendations present a conflict. This does not include all possible recommendations. If a recommendation is not listed below in the general list of general services; you acknowledge that whatever advice or service rendered is and should be considered a conflict of interest. i.e. all of our advice and services create a conflict of interest.**

Rollover recommendations, held away account charges, annuity surrender, annuity purchases, life insurance surrender, asset management, opening an account with one of our custodians,

insurance recommendations, tax recommendations, insurance recommendations, administrative recommendations, planning recommendations, 529 recommendations, investment management recommendations, custodian recommendations, broker dealer recommendations, transfer recommendations, estate recommendations, pension recommendations, fund recommendations, security recommendations, 401k administrator recommendation, general investment advice, Kerr Wealth Management and its advisors use of similar or exact securities (Stocks, ETF's, Mutual Funds, Bonds etc), paying for any service provided by Kerr Wealth Management that may be cheaper from another provider. Kerr Wealth Management may also refer clients to its affiliate Kerr Payroll Solutions, LLC for tax return services. Additional revenue is generated and this is a conflict of interest.

Andrew Thomas Kerr and Thomas Chandler are licensed insurance agents with Kerr Insurance Brokers, Inc., and from time to time will offer clients advice or products from those activities. Products include term life insurance, annuities; health related insurance or commercial property and casualty insurance. Clients should be aware that these services pay a commission to Kerr Insurance Brokers, Inc. or other compensation and involve a conflict of interest. Commissionable products conflict with the fiduciary duties of a registered investment adviser. Kerr Wealth Management always acts in the best interest of the client; including the recommendation of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of Kerr Wealth Management in connection with such individual's activities outside of Kerr Wealth Management. Should a client choose to voluntarily use insurance services of Kerr Insurance Brokers, Inc. that are not part of an advisors recommendation, Kerr Wealth Management and its advisors are not considered to be providing advice as this would be a voluntary request by a client. In general an insurance product or solution is recommended when a client is under or over insured for a period of time or amount. Kerr Insurance Brokers, Inc. is a separately owned entity by Andrew Kerr, owner of Kerr Wealth Management and any activity at Kerr Insurance Brokers, inc. that does not involve a Kerr Wealth Management client or should a Kerr Wealth Management client contact Kerr Insurance Brokers, Inc. and purchase any products or services of Kerr Insurance Brokers, Inc. without Kerr Wealth Management and its advisors knowing is not a conflict. Andrew Thomas Kerr also owns Kerr Payroll Solutions, LLC. Kerr Payroll provides retirement administration services, bookkeeping, tax services and payroll services. It is a conflict if a recommendation for such services are made as Kerr Payroll would be compensated additional fees which would indirectly benefit Andrew Thomas Kerr. This brochure constitutes as our disclosure.

### **Retirement Consulting Services**

Kerr Wealth Management provides qualified plan advice, establishes participant accounts through its custodian (Charles Schwab) provides advice to participants and plan sponsors and manages assets on a discretionary basis 3(38) or non discretionary 3(21) basis. Kerr Wealth Management manages assets for qualified plans, pension plans, SIMPLE Plans and SEP IRA's.

### **Rollover and Transfer Recommendations**

It is as conflict of interest if an advisor of Kerr Wealth Management recommends rolling over a retirement account from a 401(k), 403(b) or other qualified plan because it will result in additional fee compensation to Kerr Wealth Management. This is a conflict of interest whether or not a client has existing assets with our firm.

It is a conflict of interest if Kerr Wealth Management provides financial planning advice and also

recommends transferring investment accounts, retirement accounts, 529 accounts, HSA accounts or when a Kerr Wealth Management recommends the use of insurance services or plan administrative services to a new or existing client. This is a conflict because it will result in additional fee compensation or compensation to Kerr Insurance Brokers, Inc. If a financial planning client voluntarily requests to transfer, rollover or purchase insurance products through Kerr Insurance Brokers, Inc. and it is not solicited or advised by Kerr Wealth Management it still creates a conflict of interest. This creates a conflict of interest because additional compensation or fees are earned which are separate to and in addition to financial planning fees.

All material conflicts of interest under California Code of Regulations Section 260.238(k) are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

---

### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

Kerr Wealth Management does not solicit the services of third party money manager/ advisors to manage client accounts. Kerr Wealth Management does not use any third party to manage client assets. Third party does not refer to investment companies such as a mutual fund or ETF investment company.

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

---

### **Code of Ethics Description**

Kerr Wealth Management has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Kerr Wealth Management's Code of Ethics is available free upon request to any client or prospective client.

---

### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

Kerr Wealth Management and its employees do not recommend to clients securities in which we have a material financial interest. Material financial interest means we are part of a publicly traded companies board of directors, executive branch or direct ownership. Material financial interest does not refer to the ownership of actual publicly traded stocks.

---

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

From time to time, Kerr Wealth Management and representatives of Kerr Wealth Management may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for Kerr Wealth Management and representatives of Kerr Wealth Management to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Kerr Wealth Management will always document any transactions that could be construed as conflicts of interest and will never engage in trading

that operates to the client's disadvantage when similar securities are being bought or sold. Kerr Wealth Management and its advisors may manage their own accounts as client accounts. (i.e. an advisor of the firm is also a client of the firm and has his or her own investment goals, objectives, interests or method to investing for their future.)

---

**Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

From time to time, Kerr Wealth Management and representatives of Kerr Wealth Management may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for Kerr Wealth Management and representatives of Kerr Wealth Management to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Kerr Wealth Management will never engage in trading that operates to the client's disadvantage if representatives of Kerr Wealth Management buy or sell securities at or around the same time as clients.

---

**Item 12: Brokerage Practices**

---

**Factors Used to Select Broker-Dealers for Client Transactions**

Kerr Wealth Management will recommend clients to TD Ameritrade or Equity Trust Company. The client and advisor will discuss which custodian is most appropriate based upon client goals. Trade fees and other custodial fees may vary but are comparable between the two custodians. Kerr Wealth Management is not responsible for such custodian fees and do not share in any custodial fees under any circumstance.

*1. Research and Other Soft-Dollar Benefits*

The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by Kerr Wealth Management from or through a broker-dealer in exchange for directing client transactions to the broker-dealer. As permitted by Section 28(e) of the Securities Exchange Act of 1934, Kerr Wealth Management does not receive economic benefits as a result of commissions generated from securities transactions by the broker-dealer from the accounts of Kerr Wealth Management.

*2. Brokerage for Client Referrals*

Kerr Wealth Management receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party. Investment advisors who manage or supervise client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.

*3. Clients Directing Which Broker/Dealer/Custodian to Use*

Kerr Wealth Management does not allow clients to direct brokerage.



## **The Custodian and Brokers We Use**

### **Kerr Wealth Management uses Charles Schwab as an investment custodian.**

Charles Schwab is a traditional investment custodian / banking custodian. Charles Schwab may provide banking services in addition to custodian services for Kerr Wealth Management client's. Banking services may include check writing, debit cards and various types of lending including margin. Charles Schwab custodies various securities for our clients including, but not limited to: stocks, bonds, ETF's, Mutual funds, REITS, CD's, Options and other assets. Kerr Wealth Management will direct, manage or purchase various investment types on behalf of our clients on a discretionary basis. Kerr Wealth Management will bill clients from their accounts directly at Charles Schwab.

Kerr Wealth Management does not maintain custody of your assets [that we manage/on which we advise], although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We [recommend/ request/require] that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when [we/you] instruct them to. While we [recommend/request/require] that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client referrals and other compensation). You should consider these conflicts of interest when selecting your custodian. We do not open the account for you, although we may assist you in doing so. [If you do not wish to place your assets with Schwab, then we cannot manage your account.] [Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor.] Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

### **How We Select Brokers/ Custodians**

We [select/recommend/use] Schwab, a custodian/broker, to hold your assets and execute transactions.

When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades ( buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks,
- bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in

- making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

## **Your Brokerage and Custody Costs**

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, mutual funds and ETFs) do not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. [For some accounts, Schwab charges you a percentage of the dollar amount of assets in the account in lieu of commissions.] [Schwab’s commission rates [and] asset-based fees] applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$ of their assets in accounts at Schwab.] This commitment benefits you because the overall [commission rates [and] asset-based fees] you pay are lower than they would be otherwise. In addition to [commissions [and] asset-based fees], Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited

(settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). By using another broker or dealer you may pay lower transaction costs.

## **Products and Services Available to Us From Schwab**

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us.

They provide our clients and us with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services.

Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services:

**Services that benefit you:**

Schwab's institutional brokerage services include access to a broad range

of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account. Services that do not directly benefit you. Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide pricing and other market data • facilitate payment of our fees from our clients' accounts
- assist with back-office functions, recordkeeping, and client reporting Services that generally benefit only us. Schwab also offers other services intended to help us manage and further develop our business enterprise.

**These services include:**

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and compliance related needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. [Schwab also provides us with other benefits, such as occasional business entertainment of our personnel.] If you did not maintain your account with Schwab, we would be required to pay for those services from our own resources.

**Our interest in Schwab's services:**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. Schwab has also agreed to pay for certain technology, research, marketing, and compliance consulting products and services on our behalf [once the value of our clients' assets in accounts at Schwab reaches certain thresholds].

[These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody.] The fact that we receive these benefits from Schwab

is an incentive for us to [recommend/request/ require] the use of Schwab rather than making such

a decision based exclusively on your interest in receiving the best value in custody services and the

most favorable execution of your transactions. This is a conflict of interest. [In some cases, the services

that Schwab pays for are provided by affiliate of ours or by another party that has some pecuniary, financial or other interests in us (or in which we have such an interest). This creates an additional conflict of interest.] We believe, however, that taken in the aggregate our [selection/recommendation] of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/custodians") and not Schwab's services that benefit only us.

For the purpose of clarity – Charles Schwab will pay for Kerr Wealth Management's software, marketing and research platform fees or any other fees that they deem are part of our operation for the first 12 months of our relationship with Charles Schwab. This was not part of our decision to choose to work with Charles Schwab and was offered to us after we agreed to work with Charles Schwab. Charles Schwab is buying out TD Ameritrade which led us to make the transition. Charles Schwab does not compensate Kerr Wealth Management or any of its advisors for using its services and Kerr Wealth Management and its advisors do not receive compensation via commission for making trades and there is no revenue sharing agreement and there will not be a revenue share agreement on file between Charles Schwab and Kerr Wealth Management.

---

**Aggregating Securities Transactions for Client Accounts**

Kerr Wealth Management is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other clients of Kerr Wealth Management. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

---

**Item 13: Review of Accounts**

---

**Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principal. All investment

supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.

B. The Registrant may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker- dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

All financial planning accounts are reviewed upon financial plan creation and plan delivery. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan. Should a client want periodic, regular reviews or financial advice there will be a separate hourly rate charged for such services.

---

#### **Review of Client Accounts on Non-Periodic Basis**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, Kerr Wealth Management's services will generally conclude upon delivery of the financial plan.

---

#### **Content of Client Provided Reports and Frequency**

Each client of Kerr Wealth Management's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, transactions and calculation of fees or fee total. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion or login access to our financial planning portal to review their plan.

---

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

---

#### **Economic benefits provided to the Advisory Firm from External Sources and Conflicts of Interest**

##### **Advice**

Kerr Wealth Management does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Kerr Wealth Management's clients.

##### **Custodial Support**

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain size. [In some cases, a recipient of such payments is an affiliate of ours or another party which has some pecuniary, financial or other interests in us (or in which we have such an interest).] You do not pay more for assets maintained at Schwab as a result of these

arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). For the purpose of clarity – Charles Schwab will pay for Kerr Wealth Management’s software, marketing and research platform fees or any other fees that they deem are part of our operation for the first 12 months of our relationship with Charles Schwab. This was not part of our decision to choose to work with Charles Schwab and was offered to us after we agreed to work with Charles Schwab. Charles Schwab is buying out TD Ameritrade which led us to make the transition. Charles Schwab does not compensate Kerr Wealth Management or any of its advisors for using its services and Kerr Wealth Management and its advisors do not receive compensation via commission for making trades and there is no revenue sharing agreement and there will not be a revenue share agreement on file between Charles Schwab and Kerr Wealth Management.

**The Registrant’s Chief Compliance Officer, Andrew T. Kerr, remains available to address any questions that a client or prospective client may have regarding the above arrangement.**

---

#### **Advisory Firm Payments for Client Referrals**

Kerr Wealth Management does not make any payments or compensate anyone for solicitation of our advisory services.

### **Item 15: Custody**

---

#### **Account Statements**

When advisory fees are deducted directly from client accounts at client's custodian, Kerr Wealth Management will be deemed to have limited custody of client's assets.

Kerr Wealth Management is also deemed to have limited custody due to its Third-Party Standing Letters of Authorization (“SLOA”).

Kerr Wealth Management and its qualified custodian meet the following seven (7) conditions in order to avoid maintaining full custody and be subject to the surprise exam requirement:

1. The Client provides an instruction to the qualified custodian, in writing, that includes the Client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed.
2. The Client authorizes Kerr Wealth Management, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The Client’s qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the Client’s authorization and provides a transfer of funds notice to the Client promptly after each transfer.
4. The Client has the ability to terminate or change the instruction to the Client’s qualified custodian.
5. Kerr Wealth Management has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the Client’s instruction.

6. Kerr Wealth Management maintains records showing that the third party is not a related party nor located at the same address as Kerr Wealth Management.
7. The Client's qualified custodian sends the Client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Schwab to deduct our advisory fees directly from your account [or if you grant us authority to move your money to another person's account]. Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them. [We also urge you to compare Schwab's account statements with the periodic [account statements/portfolio reports] you will receive from us.]

---

## **Item 16: Investment Discretion**

---

### **Discretionary Authority for Trading**

Kerr Wealth Management provides discretionary investment advisory services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Kerr Wealth Management generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

---

## **Item 17: Voting Client Securities**

---

### **Proxy Votes**

Kerr Wealth Management will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

---

## **Item 18: Financial Information**

---

### **Balance Sheet**

Kerr Wealth Management neither requires nor solicits prepayment of more than \$1200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

---

### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

Neither Kerr Wealth Management nor its management has any financial condition that is likely to reasonably impair Kerr Wealth Management's ability to meet contractual commitments to clients.

---

### **Bankruptcy Petitions during the Past Ten Years**

Kerr Wealth Management has not been the subject of a bankruptcy petition in the last ten years.

---