



KINGSWOOD

WRITTEN SUPERVISORY PROCEDURES

Kingswood Wealth Advisors, LLC

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1 GENERAL ADMINISTRATION

These Written Supervisory Procedures establish the supervisory, compliance, and control framework for Kingswood Wealth Advisors, LLC (“KWA”), a registered investment adviser. They are intended to be reasonably designed to prevent, detect, and address violations of the Advisers Act, applicable state law, and KWA’s fiduciary obligations while preserving sufficient flexibility for the firm to adapt controls as its business, personnel, technology, and risk profile evolve.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer	At least annually and as business or regulatory changes warrant	Updated manual versions, distribution notices, acknowledgements, amendment log

1.01 Purpose, Scope, and Guiding Principles

KWA maintains these WSPs as the central statement of its supervisory expectations, compliance standards, and escalation framework. The procedures apply to all supervised persons, including employees, investment adviser representatives, principals, and independent contractors operating under KWA’s advisory platform or otherwise subject to KWA’s supervision.

These procedures are principles-based rather than mechanical. They are designed to identify governing obligations, assign ownership, establish review expectations, and require documentation of supervisory activity without unnecessarily freezing the firm into inflexible steps that may become outdated as regulation, technology, and the business change. Whenever a situation is not addressed expressly in these WSPs, personnel are expected to escalate the matter to Compliance and to act consistently with KWA’s fiduciary duty, full and fair disclosure obligations, and the requirement to place client interests first.

1.02 Role of the Chief Compliance Officer

The Chief Compliance Officer (“CCO”) is responsible for administering the compliance program, coordinating supervisory reviews, monitoring regulatory developments, and recommending updates to these WSPs and related policies. The CCO has authority to obtain information from any supervised person, require corrective action, restrict activities pending review, and escalate material matters to senior management and counsel.

Although the CCO coordinates the compliance program, compliance is not the sole responsibility of the CCO. Supervisory responsibility resides with line supervisors, business leaders, and each supervised person in connection with the activities they conduct. Managers are expected to cooperate fully with Compliance, complete assigned reviews on a timely basis, and maintain evidence of supervisory activity reasonably sufficient to demonstrate that the applicable review occurred.

1.03 Use, Distribution, and Acknowledgement

Current versions of these WSPs, together with related policies such as the Code of Ethics, privacy and cybersecurity policies, and business continuity plan, will be made available to supervised persons through a controlled distribution method designated by the firm. Material updates may be circulated separately and incorporated into the next consolidated version of the manual.

All supervised persons must acknowledge receipt of these WSPs and any material amendments in the manner designated by KWA. Questions regarding interpretation or application must be directed to Compliance. No supervised person may rely on a personal interpretation of a rule or business practice where the issue presents client, regulatory, reputational, or conflict risk without first consulting Compliance.

1.04 Annual Review and Interim Amendments

KWA will review these WSPs at least annually and more frequently when warranted by regulatory developments, identified control gaps, examination findings, litigation trends, business expansion, new products or services, changes in vendor relationships, or the use of new technologies. The annual review may include testing, interviews, sampling, exception analysis, and review of incidents occurring during the period.

Interim guidance may be issued through memoranda, compliance bulletins, training materials, or targeted supervisory directives. Such interim guidance forms part of KWA's supervisory framework even if not immediately incorporated into the body of this manual. Compliance will maintain records sufficient to show the issuance of material guidance and the date on which changes became effective.

1.05 Escalation, Exceptions, and Documentation Standards

These WSPs require prompt escalation of complaints, trading issues, conflicts questions, cybersecurity incidents, valuation concerns, cash movement issues, books and records problems, and any suspected violation of law or policy. Escalation must occur early enough for KWA to investigate, preserve records, and determine whether client disclosures, remediation, or regulator contact may be required.

Exceptions to a policy or process may be granted only by persons with authority to do so, typically the CCO or senior management, and only where the exception is documented and consistent with client protection and applicable law. Personnel should assume that undocumented activity did not occur; accordingly, supervisory reviews, approvals, reconciliations, training completions, and remedial steps must be evidenced in a format maintained by the firm.

2 GOVERNANCE, ORGANIZATIONAL STRUCTURE, AND SUPERVISORY RESPONSIBILITY

KWA's governance framework is designed to allocate accountability clearly, avoid gaps in supervision, and support a culture in which compliance considerations are embedded in business decisions. The supervisory system is expected to reflect the size, complexity, and risk profile of the firm and to be revised as personnel, business lines, and technology change.

Primary Responsibility	Review Frequency	Typical Evidence
Senior Management and Chief Compliance Officer	Ongoing; formal review at least annually	Org chart, supervisory matrix, management meeting notes, escalation records

2.01 Organizational Structure and Reporting Lines

KWA will maintain an organizational structure that identifies principal business functions, reporting relationships, and the individuals responsible for compliance-sensitive activities. Changes in reporting lines, authority, or responsibility that materially affect supervision must be communicated promptly to Compliance so that supervisory assignments, approvals, and access rights can be updated.

Where the firm uses committees, working groups, or shared responsibility arrangements, KWA will identify the person or function with ultimate accountability. Group decision-making does not eliminate individual accountability. Ambiguity in supervisory ownership is itself a control weakness and should be corrected whenever identified.

2.02 Designation of Supervisors and Supervisory Coverage

Each supervised person will have a designated supervisor or supervisory chain appropriate to the activities performed. Supervisors must have sufficient knowledge of the representative's business, the authority to review and question activity, and the willingness to escalate concerns. KWA may use interim or alternate supervisory arrangements during vacations, leaves, conflicts situations, or organizational changes.

Supervisory coverage should account for remote work, branch or dispersed-office models, the use of shared support personnel, and the possibility that activity may occur through firm-approved systems outside a central office. Compliance will monitor supervisory assignments and may require changes where span of control, conflicts, or specialized activities indicate that additional oversight is warranted.

2.03 Authority Matrix and Reserved Matters

KWA may maintain an authority matrix identifying approvals reserved to senior management, the CCO, operations, or legal/compliance functions. Reserved matters may include material changes to Form ADV, approval of new products or services, hiring decisions involving disciplinary history, approval of outside business activities, material vendor engagements, and responses to regulators or examiners.

No supervised person may commit the firm to a material advisory, custody, technology, or marketing arrangement without the level of review designated by KWA. Where authority is delegated, the delegation must be understood by the relevant personnel and subject to monitoring so that activity remains within approved limits.

2.04 Management Meetings and Compliance Reporting

Compliance matters may be addressed through periodic management meetings, written reports, targeted issue memoranda, or other forums designated by the firm. Matters ordinarily reported include complaints, personal trading issues, gifts and entertainment exceptions, marketing approvals, cybersecurity events, vendor developments, examination activity, and the status of annual testing or remediation items.

The format of management reporting may vary depending on the size of the firm and the urgency of the issue. What is required is a process reasonably designed to bring material issues to the attention of decision-makers, track follow-up items, and document that the firm considered and addressed significant compliance concerns.

2.05 Tone from the Top and Culture of Compliance

KWA expects senior management to support a culture in which compliance is treated as an integral part of the advisory business rather than a separate administrative function. Supervisors should reinforce that the firm values prudent escalation, accurate recordkeeping, candor in disclosures, and early identification of risk.

Retaliation against a person who raises a good-faith compliance concern is prohibited. Supervisors may be subject to heightened review or discipline if they discourage escalation, override controls without authority, or fail to respond appropriately to red flags that come to their attention.

3 PERSONNEL, HIRING, REGISTRATION, AND TRAINING

KWA's personnel controls are intended to ensure that the firm associates only with individuals who possess appropriate integrity, qualifications, and capacity for the roles they will perform and that KWA maintains a supervisory framework proportionate to the risks posed by those individuals and activities.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer and designated supervisors	At onboarding and periodically thereafter	Background review file, registration records, training logs, attestations

3.01 Pre-Hire Due Diligence

Before associating with a prospective supervised person, KWA will conduct reasonable due diligence tailored to the role. Such diligence may include regulatory history review, reference checks, employment verification, review of disciplinary or civil matters, assessment of outside activities, and review of the candidate's proposed business model and client base.

Enhanced due diligence may be conducted where the candidate has disclosures, disciplinary history, high-volume production, prior complaints, a history of outside business activity, alternative investment experience, or a practice that may create unusual supervision burdens. KWA may decline to associate with a candidate where the firm concludes the supervisory burden, reputational risk, or client risk is not acceptable.

3.02 Licensing, Notice Filings, and State Registration Matters

KWA will maintain procedures reasonably designed to ensure that advisory personnel are properly registered, licensed, or notice filed where required and that jurisdictional changes are identified and addressed. Supervised persons must notify Compliance before relocating, soliciting clients in a new jurisdiction, changing legal name, or engaging in any activity that may affect registration status.

Because state requirements may change and may differ by activity, location, and client type, supervised persons must not assume that a move, travel pattern, remote work arrangement, or client relationship is permissible in a new jurisdiction without confirming the matter with Compliance. Records supporting registrations, withdrawals, and amendments will be maintained in accordance with the firm's books and records obligations.

3.03 Onboarding, Orientation, and Initial Certifications

Newly associated persons will complete onboarding steps designated by KWA, which may include execution of agreements, review of supervisory and compliance policies, completion of required forms and certifications, enrollment in approved technology and recordkeeping systems, and training on communications, privacy, cybersecurity, and Code of Ethics obligations.

No new supervised person should engage in client-facing advisory activity, access production systems beyond approved limits, or use the firm's name in communications until onboarding steps identified as mandatory have been completed or formally waived by an authorized person. Any temporary accommodation should be documented and monitored.

3.04 Ongoing Training and Continuing Education

KWA will provide periodic training on topics relevant to the firm's business and regulatory obligations, which may include fiduciary duty, conflicts, the Code of Ethics, cybersecurity, privacy, books and records, marketing rule compliance, personal trading, fee billing, cash movement controls, and current examination priorities. Training may be firmwide or targeted to specific roles, products, or incidents.

Completion of required training must be evidenced in a manner designated by the firm. Supervisors are expected to reinforce training themes in their oversight of personnel. Where incidents, testing results, or regulatory

developments indicate a need for additional training, KWA may require remedial or specialized instruction outside the normal training calendar.

3.05 Heightened Supervision and Special Conditions

KWA may impose heightened supervision on any supervised person where warranted by disciplinary history, complaint patterns, newness to the industry, transitions from another firm, unusual business practices, product concentration, outside activities, performance claims, personal trading issues, or other risk indicators. Heightened supervision may include pre-review of communications, closer account review, trade sampling, training, or restrictions on activity.

The existence of heightened supervision does not imply wrongdoing; it reflects the firm's obligation to calibrate supervision to risk. Heightened supervision arrangements should identify the risk being addressed, the tools to be used, the duration or review trigger, and the evidence expected to be retained. Compliance may modify, extend, or remove such conditions based on subsequent findings.

4 FIDUCIARY DUTY, CODE OF ETHICS, AND CONFLICTS OF INTEREST

KWA's fiduciary obligation under the Advisers Act is the foundation of its compliance program. The firm and its personnel must act in the best interest of clients, provide full and fair disclosure of material facts, seek to avoid conflicts where practicable, and never place the firm's or a representative's interests ahead of client interests without appropriate disclosure, consent, and controls.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer	Ongoing; Code administration and periodic certifications	Code acknowledgements, conflict disclosures, personal trading reports, gift logs

4.01 Code of Ethics Administration

KWA has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act. The Code governs standards of conduct, confidentiality, gifts and entertainment, personal trading, outside activities, whistleblower protections, and related matters. All supervised persons designated as access persons under the Code, which may include all personnel depending on role and access, must comply with applicable reporting, certification, and pre-clearance requirements.

Compliance is responsible for administering the Code, collecting acknowledgements and periodic reports, reviewing exceptions, and escalating apparent violations. Material Code issues may result in remedial training, disgorgement, trading restrictions, disciplinary action, or separation from the firm, depending on the facts and circumstances.

4.02 Identification and Management of Conflicts

KWA will maintain a process reasonably designed to identify, assess, disclose, and where appropriate mitigate or eliminate conflicts of interest arising from its advisory business. Conflicts may arise from compensation practices, affiliate relationships, outside business activities, allocation decisions, principal or cross trading issues, revenue-sharing arrangements, valuation judgments, and the use of vendors, solicitors, or technology.

A conflict need not involve misconduct to require review. Apparent conflicts, disclosure gaps, or practices that could reasonably cause a client to question the firm's objectivity should be escalated. Compliance may maintain a conflicts inventory or similar tool to support annual review, Form ADV drafting, and targeted testing.

4.03 Standards of Conduct and Fiduciary Expectations

Supervised persons must deal fairly with clients, communicate accurately and completely, and avoid any conduct that is fraudulent, deceptive, manipulative, coercive, or inconsistent with the duty of care or duty of loyalty. Recommendations, account management decisions, and communications must be grounded in a reasonable understanding of the client and the product, service, or strategy being discussed.

Personnel must not exploit access to client information, exploit stale pricing, favor one client unfairly over another, or use firm resources or opportunities for personal benefit in a manner that conflicts with client interests. When in doubt, the issue should be resolved in favor of the client or escalated to Compliance for guidance.

4.04 Gifts, Entertainment, and Business Courtesies

KWA permits only gifts, entertainment, and business courtesies that are reasonable, infrequent, lawful, not intended to influence business improperly, and consistent with fiduciary standards and the firm's Code of Ethics. Cash or cash equivalents are prohibited except as expressly permitted by policy. Thresholds, pre-approval, and reporting requirements may be established by Compliance and adjusted over time.

Supervisors and Compliance will review gifts and entertainment for patterns suggesting pay-to-play concerns, vendor influence, referral arrangements, or conflicts with objective client service. Personnel must report matters truthfully and should not split events or benefits artificially in order to avoid approval or reporting requirements.

4.05 Political Contributions and Pay-to-Play

To address Rule 206(4)-5 and related reputational risk, KWA requires pre-clearance or reporting of political contributions where required by firm policy and prohibits any contribution or solicitation activity intended to secure or retain advisory business from government entities in violation of law. Related fundraising, bundling, or solicitation activities may also require review.

Personnel should assume that political contribution issues can arise even where the contributor believes the amount is modest or unrelated to business development. Any proposed contribution, service on a campaign or transition team, or involvement with a political action committee that may implicate the firm's business should be escalated before action is taken.

4.06 Personal Trading, Restricted Lists, and MNPI

The firm's Code of Ethics governs personal securities transactions and is designed to reduce the risk of front-running, misuse of nonpublic information, favoritism, or other conflicts. KWA may impose pre-clearance requirements, blackout periods, holdings and transaction reporting, duplicate statement requirements, and restricted list controls as appropriate to the firm's business and access to information.

Supervised persons are prohibited from trading while in possession of material nonpublic information, tipping others, or attempting to evade controls through related accounts, family accounts, or accounts in which they have beneficial ownership or effective influence. Questions regarding reportability, beneficial ownership, or whether an account is covered by the Code must be directed to Compliance.

5 OUTSIDE BUSINESS ACTIVITIES, PRIVATE INVESTMENTS, AND RELATED RISKS

Outside business activities and external financial interests can create conflicts of time, loyalty, compensation, confidentiality, and supervision. KWA therefore requires disclosure and review of activities and relationships that could compete with, distract from, or otherwise affect the supervised person's responsibilities to clients and the firm.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer and designated supervisors	Pre-approval and periodic re-certification	OBA forms, approvals, annual certifications, monitoring notes

5.01 Disclosure and Approval of Outside Business Activities

Supervised persons must disclose and obtain approval for outside business activities, other employment, board service, compensated consulting, referral arrangements, real estate or insurance activities, trustee or executor roles with discretion, and any other activity designated by the firm. Approval may be conditioned, limited, or denied where the activity presents conflicts, client confusion, books and records issues, or unacceptable supervisory burden.

Approval is not permanent. Material changes in time commitment, compensation, business model, advertising, use of the firm's name, jurisdictions, or client overlap must be reported promptly and may require renewed review. Supervisors are expected to remain alert to signs that a representative is engaging in an undisclosed or altered outside activity.

5.02 Private Investments and Personal Deal Participation

Personal investments in private companies, private funds, digital asset ventures, real estate syndications, or other non-public opportunities may present conflicts with clients, valuation issues, solicitation concerns, or receipt of compensation from parties doing business with the firm. Such interests must be disclosed and, where required by policy, approved before participation.

KWA may restrict a supervised person from recommending, discussing, or servicing client activity involving an issuer or sponsor in which the person has a personal interest. Additional disclosures or recusals may be required where a personal investment could reasonably influence the person's advice or create an appearance of divided loyalty.

5.03 Use of the Firm's Name, Resources, and Affiliation

No outside activity may imply that KWA sponsors, endorses, supervises, guarantees, or participates in the activity unless expressly approved. Business cards, websites, social media profiles, email signatures, seminar materials, and marketing content must present affiliations accurately and must not blur the line between firm-approved activities and outside endeavors.

Firm systems, personnel, client lists, and confidential information may not be used for outside activities except as specifically authorized. KWA may require separate disclosures, disclaimers, or segregation of communications to prevent client confusion and to ensure records are maintained appropriately.

5.04 Monitoring and Periodic Re-Certification

KWA may require periodic re-certification of outside activities and related financial interests. Compliance and supervisors may compare disclosed activities against public information, advertising, websites, licenses, state filings, email domains, and other indicators to identify discrepancies or undisclosed business lines.

Where an activity appears inconsistent with the original approval or with actual practice, KWA may investigate, restrict activity pending review, or require remedial disclosures. Failure to disclose an outside activity truthfully or timely is itself a compliance matter regardless of whether the activity would have been approved if disclosed.

6 CLIENT ONBOARDING, KNOW-YOUR-CLIENT, AND ACCOUNT OPENING CONTROLS

KWA's client onboarding framework is intended to establish an adequate understanding of the client relationship, document the scope of the engagement, support suitability and fiduciary analysis, and reduce the risk of account fraud, identity issues, unauthorized transactions, or inconsistent account documentation.

Primary Responsibility	Review Frequency	Typical Evidence
Advisory personnel, Operations, and Compliance	At account opening and when facts materially change	Client profile records, agreements, authority documents, KYC updates

6.01 Client Identification and Foundational Information

Before or at the time an advisory relationship is established, KWA will obtain information reasonably necessary to identify the client, understand ownership and authority, and support the services to be provided. Required information may vary depending on whether the client is an individual, retirement account, trust, entity, or other arrangement and depending on the nature of the services, custody, and authority requested.

The firm may require additional documentation or delay activation of services where identity, authority, beneficial ownership, tax status, source of instructions, or account purpose is unclear. This section is intended to be consistent with prudent risk management and sanctions/OFAC screening expectations without implying that the firm undertakes obligations applicable only to a different regulatory regime unless otherwise adopted by the firm.

6.02 Investment Profile and Risk Tolerance Documentation

KWA will collect information reasonably sufficient to understand the client's financial circumstances, investment objectives, time horizon, liquidity needs, tax considerations, risk tolerance, experience, restrictions, and any other factors material to the advice or services to be provided. The depth of information collected should be appropriate to the scope of the engagement and the complexity of the proposed strategy.

If a client declines to provide information material to the advisory analysis, the representative must determine whether the engagement can proceed responsibly and whether additional limitations, disclosures, or documentation are required. Material inconsistencies in a client's profile should be resolved, not ignored, before advice is implemented.

6.03 Advisory Agreements and Authority Review

KWA will use approved advisory agreements or approved forms of engagement documentation that accurately describe the service model, compensation, termination rights, discretionary authority if any, and material terms of the relationship. No representative may alter fee terms, authority, or standard legal provisions without approval through channels designated by the firm.

The firm will review client authority documents, powers of attorney, trust instruments, corporate resolutions, or similar materials where needed to determine who may act for the account and what limits apply. Ambiguities regarding authority, especially around cash movement, digital signatures, standing instructions, and third-party requests, must be resolved before action is taken.

6.04 Risk-Based Escalation of Red Flags at Onboarding

KWA expects representatives and operations personnel to remain alert for onboarding red flags such as inconsistent signatures, unusual urgency, unexplained third-party involvement, account structures lacking a clear purpose, resistance to documentation, requests for unusual cash movements, senior investor vulnerability concerns, or account objectives inconsistent with the proposed strategy.

When red flags are identified, the matter should be escalated for additional diligence. Additional diligence may include contacting the client directly, obtaining supplementary documents, consulting Compliance, delaying account opening, or declining the relationship. The absence of a formal fraud finding does not prevent the firm from refusing an account where the facts present unacceptable risk.

7 DISCLOSURES, ADVISORY CONTRACTS, FORM ADV, AND CLIENT COMMUNICATIONS

KWA will provide clients and prospects with required disclosures in a manner reasonably designed to be timely, accurate, and understandable. Disclosure is not a substitute for sound conduct; however, the firm recognizes that full and fair disclosure of material facts is an essential component of its fiduciary duty and an important focus of regulatory examinations.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer with senior management input	As required; annual and interim review	Form ADV files, delivery evidence, approved agreements, disclosure logs

7.01 Form ADV Preparation, Review, and Updating

KWA will prepare, file, deliver, and amend Form ADV Parts 1 and 2, and any related schedules or brochures, as required. Compliance will coordinate a process for gathering business, ownership, disciplinary, fee, conflict, service, and custody information from relevant stakeholders so that filings reflect the firm's actual practices.

Because Form ADV is a public-facing disclosure document, changes in compensation arrangements, personnel, disciplinary matters, custodial authority, service models, affiliations, marketing practices, vendor relationships, disciplinary history, or conflicts must be communicated promptly to Compliance. Representatives may not rely on outdated disclosure language once they become aware that business practices have changed materially.

7.02 Client Brochure and Supplement Delivery

KWA will provide required brochure disclosures and updates to clients and prospective clients in the manner and at the times required by applicable law or firm policy. Delivery may be evidenced through electronic systems, acknowledgements, workflow records, custodial integration, or other records that reasonably demonstrate what was delivered and when.

Where the firm uses electronic delivery, the method should be reasonably designed to evidence delivery and provide clients a meaningful opportunity to access the information. Questions regarding consent, delivery failures, or whether a particular relationship requires a supplement should be escalated to Compliance.

7.03 Advisory Communications and Correspondence Standards

Client communications must be fair, balanced, not misleading, and consistent with the client's account profile and the firm's disclosures. Communications concerning strategy, performance, costs, conflicts, or service expectations should be reviewed in context and should not promise results, understate risk, or overstate the scope of the firm's monitoring or responsibility.

The level of pre-use review required may depend on the type of communication, its audience, and whether it is standardized or individualized. KWA may require principal or compliance approval of certain templates, presentations, market commentaries, or client letters and may conduct post-use surveillance of other communications.

7.04 Error Correction, Re-Disclosure, and Material Changes

When KWA identifies a disclosure error, inconsistent client communication, or practice that is not fully described in its governing documents, the issue must be reviewed promptly to determine whether client communication, corrective disclosure, billing correction, trading remediation, or regulatory consultation is appropriate. Timely identification and remediation are important supervisory objectives.

The firm may use revised agreements, client letters, updated Form ADV language, targeted notices, or other methods to correct prior disclosure gaps. The chosen approach should be reasonable in light of the scope of the issue, the number of affected clients, and whether the change concerns an ongoing practice or a historical event.

8 ADVICE STANDARDS, PORTFOLIO MANAGEMENT, AND ACCOUNT REVIEWS

KWA's advisory process is intended to support a reasonable basis for advice, continued alignment between services and client needs, and consistent treatment of similarly situated clients. The firm recognizes that the depth of ongoing monitoring may differ by service model, but it must be described accurately and supervised effectively.

Primary Responsibility	Review Frequency	Typical Evidence
Advisory personnel and designated supervisors	Periodic and event-driven	Review notes, CRM tasks, suitability documentation, supervisory signoff

8.01 Reasonable Basis for Advice

Before making a recommendation or implementing a strategy, KWA expects the representative to understand the client's objectives and the investment, strategy, or manager being recommended. Advice should be based on information reasonably available at the time and should reflect consideration of material risks, costs, liquidity constraints, tax considerations, and alternatives when relevant to the client's circumstances.

Representatives should not recommend products or strategies solely because they are familiar, compensated more favorably, easier to explain, or commonly used for other clients. Recommendations involving higher complexity, illiquidity, leverage, concentration, or reduced transparency warrant proportionately stronger analysis and documentation.

8.02 Model Management and Household Review Considerations

Where KWA uses models, approved lists, target allocations, or centralized guidance, the firm will maintain procedures reasonably designed to govern changes, exceptions, and the application of those tools to individual clients. A model does not remove the need to consider whether the recommendation is suitable and appropriate for the specific client relationship.

Where accounts are managed by household, strategy sleeve, or similar grouping, representatives should consider account-level and household-level objectives, restrictions, tax sensitivities, and concentration issues. The firm may require additional review when a client deviates materially from the recommended approach or when multiple accounts in a household are treated differently for a reason that is not apparent from the record.

8.03 Periodic Account Reviews and Monitoring

KWA will conduct account reviews consistent with the services promised to clients and the nature of the accounts involved. Reviews may be periodic, event-driven, or both and may address asset allocation, concentration, suitability drift, cash levels, liquidity events, beneficiary or authority updates, performance dispersion, and other matters relevant to the engagement.

A review process may be evidenced through system notes, meeting records, checklists, trading review documentation, supervisory signoff, CRM tasks, or other records designated by the firm. Supervisors are expected to ensure that account reviews are occurring in a manner consistent with KWA's stated service model and not merely as a formality.

8.04 Special Considerations for Seniors and Vulnerable Clients

Accounts involving seniors, diminished capacity concerns, beneficiaries in transition, recent widows or widowers, clients facing major health events, or clients under unusual third-party influence may require additional care. Representatives should use heightened sensitivity around changes in objectives, withdrawals, powers of attorney, unusual transfer requests, and the risk of financial exploitation.

KWA may require escalation, direct contact with the client, verification of trusted contact information, review of account restrictions, or consultation with legal counsel where exploitation concerns or capacity questions arise. Documentation should reflect the basis for actions taken and any protective steps considered or implemented.

9 TRADING, BEST EXECUTION, ALLOCATION, AND TRADE ERROR MANAGEMENT

Where KWA has trading authority or otherwise participates in execution-related decisions, it must seek best execution, treat clients fairly, and maintain controls around allocation, aggregation, conflict management, and post-trade review. The firm's approach should be appropriate to its business model, including whether trading is conducted by KWA, through third-party managers, or primarily at client direction.

Primary Responsibility	Review Frequency	Typical Evidence
Trading oversight function and Chief Compliance Officer	Periodic best execution review; immediate escalation of errors	Best execution reviews, blotters, allocation records, error log

9.01 Best Execution Review Framework

KWA will periodically evaluate whether clients are receiving execution quality reasonably consistent with the firm's duty of best execution, taking into account the nature of the security, available markets, execution capability, commission or mark-up, operational support, custody relationships, and the overall value of the services provided. Best execution is not determined solely by the lowest nominal cost.

The frequency and depth of review may vary with the firm's trading activity and business model. Nevertheless, if KWA directs brokerage, recommends a trading venue, or is involved in manager selection where execution quality is relevant, the firm should maintain records sufficient to show that execution quality, costs, and conflicts were considered.

9.02 Trade Allocation, Aggregation, and Fairness

If KWA aggregates trades or allocates block trades among clients, it will do so pursuant to a process reasonably designed to achieve fairness over time and avoid systematic favoritism. Allocation decisions should not be based on compensation, personal relationships, fee status, or the desire to improve results for one account at the expense of another.

The firm may use pre-allocation instructions, standing methodologies, rotational procedures, or other documented approaches. Deviations from standard allocation methods should be limited, justified, and documented. Supervisory review should focus on patterns that could indicate bias, including repeated favorable fills or opportunities directed to particular clients or account types.

9.03 Soft Dollars, Research, and Brokerage Conflicts

Where relevant to KWA's business, the firm will review brokerage or research arrangements for conflicts, disclosure adequacy, and consistency with applicable law. Personnel must not seek or accept brokerage-related benefits in exchange for directing client transactions except as permitted and fully disclosed.

Even where arrangements are permissible, KWA must assess whether they create incentives inconsistent with the client's best interest. The firm's disclosures, books and records, and periodic best execution review should be consistent with actual brokerage practices and any research or service benefits received.

9.04 Trade Error Identification and Resolution

KWA requires prompt escalation of actual or suspected trade errors, including errors in security, quantity, price, timing, account, allocation, tax-lot treatment, or instruction handling. The firm will investigate the event, determine the cause, assess client impact, and remediate in a manner designed to place clients in a position that is fair under the circumstances and consistent with law and firm policy.

Trade errors should not be concealed, netted informally, or corrected in a manner that disadvantages clients. The firm may maintain an error log, root-cause analysis process, and trend review so that repeat issues can be addressed through training, procedural change, or technology controls.

9.05 Principal, Agency Cross, and Cross Trades

KWA will not engage in principal transactions, agency cross transactions, or cross trades unless permitted by law, approved through designated channels, and handled with all required disclosures, consents, and conflict controls. Because these transactions raise acute fiduciary and disclosure issues, personnel must not assume permissibility based on general market practice.

Any representative who becomes aware of a proposed or inadvertent transaction implicating these concepts must escalate the matter to Compliance before proceeding or, if the transaction has already occurred, immediately upon discovery. The firm will determine whether reversal, disclosure, consent, remediation, or legal consultation is required.

10 FEE BILLING, CASH MOVEMENT, CUSTODY, AND ASSET SAFEGUARDING

Billing and custody-related controls are a significant area of regulatory focus because even small process failures can create direct client harm. KWA therefore maintains procedures designed to ensure that billing authority is exercised only as disclosed and authorized, client assets are safeguarded, and cash movement requests receive heightened scrutiny.

Primary Responsibility	Review Frequency	Typical Evidence
Operations, Finance, and Compliance	Per billing cycle and periodic testing	Billing support, reconciliations, custody analysis, cash movement verification records

10.01 Fee Schedule Controls and Billing Accuracy

KWA will bill fees only in accordance with client agreements, disclosures, and applicable law. Changes to fee schedules, breakpoints, householding assumptions, account exclusions, proration methods, or billing timing must be approved and reflected consistently across the advisory agreement, Form ADV, billing system setup, and client communications.

Periodic review of fee calculations and reconciliations may include sample testing, comparison of billed amounts to account values, confirmation of fee debits against authorized rates, and review of exception reports. Billing errors should be escalated promptly, corrected, and documented, with client reimbursement or credit where appropriate.

10.02 Custody Analysis and Surprise Examination Triggers

KWA will assess whether it has custody, or authority that could be deemed custody, under the Custody Rule and related guidance. The assessment should consider fee deduction authority, standing letters of authorization, trustee or executor roles, possession of client assets or checks, access to client credentials, related person arrangements, and any authority to disburse or transfer funds.

Because custody determinations are fact-specific and can change as services, technology, and workflows evolve, personnel must escalate proposed service changes or client accommodations that could affect the analysis. Where the firm determines it has custody, it will address qualified custodian, statement, examination, or other requirements as applicable.

10.03 Cash Movement and Third-Party Transfer Controls

Requests involving cash movement, wire transfers, ACH changes, standing instructions, journal requests, external account links, or changes to payee information present heightened fraud and exploitation risk. KWA requires verification and escalation procedures reasonably designed to confirm authenticity, authority, and consistency with client expectations before action is taken.

Particular caution is required where requests are urgent, involve changed banking instructions, originate from a new email address or device, involve a senior or vulnerable client, or direct funds to a third party. Representatives may not waive authentication or verification steps based solely on familiarity with the client or pressure to expedite.

10.04 Check Handling, Securities Delivery, and Possession Risks

Personnel should avoid taking possession of client assets except as expressly permitted by policy and applicable law. Checks received should be handled promptly and in accordance with firm procedures, including restrictions on making instruments payable to the firm or representative unless permitted and properly documented. Unusual instruments or instructions should be escalated.

The firm will maintain controls around the receipt, forwarding, or rejection of checks, stock certificates, medallion signature guarantees, and similar items so as to minimize the risk of improper possession, loss, delay, or unauthorized negotiation. Any break in established controls must be reported to Compliance.

10.05 Standing Letters of Authorization and Trusted Contacts

Where clients use standing instructions or trusted contact arrangements, KWA will maintain procedures to review the documentation, verify authority, and ensure records are retained and accessible. Standing instructions require heightened care because they can be misused long after original execution if account facts change.

KWA may periodically confirm that standing instructions remain appropriate, especially after major life events, significant withdrawals, changes in household composition, or evidence of exploitation concerns. Trusted contact information should be obtained and maintained where appropriate and handled consistently with client privacy obligations.

11 VALUATION, PERFORMANCE, REPORTING, AND CLIENT STATEMENTS

Valuation and performance presentation affect both billing and client decision-making. KWA's controls in this area are designed to reduce the risk of inaccurate performance claims, misleading reports, unsupported valuations, and inconsistencies among client statements, internal records, and marketing materials.

Primary Responsibility	Review Frequency	Typical Evidence
Portfolio management, Operations, and Compliance	Periodic; heightened review when issues arise	Valuation memos, performance backup, reconciliation records

11.01 Valuation Governance and Fair Value Considerations

Where KWA values assets directly, influences valuations materially, or relies on third-party valuations for illiquid or hard-to-price assets, the firm will maintain procedures reasonably designed to govern methodologies, overrides, challenge processes, and escalation of stale or questionable prices. The firm recognizes that valuation judgments can affect both fees and reported performance.

Material valuation issues should be escalated promptly, especially when they involve thinly traded securities, private investments, structured products, digital assets, side pockets, or sponsor-provided values that may not reflect realizable value. Documentation should support why the firm considered the valuation method reasonable under the circumstances.

11.02 Client Reporting and Reconciliation Expectations

Reports prepared by KWA for clients, prospects, or internal review should be reconciled as appropriate to source data, custodial information, and approved methodology. Any limitations, estimates, exclusions, or assumptions material to understanding the report should be disclosed clearly. Internal reports used for billing or supervisory review should be sufficiently reliable for that purpose.

The firm will instruct representatives not to create shadow statements, spreadsheet summaries, or manually adjusted reports for client use unless the format and controls have been approved. Personalized analysis may be provided, but only in a manner consistent with recordkeeping, disclosure, and review requirements.

11.03 Performance Calculations and Supporting Records

Performance results communicated to clients or prospects must be derived using methodologies approved by the firm and supported by records sufficient to substantiate the calculation. KWA may maintain policies addressing composite construction, benchmark usage, net and gross performance, account inclusions and exclusions, treatment of cash flows, and use of representative or extracted account information.

Representatives may not alter approved methodology, backfill results, smooth returns, omit material periods, or present isolated favorable results in a way that creates a misleading impression. Where an error in performance calculation is discovered, the matter should be escalated so the firm can determine whether re-delivery, correction, or additional remediation is necessary.

12 MARKETING, ADVERTISING, TESTIMONIALS, AND DIGITAL COMMUNICATIONS

KWA's marketing supervision is designed to comply with the Advisers Act Marketing Rule and to prevent false or misleading statements, inadequate disclosures, unsupported claims, and inconsistent use of testimonials, endorsements, or performance information. This is a significant area of current examination focus and requires disciplined pre-use review and recordkeeping.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer and designated approvers	Pre-use review and periodic refresh	Approved materials, substantiation files, promoter agreements, social media logs

12.01 Scope of Marketing Materials and Approval Standards

Marketing materials include websites, emails to multiple prospects, slide decks, one-pagers, RFP responses, social media content, podcasts, videos, seminar materials, newsletters, due diligence questionnaires, and any communication that offers KWA's advisory services or seeks to retain clients. KWA will establish approval pathways appropriate to the format, audience, and risk of the communication.

No person may distribute, publish, or materially revise a marketing item outside the firm's approval process when pre-use approval is required. Approved materials remain subject to periodic review and withdrawal if business practices, disclosures, personnel, or law change.

12.02 Substantiation, Fair Presentation, and Risk Disclosure

Statements of fact, rankings, experience, credentials, process descriptions, and performance claims must be capable of substantiation. Marketing content should present benefits and material risks in a balanced manner and should not omit limitations necessary to make the overall message fair and not misleading. Superlatives, guarantees, and vague claims of superiority require particular caution.

Personnel should not assume that a statement is permissible simply because it originated from a vendor, manager, database, or prior employer. KWA's approval process includes review of whether the firm possesses or can obtain support for material claims and whether contextual disclosures are needed.

12.03 Testimonials, Endorsements, and Solicitation Arrangements

Use of testimonials, endorsements, and compensated promoter activity must comply with the Marketing Rule and any related state law requirements. The firm will review the arrangement, compensation, disqualifying events, required disclosures, and oversight expectations before the content is used or the relationship begins.

KWA may require written agreements, scripts, monitoring, and periodic certifications from promoters or endorsers. Personnel must not offer compensation, fee reductions, or other benefits for reviews or referrals outside approved arrangements, and must not edit or curate reviews in a way that creates a misleading impression.

12.04 Performance Advertising, Hypothetical Results, and Case Studies

Performance advertising presents heightened risk and requires special controls around methodology, audience, assumptions, benchmark comparability, and disclosure. Hypothetical, model, extracted, predecessor, and backtested performance may be used only under conditions approved by the firm and with the disclosures and audience limitations deemed necessary by Compliance.

Case studies and examples should be representative or clearly contextualized and should not cherry-pick favorable results without fair explanation of selection criteria and limitations. Materials that discuss performance must be retained with sufficient backup to demonstrate the basis for the claims made.

12.05 Websites, Social Media, and Interactive Content

KWA will maintain controls over websites, social media accounts, digital profiles, and similar interactive channels to ensure that only approved content is used and that the firm can satisfy applicable recordkeeping obligations. Personal devices and third-party platforms may be subject to restrictions or monitoring where they are used for firm business.

Interactive content such as comments, likes, endorsements, and reposts can constitute advertisements or otherwise create books and records obligations. Personnel should not assume that because a platform is informal or controlled by a third party it falls outside the firm's supervisory scope. Questions should be escalated before posting or interacting.

12.06 Seminars, Public Appearances, and Media Engagements

Public speaking engagements, webinars, interviews, podcasts, and educational events can raise marketing, recordkeeping, and promissory statement concerns even where they are positioned as educational. KWA may require outlines, talking points, slide review, disclaimer language, and post-event retention of final materials.

Representatives should avoid making off-the-cuff statements about future performance, guaranteed outcomes, tax or legal advice beyond their competence, or comparative claims that are not supported. Where a live event deviates materially from approved materials, the matter should be documented and reviewed.

13 BOOKS AND RECORDS, ELECTRONIC COMMUNICATIONS, AND OFF-CHANNEL MESSAGING

Accurate books and records are essential to supervision, examinations, client service, and defense of the firm's conduct. KWA's recordkeeping procedures are designed to ensure required records are created, retained, retrievable, and protected against loss or unauthorized alteration, including records created through electronic communications channels.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer, Operations, and IT/archiving owners	Ongoing with periodic surveillance	Retention schedules, archive reports, attestations, exception reviews

13.01 Books and Records Framework

KWA will maintain books and records required by the Advisers Act, applicable state law, and firm policy in a manner that is reasonably organized, secure, and retrievable. Records may be maintained electronically, physically, or in a combination of formats, provided that the chosen method supports timely production and appropriate controls over alteration, deletion, and access.

Records required to be retained include, as applicable, client agreements, communications, account records, trade documentation, billing support, advertisements, performance backup, policies and procedures, Code of Ethics reports, due diligence files, and records supporting annual review and remediation. Supervisors and business personnel share responsibility for creating records accurately and routing them into approved systems.

13.02 Approved Communication Channels

KWA will designate approved communication channels for firm business and prohibit or restrict business communications through unapproved channels. Approved channels may include firm email, approved messaging tools, CRM notes, recorded lines, archiving-enabled mobile applications, or other systems selected by the firm for business use and retention.

Personnel must not move a client conversation to an unapproved platform for convenience or at a client's request without obtaining guidance from Compliance. Where a communication is received through an unapproved channel, personnel may be required to capture, preserve, and migrate the communication to an approved system and to remind the client of the firm's channel restrictions.

13.03 Off-Channel Communications Surveillance and Enforcement

KWA recognizes the heightened regulatory attention given to off-channel communications and will maintain policies, attestations, training, monitoring, and disciplinary measures reasonably designed to prevent and detect business communications occurring outside approved recordkeeping systems. Supervisors are expected to reinforce channel restrictions actively rather than treating them as a technology issue alone.

Potential indicators of off-channel activity include references in email to texts or apps, client complaints about informal messaging, screenshots, contact patterns inconsistent with recorded activity, or use of personal devices in a manner inconsistent with policy. Apparent violations must be investigated and documented, and the firm may impose sanctions regardless of whether client harm is evident.

13.04 Email, Messaging, and Electronic Review Standards

KWA may review electronic communications through pre-review, lexicon surveillance, risk-based sampling, exception reporting, branch reviews, or other methods appropriate to the firm's size and risk profile. The objective is to identify misleading statements, promises, unapproved performance references, undisclosed outside activities, privacy issues, and evidence of unapproved channels or transactions.

The scope and methodology of review may change over time. What is essential is that review is reasonably designed, actually conducted, and documented sufficiently to support supervisory accountability. When a review identifies a concern, the follow-up should address both the specific communication and whether the issue indicates a broader training or supervisory gap.

13.05 Record Retention, Litigation Holds, and Production to Regulators

KWA will retain records for the periods required by law and may impose longer retention where prudent due to litigation, product type, contractual commitments, or business needs. When litigation, arbitration, examination, subpoena, or government inquiry is pending or reasonably anticipated, the firm may issue a litigation hold or similar instruction preserving relevant information.

No supervised person may destroy, alter, or selectively retain records once a hold or request is issued. Requests from regulators, examiners, or attorneys must be escalated promptly so that the firm can coordinate responses, preserve privilege where appropriate, and produce records accurately and consistently.

14 PRIVACY, INFORMATION SECURITY, CYBERSECURITY, AND INCIDENT RESPONSE

KWA's information security program is designed to protect client information, reduce operational and fraud risk, and support compliance with Regulation S-P and related obligations. Recent regulatory developments and examination priorities make this an area requiring ongoing governance, testing, vendor oversight, and evidence of reasonable response planning.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer with technology and vendor owners	Ongoing; formal review at least annually	Risk assessments, incident logs, access reviews, vendor security records

14.01 Privacy and Client Information Safeguards

KWA will safeguard nonpublic client information through administrative, technical, and physical controls appropriate to the sensitivity of the information and the firm's business model. Access to client information should be limited to persons with a legitimate business need, and personnel must handle, share, and dispose of information in accordance with privacy policy and approved procedures.

Client data may be shared with service providers, custodians, sub-advisers, and other parties only as authorized, necessary, and consistent with applicable law and firm policy. Personnel must not transmit client information through insecure or unapproved channels or store it on personal devices or external media except as expressly authorized and protected.

14.02 Cybersecurity Governance and Risk Assessment

KWA will maintain a cybersecurity governance process that identifies assets, users, critical systems, privileged access, and material cyber risks, including phishing, credential theft, ransomware, vendor compromise, business email compromise, and data exfiltration. The firm may document risk assessments, system inventories, access reviews, and security exceptions to support oversight and annual review.

The firm recognizes that cybersecurity is not static. Accordingly, controls should evolve as the firm adopts new systems, uses cloud services, allows remote work, integrates vendors, or deploys artificial intelligence or automation tools. Material cyber risks and control gaps should be communicated to management with sufficient clarity to support decisions and resource allocation.

14.03 Access Controls, Authentication, and Device Security

KWA expects approved systems to employ authentication, least-privilege access, device security, patching, logging, and other controls appropriate to the role of the system and the data involved. Personnel must follow firm requirements for passwords, multi-factor authentication, device encryption, software installation, and remote access.

Access rights should be reviewed periodically and adjusted promptly when personnel change roles, depart, or no longer require a particular privilege. Shared credentials are prohibited unless a specific technical solution requires an exception approved through designated channels and supported by compensating controls.

14.04 Incident Response and Client Notification

KWA will maintain an incident response framework reasonably designed to detect, escalate, contain, investigate, and remediate cybersecurity incidents and unauthorized access to customer information. The framework may include severity tiers, internal escalation paths, external vendor contacts, legal consultation, evidence

preservation, and decision-making criteria for business interruption, customer notification, and regulator communication.

Personnel must report suspected incidents immediately, even if the event later proves benign. Delay in escalation can magnify harm, impair forensic review, and increase regulatory risk. Where required by law or the firm's policies, KWA will provide notifications to affected clients, regulators, or other parties based on the facts and applicable requirements.

14.05 Vendor and Service Provider Security Oversight

Because third-party providers can create significant security and privacy risk, KWA will conduct risk-based diligence and oversight of vendors that host, access, transmit, or process sensitive information or perform critical business functions. Contracts, onboarding, questionnaires, security reviews, incident terms, and ongoing monitoring may be used depending on the risk profile of the provider.

Vendor oversight is not a one-time event. KWA expects business owners and Compliance or technology personnel, as appropriate, to monitor critical vendors for material incidents, control failures, service changes, subcontracting, and concentration risk. Material issues should be escalated promptly and may require contingency planning or migration steps.

14.06 Use of Artificial Intelligence and Emerging Technologies

KWA may permit the use of artificial intelligence and similar tools only in a manner consistent with confidentiality, supervision, recordkeeping, and fiduciary duties. Personnel must not input confidential client information into unapproved tools, rely blindly on automated outputs, or use such tools to generate client communications, recommendations, or marketing content without appropriate review and substantiation.

The withdrawal of certain proposed SEC AI rules does not reduce the firm's existing obligations under antifraud, books and records, marketing, supervision, and fiduciary standards. KWA therefore treats AI-related use cases as requiring risk assessment, approved use parameters, and ongoing monitoring consistent with existing law.

15 THIRD-PARTY MANAGERS, VENDORS, OUTSOURCING, AND DUE DILIGENCE

KWA may rely on third parties for custodial, sub-advisory, technology, data, trading, research, marketing, compliance support, or other business functions. Outsourcing can be efficient but does not outsource KWA's fiduciary obligations or its responsibility to supervise the arrangement appropriately.

Primary Responsibility	Review Frequency	Typical Evidence
Business owner and Compliance	At onboarding and periodic reassessment	Due diligence files, contracts, monitoring notes, performance or incident reviews

15.01 Initial Due Diligence of Third Parties

Before engaging a significant vendor, service provider, or third-party manager, KWA will conduct due diligence appropriate to the nature of the service, the sensitivity of client information involved, and the importance of the provider to the firm's operations or advisory process. Due diligence may include review of service descriptions, qualifications, disciplinary history, financial stability, cybersecurity posture, business continuity readiness, and contractual terms.

The depth of due diligence should be calibrated to risk. A critical outsourced function or investment recommendation source may warrant more extensive review than a low-risk administrative tool. Material deficiencies identified during diligence should be resolved, mitigated, documented, or escalated before the relationship proceeds.

15.02 Ongoing Monitoring and Periodic Reassessment

After onboarding, KWA will monitor critical providers in a manner proportionate to risk. Monitoring may include review of service levels, incident reports, SOC reports, periodic questionnaires, financial updates, legal developments, changes in control, investment performance, or client complaint trends. The goal is to identify whether the provider continues to meet the standards relied upon at onboarding.

Where KWA relies heavily on a third party for investment selection, trading, valuation, cybersecurity, or client communication, the firm should maintain records sufficient to demonstrate that oversight is substantive and not merely contractual. Significant concerns should be escalated with a documented plan for remediation, heightened oversight, or replacement.

15.03 Sub-Adviser and Manager Oversight

When KWA recommends or uses sub-advisers, model managers, strategists, or other investment managers, the firm will review matters such as investment process, stated strategy, personnel stability, performance reporting, fees, custody or trading arrangements, disclosure consistency, and disciplinary history. Ongoing review should consider whether the manager continues to perform and operate in a manner consistent with the basis on which KWA recommended or retained the manager.

KWA should not rely solely on third-party marketing decks or due diligence questionnaires without exercising professional judgment. Material style drift, key person departures, valuation concerns, increased operational incidents, or repeated client complaints may justify enhanced review or removal from approved status.

15.04 Contracting, Oversight Ownership, and Exit Planning

Contracts with material providers should address services, confidentiality, information security, records access, incident reporting, audit or cooperation rights where appropriate, fees, and termination. KWA should identify an internal owner for each significant relationship so that no vendor is left without responsible oversight after onboarding.

For critical providers, KWA should consider business continuity and exit planning, including alternatives, transition challenges, access to data, and potential concentration risk. These considerations may be addressed in the firm's broader business continuity planning or vendor oversight process.

16 COMPLAINTS, ERROR ESCALATION, INVESTIGATIONS, AND REGULATORY INQUIRIES

Prompt escalation and disciplined handling of complaints and inquiries are essential to client protection, accurate disclosure, and the firm's ability to assess whether a broader supervisory issue exists. KWA therefore requires centralized handling of matters that may involve client allegations, potential misconduct, or regulator attention.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer and senior management	Immediate escalation; trend review periodically	Complaint log, investigation files, request trackers, remediation records

16.01 Definition and Intake of Complaints

Any written or oral expression of dissatisfaction relating to advisory services, fees, communications, trading, account handling, personnel conduct, or the firm's operations may constitute a complaint and should be escalated promptly to Compliance. Personnel should not attempt to recharacterize, ignore, or resolve a complaint informally without notifying the firm's designated control function.

Complaints should be logged, investigated, and tracked to resolution. The investigation may involve review of account records, communications, marketing materials, trade history, meeting notes, and interviews with relevant personnel. The goal is not only to respond to the complainant but also to determine whether systemic issues require remediation.

16.02 Internal Investigations and Root-Cause Analysis

KWA may conduct internal reviews when it identifies red flags, surveillance exceptions, policy violations, unusual client losses, off-channel communication concerns, cybersecurity events, valuation issues, or conduct suggesting undisclosed outside activities or compensation. Reviews may be conducted by Compliance, legal counsel, management, or an external consultant depending on the nature of the issue.

Investigations should be documented sufficiently to show the allegation or trigger, the scope of review, the facts gathered, conclusions reached, and remediation steps. Where uncertainty remains, the firm may impose interim restrictions or enhanced supervision while additional review occurs.

16.03 Regulatory Examinations, Deficiency Letters, and Requests

All regulator or examiner contacts, document requests, subpoenas, deficiency letters, and inquiry notices must be escalated immediately to the CCO or other designated person. KWA will coordinate responses centrally to preserve consistency, completeness, and privilege where available. Personnel must cooperate fully and provide requested information promptly and accurately.

The firm will track requests and responses, preserve relevant records, and assess whether examination feedback requires remediation, disclosure updates, policy changes, training, or self-reporting considerations. Responses to regulators should be candid, supported, and consistent with the firm's actual practices, not merely its written policies.

16.04 Whistleblower, Non-Retaliation, and Self-Reporting Considerations

KWA prohibits retaliation against any supervised person who raises a good-faith concern or participates in an internal review. Personnel may report concerns through channels designated by the firm and may also communicate with regulators as permitted by law. The firm encourages prompt internal escalation so that issues can be assessed and addressed quickly.

Where KWA identifies a serious violation, material error, or cybersecurity incident, the firm will determine whether client communication, insurer notice, legal consultation, or regulator self-reporting is appropriate. Such decisions will be made based on the facts, law, and the firm's fiduciary obligations, and will be documented appropriately.

17 REMOTE SUPERVISION, BRANCH AND DISPERSED OFFICE OVERSIGHT

KWA recognizes that modern advisory businesses often operate through hybrid, remote, and dispersed-office arrangements. Effective supervision in this environment depends on clear ownership, technology controls, documented review processes, and periodic assessment of whether a location or representative presents heightened risk requiring additional oversight.

Primary Responsibility	Review Frequency	Typical Evidence
Designated supervisors and Chief Compliance Officer	Risk-based periodic review	Office roster, inspection reports, remote work attestations, supervisory samples

17.01 Office Classification and Supervisory Mapping

KWA will maintain records sufficient to identify office locations, home-office arrangements, and other work sites from which supervised persons conduct firm business. Compliance and management will determine the supervisory implications of each arrangement, including whether the location presents heightened books and records, privacy, cybersecurity, or branch inspection considerations.

Personnel must notify Compliance before changing work location in a manner that could affect registrations, recordkeeping, privacy controls, supervision, or the use of signage and business materials. No representative may assume that a home office or satellite location falls outside firm supervision.

17.02 Remote Work Expectations and Controls

Supervised persons working remotely must use firm-approved systems, maintain confidentiality, protect physical and electronic records, follow channel restrictions for communications, and make themselves available for supervisory inquiries and review. The convenience of remote work does not change standards relating to documentation, timeliness, or professionalism.

KWA may impose additional requirements for remote work, including secure networks, screen privacy controls, restrictions on printing, device management, call recording, and periodic attestations. Supervisors should remain attentive to whether remote arrangements are impairing service, increasing communication risk, or obscuring outside activity.

17.03 Branch and Location Reviews

KWA may conduct periodic reviews or inspections of branch, remote, or dispersed-office locations using risk-based criteria. Reviews may address books and records, communications, client files, marketing use, physical security, third-party storage, signage, outside activity indicators, and the representative's adherence to firm processes.

The form of review may vary depending on the location and business model and may include virtual inspection components where appropriate. Any deficiencies identified should be documented, remediated, and followed through to completion. Repeated deficiencies or inadequate cooperation may lead to heightened supervision or restrictions.

17.04 Supervision of Supervisory Personnel

Supervisory personnel are themselves subject to supervision. KWA will maintain a process for reviewing the activity of supervisors, including communications, account handling, approval patterns, and adherence to escalation obligations. A person should not be the sole reviewer of their own activities where a material conflict or control gap would result.

This principle is especially important in dispersed models where a producing supervisor or team leader may control local workflows. KWA may use second-level review, targeted sampling, management oversight, or compliance testing to ensure that supervisory personnel are not effectively operating without independent review.

18 BUSINESS CONTINUITY, DISASTER RECOVERY, AND OPERATIONAL RESILIENCE

KWA maintains a business continuity and operational resilience framework designed to preserve critical functions, protect client interests, and support orderly recovery from disruptions. The framework should be practical, tailored to the firm's actual dependencies, and integrated with cybersecurity, vendor oversight, and remote work planning.

Primary Responsibility	Review Frequency	Typical Evidence
Senior Management, Chief Compliance Officer, and key vendors	At least annually and after material events	BCP, test results, lessons-learned memos, contact lists

18.01 Business Continuity Planning

KWA will maintain a business continuity plan addressing mission-critical functions, technology dependencies, staffing contingencies, communication pathways, key records, third-party providers, and alternative work arrangements. The plan should be sufficiently detailed to guide response while flexible enough to adapt to the nature and scale of the disruption.

Material changes in business lines, systems, offices, vendors, or personnel should prompt review of the plan. A business continuity plan that does not reflect actual dependencies or current contacts is of limited value; accordingly, KWA will update and review the plan at least annually and when events warrant.

18.02 Disaster Recovery and Systems Resilience

The firm will maintain or obtain from vendors appropriate arrangements for data backup, recovery, restoration testing, and system resiliency consistent with the criticality of the systems involved. KWA may rely on third-party providers for aspects of disaster recovery, but it remains responsible for understanding those arrangements sufficiently to assess whether they are reasonable.

Where the firm becomes aware of significant outages, failed recoveries, or concentration risk involving key vendors, the issue should be escalated and incorporated into resilience planning. Recovery assumptions should not rely solely on vendor marketing statements or informal understandings.

18.03 Communication During Disruption

KWA's continuity planning will address communication with clients, custodians, vendors, regulators, and personnel during operational disruptions. Depending on the event, the firm may use websites, phone trees, mass notifications, alternate email or messaging channels, and direct outreach to affected clients.

Communication should be coordinated and accurate. Personnel should avoid improvised statements about the cause, duration, or impact of a disruption unless authorized to do so. Material incidents may require client notices, website updates, or regulator contact depending on the nature of the event.

18.04 Testing, Lessons Learned, and Integration with Incident Response

KWA may test continuity and recovery arrangements through tabletop exercises, vendor attestations, failover reviews, call tree tests, cyber incident simulations, or other methods proportionate to the firm's size and risk profile. The objective is to identify realistic gaps and improve readiness rather than merely to evidence a formal test occurred.

Following a real disruption or test, KWA should document lessons learned, remediation items, and ownership for follow-up. Business continuity should be viewed as complementary to incident response, vendor oversight, and operational risk management, not as a standalone document.

19 RETIREMENT, ROLLOVER, INSURANCE, AND SPECIAL ACCOUNT CONSIDERATIONS

Certain recommendation types and client segments create elevated regulatory and litigation risk. KWA therefore maintains heightened expectations for recommendations involving rollovers, retirement assets, annuities or insurance products, account title changes, and other transactions where conflicts, tax sensitivity, or long-term client impact may be significant.

Primary Responsibility	Review Frequency	Typical Evidence
Advisory personnel and designated supervisors	Transaction-based and periodic thematic review	Rollover analyses, replacement forms, product approvals, suitability records

19.01 Retirement Rollovers and Account Transfers

Recommendations to roll over retirement assets, transfer legacy accounts, or consolidate accounts must be supported by a reasonable, client-specific analysis that considers costs, services, investment options, features, surrender charges, employer plan benefits, creditor protection, tax implications, and the client's broader objectives. The analysis should be documented in a manner approved by the firm.

Representatives should not treat rollovers as routine account opening events. Because rollover recommendations often involve direct compensation incentives and hindsight risk, KWA expects careful documentation and supervisory review proportionate to the transaction's significance.

19.02 Annuities, Insurance, and Long-Term Products

When KWA personnel are involved in insurance or annuity recommendations through approved channels, the firm will consider product features, fees, surrender schedules, liquidity, riders, tax treatment, replacement concerns, and the client's actual need for the product. Recommendations involving long lockups or substantial commissions warrant heightened scrutiny.

Insurance-related outside activities or affiliations must be disclosed and supervised so that clients understand which entity is providing the product and what compensation is involved. Representatives must not blur advisory and insurance roles or imply that the advisory fee covers insurance implementation unless that is accurate and disclosed.

19.03 Trust, Estate, and Authority Changes

Changes to account title, ownership, beneficiaries, trust status, or authority following death, incapacity, divorce, or estate planning updates present heightened error and fraud risk. KWA expects representatives to obtain and review appropriate documentation and to coordinate with operations, custodians, and counsel as needed before implementing changes.

These situations often involve emotional stress and family tension. Personnel should proceed carefully, document instructions, and escalate any sign of dispute, coercion, or uncertainty regarding legal authority.

19.04 Concentration, Illiquidity, and Complex Product Review

Recommendations involving concentrated positions, alternatives, structured notes, private funds, digital assets, or other complex or illiquid exposures require proportionately robust analysis and disclosure. Representatives should consider downside risk, liquidity, correlation, redemption restrictions, valuation uncertainty, sponsor or issuer risk, and how the position fits within the client's overall circumstances.

KWA may require principal or committee review of certain products or strategies before they are recommended or purchased for clients. Product approval, where used, does not eliminate the representative's duty to determine suitability and appropriateness for the individual client.

20 ANNUAL COMPLIANCE REVIEW, TESTING, AND REMEDIATION

The annual compliance review is the mechanism through which KWA evaluates whether its policies and procedures remain reasonably designed and whether they are functioning effectively in practice. A meaningful review requires risk assessment, testing, issue identification, and documented follow-up rather than a simple recitation that policies were reviewed.

Primary Responsibility	Review Frequency	Typical Evidence
Chief Compliance Officer	Annually with interim follow-up	Annual review report, testing workpapers, remediation tracker, retesting evidence

20.01 Risk Assessment and Review Planning

Compliance will identify the business lines, products, services, operational dependencies, and emerging risks most relevant to KWA's activities and use that assessment to plan annual testing and review priorities. Inputs may include complaints, exam findings, incidents, vendor changes, personnel changes, surveillance results, marketing developments, cybersecurity events, and regulatory developments.

The annual plan may be adjusted during the year as new risks arise. What matters is that the review remains responsive to the firm's actual business and not limited to a static checklist that omits current areas of exposure.

20.02 Testing Methodologies and Evidence

Testing may include document review, sampling, reconciliations, walkthroughs, interviews, control demonstrations, forensic review, exception analysis, comparison of disclosures to actual practice, and review of records evidencing supervisory activity. Testing should be deep enough to permit conclusions about whether a policy is operating effectively, not merely whether a document exists.

Where testing identifies exceptions, the firm should determine whether they are isolated, symptomatic of a broader issue, or indicative of a disclosure gap. The annual review file should retain enough evidence to show what was tested, by whom, what exceptions were identified, and how conclusions were reached.

20.03 Issue Tracking, Remediation, and Retesting

KWA may maintain a remediation log, annual review memorandum, or similar tool to track identified issues, owners, due dates, interim controls, and completion status. Remediation may involve policy revisions, disclosures, technology enhancements, training, billing adjustments, client outreach, vendor action plans, or changes in supervisory ownership.

Material issues should be retested or otherwise validated after remediation. A corrective action is not complete merely because a memo was issued; the firm should confirm that the change was implemented and is functioning as intended.

20.04 Annual Report, Certifications, and Board or Management Review

The results of the annual review may be summarized in a written report or memorandum to management that identifies significant risks, testing performed, material findings, status of prior-year remediation, and recommended enhancements. Depending on KWA's governance model, the report may also be discussed with owners, executive management, or a designated committee.

KWA may require annual certifications from supervised persons or business owners regarding policy compliance, disclosures, outside activities, marketing use, cybersecurity practices, and other matters. Certifications are supervisory tools and do not replace independent review, but they can help identify gaps and reinforce accountability.

APPENDICES

The following appendices are intended to support implementation of these WSPs without making the supervisory framework unduly rigid. KWA may revise forms, logs, attestations, and reporting templates administratively so long as the revised materials remain reasonably designed to support the control objective described in the body of this manual.

At a minimum, KWA should maintain internally current versions of: (i) designated officers, owners, and supervisors; (ii) office locations and remote supervision assignments; (iii) required annual attestations and Code of Ethics certifications; (iv) training calendars and completion evidence; (v) vendor inventory and due diligence status; (vi) approved communication channels; and (vii) annual compliance review and remediation tracking materials.

Appendix A – Designated Supervisors and Oversight Matrix

KWA should maintain a current supervisory matrix identifying each supervised person, office or location, principal business activity, designated supervisor, alternate supervisory coverage where applicable, and any heightened supervision conditions. The matrix should be reviewed and updated as personnel, reporting lines, and responsibilities change.

Appendix B – Annual Attestations and Certifications

The firm should maintain forms or workflows for annual acknowledgements of these WSPs, the Code of Ethics, outside business activity certifications, personal securities account certifications, approved communication channel attestations, privacy and cybersecurity acknowledgements, and any other annual certification that the CCO deems appropriate.

Appendix C – Required Logs and Exception Registers

KWA should maintain logs or exception registers appropriate to its business, which may include a complaint log, trade error log, gift and entertainment log, political contribution log, cyber incident log, vendor issue log, cash movement exception log, and annual remediation tracker. Logs may be consolidated or system-based so long as they permit effective oversight.

Appendix D – Books and Records Index

The firm should maintain an internal records index identifying major record categories, system of record, retention period, responsible owner, and special considerations such as legal holds, privacy restrictions, or third-party access dependencies. The index should be practical and updated whenever material systems or workflows change.