

Bishop & Company Investment Management, LLC



1250 Tower Lane, Suite 101
Erie, PA 16505
814-314-0344

www.bishopinvestmentmanagement.com

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Form ADV Part 2A Disclosure Brochure

This brochure provides information about the qualifications and business practices of Bishop & Company Investment Management, LLC (hereinafter "Bishop & Company", "we" or "us"). If you have any questions about the contents of this brochure, contact us at 814-314-0344. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about Bishop & Company is available on the SEC's website at www.adviserinfo.sec.gov. Bishop & Company is a registered investment adviser with the Securities and Exchange Commission. Our registration does not imply any level of skill or training.

If you would like another copy of this Brochure, please download it from the SEC website at www.adviserinfo.sec.gov, or contact us and we will provide one to you.

Item 2 – Material Changes

Since our last annual filing on March 19, 2024, we have the following material changes to report:

- We have rephrased and updated our Investment Process and Investment Strategy descriptions as well as our risk factors and disclosures found in Item 8.
- We have rephrased the summary of our Code of Ethics found in Item 11.
- We have provided further clarity on our Brokerage Practices found in Item 12, including the selection of recommended brokers, mutual fund share classes, and block trading.
- We have rephrased the description of the Review of your Accounts found in Item 13.
- We have rephrased the description of our Investment Discretion found Item 16.

If at any time we have material updates to this Disclosure Brochure, we will send you a copy or a Summary of Material Changes and offer to provide you with a copy at your request.

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Item 4 – Advisory Business

Bishop & Company is owned by one principal, Michael W. Bishop. We have been in business since March 2008 as a fee-only investment management firm. This means we are only compensated by fees paid to us directly by our clients. We receive no other sources of compensation.

We provide the following services to our clients:

- 1) Discretionary Investment Management, and
- 2) Investment Consulting for Plan Sponsors of Participant-Directed Retirement Plans

Each of these services is more fully described below:

Discretionary Investment Management (referenced as “Discretionary Client”).

The services that we offer to you as a Discretionary Client include the following:

- Assist in designing your long-term investment objectives by identifying your: rate of return goals, investment time horizon, available resources, and risk tolerance,
- Recommend an asset allocation based on your investment objectives,
- Identify investment securities suitable for your asset allocation,
- Supervise and administer the investment of your portfolio’s assets,
- Monitor the performance of your portfolio’s assets,
- Rebalance your portfolio back to your asset allocation targets as needed, and
- Review how changes in your financial situation impact your asset allocation and portfolio holdings.

The accounts we manage for you will be assigned one of the following three investment objectives:

- Long-Term Growth (100% maximum allocation to equities)
- Moderate Growth (75% maximum allocation to equities)
- Conservative Growth (40% maximum allocation to equities)

Within these three broad investment objectives, we will define a specific asset allocation target for your accounts. For example, you may have a written investment objective with us stating “Moderate Growth”, with a specific target of 70% equities and 30% bonds and money market for your combined accounts.

After your asset allocation is determined and initial investments are made, we will continue to monitor your accounts. We monitor your accounts to determine if your portfolio position weightings have moved outside of the investment objectives we have established for you. If so, we will rebalance your accounts by executing trades through your custodian, to achieve alignment with your determined investment objective.

To ensure that our initial determination of an appropriate investment allocation continues to be suitable and that your accounts continue to be managed consistent with your financial circumstances, we will 1) send written reminders to you requesting any updated information regarding changes in your financial situation and/or investment objectives, 2) contact you periodically to determine whether there have been any changes in your financial situation and/or investment objectives, and 3) be reasonably available to consult with you.

We believe the most prudent way to build long-term wealth is to broadly diversify your accounts using Exchange Traded Funds (“ETFs”) and no-load mutual funds. However, client accounts are not precluded from owning other security types. In some cases, where tax considerations may limit our ability to immediately achieve broad diversification, we may invest in securities that are not ETFs or mutual funds and instead use individual stocks, bonds, or annuities that are transferred to our oversight. You do have the right to impose reasonable restrictions on your account investments.

All clients sign an Investment Management Agreement before receiving the above services.

ETFs and Mutual funds owned in your accounts charge their own fees that are separate from the fees we charge. Any additional fee is disclosed in the securities prospectus and should be reviewed before making an investment.

We do not receive additional compensation from any of the securities we recommend.

We do not participate in any wrap-fee programs.

Investment Consulting for Plan Sponsors of Participant-Directed Retirement Plans (referred to as Plan Sponsor Client).

The services that we offer to you as a Plan Sponsor Client of a 401(k) or 403(b) plan include the following:

- Assist in the coordination of a record-keeper and custodian to enable your plan to offer a comprehensive retirement plan solution,
- Make recommendations for the design and lineup of diversified investment options for your plan participants,
- Design model portfolio recommendations for your plan participants using the fund options available in your plan,
- Upon request, conduct reviews of your plan's available investment options and expenses charged to the plan, and
- Provide group educational presentations to your plan participants.

All clients sign an Investment Consulting Agreement prior to receiving the above services.

IRA Rollover Recommendations

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

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

Assets Under Our Management

As of December 31, 2024, Bishop & Company managed \$387,048,545 in discretionary regulatory assets under management. In addition, we consulted on \$1,384,702 in other assets for a total of \$388,433,247 of assets under advisement.

Item 5 – Fees and Compensation

Our fees for services depend on the type of service we provide to you. Each fee arrangement is discussed in more detail below:

Our Fees for Discretionary Clients:

Our Discretionary Client Fee is due and payable quarterly in advance. Your initial fee is due and payable upon your execution of our Investment Management Agreement and funding of your accounts with us. The initial fee will be assessed pro rata through the end of the current calendar quarter you begin with us. The initial fee charged is based on the initial value of the assets used to fund your accounts. Subsequent fee charges will be calculated on the first day of each calendar quarter and shall be based on the value of your accounts as of the close of business on the last business day of the preceding quarter.

All Discretionary Client fees will be deducted directly from your brokerage accounts unless you elect in writing to be billed for the fees separately. If we deduct the fee from your account, the quarterly statement you receive from your custodian will detail the fee charged. If your custodian cannot deduct our fee from your accounts, you will be billed for the fee with a separate invoice.

Our fee schedule for Discretionary Client accounts is as follows:

<u>Assets Under Management</u>	<u>Quarterly</u>	<u>Annually</u>
First \$1,000,000	.2500%	1.00%
Portion between \$1,000,001 - \$1,500,000	.2250%	0.90%
Portion between \$1,500,001 - \$2,000,000	.2125%	0.85%
Portion between \$2,000,001 - \$2,500,000	.2000%	0.80%
Portion between \$2,500,001 - \$3,000,000	.1875%	0.75%
Portion between \$3,000,001 - \$3,500,000	.1750%	0.70%
Portion between \$3,500,001 - \$4,000,000	.1625%	0.65%
Portion between \$4,000,001 - \$4,500,000	.1500%	0.60%
Portion between \$4,500,001 - \$5,000,000	.1375%	0.55%
Portion between \$5,000,001 – \$10,000,000	.1250%	0.50%
Over \$10,000,000	Negotiable	

All billed fees will be due within thirty (30) days of the date of billing. Any billed fee not paid within 30 days of such billing will be subject to a 1% monthly interest charge (unless a special accommodation is made by us). We reserve the right to suspend our investment management services in the event any fee becomes more than 30 days overdue.

In certain circumstances, Bishop & Company, at its discretion, may negotiate a fee rate that differs from the range set forth above. Additionally, Bishop & Company honors fee structures for several legacy clients. Specifics of each Discretionary Client's advisory fees are detailed in their Discretionary Investment Management Agreement.

We reserve the right to change your fee schedule effective upon thirty (30) days' written notice to you of such change. Any change in our fees will be documented in an amendment to your Discretionary Investment Management Agreement.

We do not accept compensation from any broker, mutual fund, or ETF company we recommend or work with, otherwise known as "soft dollars." Our only source of income is from fees you pay directly to us. We believe NOT accepting soft dollars from investment products allows us to remain unbiased in our recommendations and decision-making for you.

Either you or Bishop & Company have the right to terminate your Investment Management Agreement within five (5) days of the date of acceptance of the Investment Management Agreement by both parties without any cost to you. After five (5) days, either party may terminate the Agreement by providing written notice to the other party. If the Agreement is terminated, we will provide you with a prorated refund of any prepaid fees paid to us minus reasonable expenses to process the refund. As part of our policy, any refund under the de minimis amount of \$50 will not be issued. The refund will be based upon the date that is the earlier of when: 1) all of your assets have transferred out of your account with us, or 2) the date that we are removed from your accounts as the named adviser with your custodian.

Our Fees for Investment Consulting to Plan Sponsors of Participant-Directed Retirement Plans:

We charge an annual fee amount for Investment Consulting services to retirement plan sponsors (the "IC fee"). The IC fee charged by us is specific for each plan sponsor. The amount that we charge you is dependent on a number of factors, including, but not limited to; the amount of time required to consult on your plan, the type of analysis required to consult on your plan, the number of locations and plan participants we will be required to service, and our overall relationship with you.

Our IC fee is based on the services that we will provide, which include designing a line-up of investment options, monitoring those investment options for you, and educating your plan participants.

Our IC fee is payable quarterly in advance. The initial IC fee is due and payable upon your execution of our Investment Consulting Agreement. The initial IC fee will be assessed pro rata through the end of the current calendar quarter you begin with us. Subsequent IC fee charges will be calculated on the first day of the calendar quarter.

IC fees will be deducted directly from your retirement plan account unless you elect in writing to be billed for the fee. If our IC fee is deducted from your account, you will receive a quarterly statement of the IC fee charged by the custodian. If your custodian cannot deduct our IC fee from your account, you will be billed for the fee.

Our IC fee will be due within thirty (30) days of the billing date. Any IC fee not paid within 30 days of such billing is subject to a 1% monthly interest charge. We reserve the right to suspend our investment consulting services if any fee becomes more than 30 days overdue.

We reserve the right to change the IC fee we charge, effective upon thirty (30) days written notice to you of such change. A change in the annual IC fee will be documented in an amendment to the Investment Consulting Agreement.

Either you or Bishop & Company have the right to terminate your Investment Consulting Agreement within five (5) days of the date of our acceptance of the Investment Consulting Agreement without any cost to you. After the five (5) day period, either you or Bishop & Company may terminate the Agreement by providing written notice to the other. If the Agreement is terminated, we will provide you with a prorated refund of any prepaid IC fees actually paid to us. The refund will be based upon the date we receive written notification to terminate the Investment Consulting Agreement.

While there are no fees charged by Bishop & Company to terminate our Agreement with you, the recordkeeper and/or custodian of your plan can charge certain termination fees, which will be disclosed within their respective agreements with you. We do not participate in these fees or derive any compensation from them.

Third-Party Fees:

In addition to fees paid to Bishop & Company, you may also incur certain charges imposed by other third parties, such as; broker-dealers, custodians, trust companies, banks, recordkeepers, Third Party Advisors, and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees charged by the managers, margin costs, charges imposed directly by a mutual fund or ETF, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, transfer taxes, wire transfer, and electronic fund fees, other fees and taxes on brokerage accounts and securities transactions, and compliance testing and reporting fees. **We do not share in any third party fees.** Bishop & Company's brokerage practices are described at length in Item 12 below.

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

Bishop & Company does not charge performance-based fees on advisory services.

Item 7 – Types of Clients

Bishop & Company requires a minimum account balance of \$1,000,000 for our Discretionary Investment Management services. We may group certain related client accounts for the purposes of achieving the minimum account size requirements. The minimum account size may be negotiable for legacy clients, clients who are expected to exceed the account minimum shortly, and in other circumstances.

We have the following types of Clients:

- Individuals,
- Trusts, Estates, Foundations, Endowments and Charitable Organizations,
- Corporations and other Business Entities, and
- 401(k), Profit Sharing and Pension plans.

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

Analysis:

Bishop & Company does not claim or imply that the methods of analysis, portfolio construction, or strategies we use will predict future results, identify market tops or bottoms, or insulate clients from losses. Different types of investments involve varying degrees of risk. We develop portfolios tailored to clients' needs and investment objectives.

Our Investment Research Process for ETFs & Mutual Funds

At Bishop & Company, we follow a disciplined, research-driven approach when selecting ETFs and mutual funds for client portfolios. Our evaluation process prioritizes key factors that contribute to long-term investment success, including:

- Low Fees – We seek cost-efficient funds with very low fees to minimize the drag on returns.
- Liquidity – Funds must have sufficient trading volume and assets under management (AUM) to ensure efficient execution.
- Diversification – We prioritize funds that provide broad exposure across asset classes, sectors, and geographies to mitigate risk.

- **Tax Efficiency** – Tax implications, such as capital gains distributions, are carefully considered, especially for taxable accounts.
- **Adherence to Benchmark** – We evaluate how well a fund tracks its stated benchmark and its consistency in returns to that benchmark.
- **Fund Management & Strategy** – We assess the investment philosophy, process, and track record of fund managers to ensure alignment with our investment approach.

To conduct this research, we utilize industry-leading sources, including Morningstar, Charles Schwab, Vanguard, and BlackRock, among others. By combining quantitative analysis with qualitative insights, we aim to construct portfolios that align with our clients' financial goals while maintaining a disciplined, long-term investment strategy.

Investing in any of the above-listed securities involves risk of loss. See below for more details.

Investment Strategies:

We take a long-term, goal-focused investment approach rather than engaging in short-term speculation. We believe that long-term holding periods greatly increase the likelihood of reaching your investment goals and objectives. In contrast, short-term speculating is not investing and is something we do not engage in. We will always counsel that you patiently maintain the portfolio that best meets your long-term goals. We do not believe it is possible for anyone to gain an advantage over the equity market by going in and out of it because of current events or perceived threats. Rather, some of the most significant opportunities for us to add value occur during periods of market duress or euphoria when you are tempted to abandon your investment plan.

Investment Strategy & Holding Period

When implementing our investment advice, we focus on long-term investments with an expected holding period of at least one year. However, we reserve the right to make adjustments that may result in shorter holding periods (less than one year) when market conditions or client needs warrant it.

Additionally, we do not typically engage in the following strategies, as they increase the risk of losses and negatively impact long-term performance:

- **Market Timing** – The practice of buying and selling securities based on predictions of short-term market movements. We believe accurately forecasting such movements is not possible.
- **Short Selling** – Selling securities that are not currently owned with the expectation of repurchasing them at a lower price. This strategy carries unlimited risk, as losses can escalate if the price of the security rises.
- **Margin Trading** – Borrowing funds against account assets to increase investment exposure. This amplifies both potential gains and losses and can lead to margin calls in volatile markets.

- Writing Options or Futures Contracts – Entering into derivative contracts that can expose investors to significant leverage and potential losses beyond the initial investment.

Our investment philosophy focuses on long-term, disciplined investing rather than speculative or high-risk trading strategies.

Risk of Loss

Investing in securities involves the risk of loss, including both your original principal investment and any unrealized gains. Financial markets are inherently volatile and can experience significant fluctuations over time. Additionally, the performance of any investment is not guaranteed, and past performance does not indicate future results.

As a result, the assets we manage on your behalf are subject to risks beyond our control, including market downturns, economic conditions, and unforeseen events. While we employ a disciplined investment strategy to manage risk and optimize long-term outcomes, we cannot guarantee any specific level of performance or prevent potential losses in your account.

Mutual Funds vs. ETFs – Key Differences

At Bishop & Company, we utilize both mutual funds and exchange-traded funds (ETFs) as part of our investment strategy. While both are designed to provide diversified exposure to various asset classes, they have structural differences that impact liquidity, costs, and tax efficiency.

- Mutual Funds: Purchased and sold directly through the fund company at the end-of-day net asset value (NAV). They may have higher expense ratios and, in some cases, trading restrictions such as redemption fees. Mutual funds also distribute capital gains annually, which may have tax implications for taxable accounts.
- ETFs: Traded on an exchange throughout the day, like individual stocks, allowing for real-time pricing and greater flexibility in execution. ETFs typically have lower expense ratios and can be more tax-efficient, as they generally do not distribute capital gains unless sold by the investor.

Both investment vehicles have their advantages, and we evaluate the most appropriate option based on liquidity needs, cost efficiency, and tax impact for each client's specific portfolio.

Equity Risk Disclosure

Investing in equities involves inherent risks, including the potential for significant price fluctuations and loss of principal. Stock prices are influenced by various factors, such as company performance, economic conditions, interest rates, geopolitical events, and market sentiment.

While equities have historically provided higher long-term returns compared to other asset classes, they are subject to periods of volatility and short-term declines. There is no guarantee that any equity investment will generate profits or recover from losses.

At Bishop & Company, we employ a diversified investment strategy to help mitigate equity risk, but diversification does not eliminate the possibility of loss. Our approach is based on long-term financial goals, not market speculation, and we advise clients to maintain a disciplined investment perspective during periods of market uncertainty.

Clients should carefully consider their risk tolerance, time horizon, and liquidity needs before investing in equities. If you have questions about how equity risk may impact your portfolio, we encourage you to reach out for a discussion.

Bond & Counterparty Risk

Bonds are generally considered less volatile than equity securities; however, their risk levels can vary significantly depending on several factors, including:

- Issuer Creditworthiness – The financial health of the issuing entity affects the likelihood of default.
- Default Risk – The possibility that the issuer may be unable to meet its financial obligations.
- Maturity Date – Longer-term bonds may be more sensitive to interest rate fluctuations.
- Call Risk – Some bonds may be "called" before maturity, meaning the issuer can redeem them early. If this occurs, investors may not be able to reinvest in a similar bond with the same return.

Counterparty Risk

Bishop & Company relies on third-party financial institutions, such as broker-dealers, custodians, and banks, to facilitate transactions and safeguard assets. There is a risk that these institutions could default on their obligations, potentially impacting account holdings.

General Investment Risk

The risks described above represent some, but not all, of the potential risks associated with various investment types and strategies. Clients should carefully evaluate all relevant risks before making investment decisions and understand that investing in securities always involves the risk of loss, which they should be prepared to bear.

Item 9 – Disciplinary Information

We have no legal or disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

We are **not** registered (nor do we have an application pending for registration) as a:

- Broker-dealer.
- Investment company (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund”, and offshore fund),
- Futures or commodity trading adviser,
- Bank or thrift institution,
- Accounting firm,
- Law firm,
- Insurance agency,
- Pension consultant,
- Real estate broker, or
- Agent for a limited partnership.

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

Code of Ethics

As an SEC-registered investment advisory firm, Bishop & Company is required to maintain a Code of Ethics (the “Code”). This Code outlines the fiduciary, ethical, and business conduct standards that govern our firm and employees. A full copy of our Code of Ethics is available to clients or prospective clients upon request.

Fiduciary Commitment

Our Code of Ethics is based on the fundamental principle that our employees have a fiduciary duty to act in the best interests of our clients. Under our Code, employees are:

1. Required to comply with all Federal and State Securities Laws.
2. Obligated to maintain confidentiality of client personal and financial information.
3. Prohibited from acting on or misusing material non-public information.
4. Subject to regulations on personal securities trading, including restrictions on “reportable securities” as mandated by regulation.
5. Required to always put clients’ financial interests ahead of their own.

Key Provisions of Our Code

- Client Trading Priority – Your account transactions always take priority over trades in our firm’s or employees’ accounts.

- Prohibition on Principal Trading – We do not buy investments from client accounts for our own or employees' accounts, nor do we sell investments from our accounts to clients.
- Restrictions on IPO Investments – Employees are prohibited from investing in Initial Public Offerings (IPOs) to prevent potential conflicts of interest.

Personal Trading & Compliance Oversight

Our Code does not prohibit employees from personal investing, as we believe in following the same investment principles we advise our clients to follow. However, all personal trades must comply with our fiduciary obligations and ethical standards. Employees are required to:

- Report all personal trading activity involving reportable securities.
- Disclose any potential conflicts of interest to our Chief Compliance Officer.
- Report any violations or suspected violations of the Code.

Employees found to be in violation of the Code are subject to corrective action, up to and including termination.

Annual Certification

All employees receive a copy of the Code of Ethics upon hire and must certify in writing their compliance annually. This ensures that every team member remains accountable to our high ethical standards and committed to serving our clients with integrity.

Item 12 – Brokerage Practices

Brokerage Practices

Bishop & Company does not maintain custody of client assets, except in cases where clients grant us authority to withdraw advisory fees or other assets (see Item 15—Custody). Client assets must be held at a qualified custodian, typically a broker-dealer or bank. We recommend Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer and SIPC member, as the preferred custodian for our clients.

We are independently owned and operated and are not affiliated with Schwab. Schwab acts as the custodian for client assets, executes securities transactions upon our instruction, and provides reporting services. While we recommend Schwab, the decision to use Schwab is ultimately the client's. If a client does not wish to use Schwab (unless a specific accommodation is possible), we may not be able to manage their account. Although Schwab is our preferred custodian, we retain the ability to execute trades through other brokers when deemed beneficial (see "Your Brokerage and Custody Costs").

How We Select Brokers & Custodians

We recommend Schwab as custodian and broker based on many factors, including the following:

- Comprehensive Services – A combination of execution, clearing, and custody services with no separate custody fee.
- Transaction Capabilities – Ability to execute, clear, and settle trades efficiently.
- Funds Transfer Services – Facilitation of bank transfers, wires, and check requests for clients.
- Investment Product Availability – Access to ETFs, mutual funds, stocks, and bonds.
- Investment Research & Tools – Availability of independent research to assist in investment decisions.
- Competitive Pricing – Reasonable commission rates and willingness to negotiate costs.
- Reputation & Stability – A long-standing record of financial strength and security.
- Prior Client Service – A history of reliable service to both our firm and our clients.
- Additional Products & Services – Other services that provide value to our firm (see "Products and Services Available to Us from Schwab").

Your Brokerage & Custody Costs

For accounts maintained at Schwab, the Bishop & Company does not charge separate custody fees. Instead, Schwab is compensated through:

- Trading commissions and transaction fees – Although many mutual funds and ETFs we select do not incur Schwab transaction fees, some securities may have associated costs.
- Interest on uninvested cash – Schwab earns revenue from cash balances held in its Cash Features Program.
- "Prime Broker" or "Trade Away" Fees – When we execute trades through a different broker, Schwab may charge a flat transaction fee for settling the trade in your Schwab account.

While we seek to minimize trading costs, we are not required to use the lowest-cost broker if doing so does not align with our duty to obtain best execution—meaning the most favorable terms based on price, liquidity, and overall service quality.

Products & Services Available to Us from Schwab

Schwab Advisor Services™ provides institutional brokerage services tailored to independent investment advisors like us. These services, which may not be available to retail customers, include trading, custody, reporting, and support services.

Services That Benefit Clients

Schwab provides access to:

- A broad range of investment products.
- Efficient trade execution and custody services.
- Institutional-class investment opportunities, which may offer lower expense ratios or higher minimums than retail-class investments.

Services That Benefit Our Firm

Schwab offers additional services that benefit us but may not directly benefit clients, including:

- Investment research and market data.
- Software and technology for trade execution, pricing, and recordkeeping.
- Tools for fee payments and back-office functions.

Services That Primarily Benefit Our Firm

Schwab provides services intended to help us grow and manage our business, including:

- Practice management consulting and business succession planning.
- Marketing support and compliance consulting.
- Educational conferences and technology support.

Schwab covers some of these costs or provides services at discounted rates, which creates a conflict of interest. While we do not select Schwab solely based on these benefits, they are a factor in our overall evaluation.

Block Trading

We do not employ block trading, where multiple client accounts trade the same security simultaneously. Instead, we trade accounts individually, as we tailor rebalancing events to each client's portfolio.

Mutual Fund Share Class Selection

Mutual funds offer multiple share classes with different expense structures, investment minimums, and trading restrictions. Institutional share classes often have lower expense ratios than retail share classes. When selecting mutual funds, we:

- Evaluate all available share classes (retail, institutional, and advisor-class).
- Consider factors such as minimum investment requirements, internal costs, and trading flexibility.
- Aim to select the most appropriate share class based on cost-efficiency and best execution, which may not always be the lowest-cost option.

We periodically review client holdings to ensure that mutual fund share classes remain aligned with our best execution standards.

Client-Directed Broker Selection

If a client chooses to use a broker-dealer/custodian other than Schwab, they must negotiate commission rates and transaction costs directly with that firm. In such cases, we do not assume responsibility for obtaining best execution, and trading costs may be higher.

Broker Selection for Participant-Directed Retirement Plans

For retirement plan sponsors, we may recommend a broker-dealer/custodian based on:

- Ability to custody plan assets and provide diversified investment options.
- Capability to facilitate contributions, rollovers, and distributions.
- Fee structures and administrative costs.
- Financial strength, stability, and reputation.

We assess these providers based on pricing, service quality, and investment flexibility to ensure alignment with the needs of the plan and its participants.

Item 13 – Review of Accounts

Ongoing Account Reviews & Rebalancing

At Bishop & Company, we conduct ongoing reviews of your account(s) to ensure that they remain aligned with your financial goals and investment strategy. Michael W. Bishop, CFA and Michael H. Bishop, ESQ oversee these reviews and determines whether rebalancing is necessary.

Rebalancing involves buying or selling securities to maintain the target asset allocation (stocks, bonds, and cash) and sub-asset class allocation (e.g., large-cap vs. small-cap, growth vs. value). The goal is to keep your portfolio in line with the strategy we have established for you.

Several factors may trigger interim or more extensive reviews, including but not limited to:

- Changes in your financial circumstances (e.g., retirement, job changes, major expenses).
- Deposits or withdrawals made into or from your accounts.
- Significant changes in individual security positions.
- Shifts in market conditions that impact portfolio performance.
- Investment adjustments based on our decision to replace or modify securities in your portfolio.

Account Statements & Reporting

Your broker-dealer/custodian is responsible for providing you with:

- Quarterly statements reflecting your holdings, current valuations, transactions, and any investment management fees deducted.
- Trade confirmations detailing buying and selling activity in your accounts.
- Year-end tax reporting, including IRS Form 1099, summarizing taxable income, capital gains, and other reportable activity.

We encourage you to review these statements regularly and reach out with any questions regarding your portfolio or financial situation.

Item 14 – Client Referrals and Other Compensation

We do not pay third parties to refer clients to us.

However, we receive economic benefits from Charles Schwab & Co., Inc. ("Schwab") through the support products and services it provides to us and other independent investment advisors who use Schwab as a custodian. These benefits do not result in higher fees for clients who maintain their assets at Schwab.

The products and services we receive, how they benefit us, and potential conflicts of interest are detailed in Item 12 – Brokerage Practices. Importantly, the availability of these benefits does not influence our investment decisions—we do not recommend specific securities based on Schwab's offerings or incentives. Our investment recommendations are solely based on your financial goals and best interests.

Item 15 – Custody

Bishop & Company does not maintain physical custody of client assets. However, we are considered to have custody in certain situations, such as when you authorize us to:

- Deduct advisory fees directly from your accounts.
- Transfer assets to another person's account on your behalf.

Your broker-dealer/custodian (e.g., Charles Schwab & Co., Inc.) retains actual custody of your assets. At least quarterly, your custodian will send account statements directly to you via email or postal mail, based on the contact details you provided.

We strongly encourage you to review these statements carefully and compare them with any portfolio reports you receive from us. While we reconcile your account on a share basis with your custodian, differences in reported values may occur due to trade settlements spanning quarter-end reporting dates. In such cases, there may be temporary variations between the market value of your account reflected in our reports and those issued by your custodian.

Item 16 – Investment Discretion

As a Discretionary Investment Management client, you are required to execute the following two documents with Bishop & Company:

1) Investment Management Agreement & Investment Objective Form

This agreement grants Bishop & Company discretionary authority over your investment accounts, meaning we will make investment decisions on your behalf, in accordance with your written Investment Objectives. Our discretion is limited to:

- Selecting securities for purchase or sale.
- Determining the amount of securities to be bought or sold.

If you wish to place any restrictions on our investment authority (e.g., retaining or excluding specific securities), you may do so in writing. Additionally, if you direct your broker-dealer to purchase a security within an account we manage, you assume full responsibility for the investment discretion of that specific security.

2) Limited Power of Attorney (LPOA) Form

You must also execute a Limited Power of Attorney (LPOA) form from your broker-dealer/custodian, authorizing us to:

- Execute trades on your behalf within your accounts.
- Manage investments in accordance with our discretionary authority.

These documents ensure that we can efficiently manage your portfolio while aligning investment decisions with your long-term financial objectives.

Item 17 – Voting Client Securities (i.e., Proxy Voting)

Bishop & Company does not vote proxies on behalf of our clients. Any proxy materials related to securities held in your accounts will be sent directly to you by your broker-dealer, custodian, or transfer agent.

However, if you have questions about proxy voting, we are happy to provide guidance and assistance to help you understand your options. Please feel free to reach out to us with any inquiries.

Item 18 – Financial Information

Under financial regulations, investment advisers are required to provide a balance sheet for the most recent fiscal year if they charge or solicit prepayment of \$1,200 or more per client, six (6) months or more in advance.

Bishop & Company does not engage in such prepayment arrangements. As a result, we do not fall within the scope of this requirement, and a balance sheet is not provided.

Brochure Supplement on Michael W. Bishop, CFA

Business Address:

Bishop & Company Investment Management, LLC
1250 Tower Lane, Suite 101
Erie, PA 16505
Phone: 814-314-0344

Background & Professional Experience

Mike was born in 1969 and earned a Bachelor of Science degree in Finance and Economics from Gannon University in 1991. He is a Chartered Financial Analyst (CFA) charterholder, a designation recognized as one of the most respected and rigorous investment credentials globally.

Mike has over 30 years of experience in investment advising:

- 1992-1994 – Security Analyst & Assistant Portfolio Manager, Bill Few Associates, Inc., Pittsburgh, PA
- 1994-2002 – Chief Investment Officer & Manager, Heritage Trust Division, Northwest Savings Bank, Erie, PA
- 2002-2008 – Portfolio Manager, Wedgewood Investors, Inc., Erie, PA
- 2008-Present – Founder & President, Bishop & Company Investment Management, LLC, Erie, PA

About the CFA Charter

The Chartered Financial Analyst® (CFA) designation is one of the most recognized and respected credentials in the global investment industry. It signifies expertise in investment analysis, portfolio management, and ethical financial practices.

To earn the CFA charter, candidates must:

- Accumulate at least four years of qualifying investment work experience
- Become a member of CFA Institute
- Annually pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct
- Successfully complete all three levels of the CFA Program

The CFA Program

The CFA Program is a graduate-level, globally recognized curriculum that provides a deep foundation in real-world investment analysis, portfolio management, and financial industry knowledge while emphasizing the highest ethical and professional standards.

The program consists of three levels, each culminating in a six-hour exam.

- CFA candidates typically dedicate 300+ hours of study per level
- Most candidates take between three to five years to complete the full program

Global Recognition of the CFA Charter

- Over 160,000 CFA charterholders worldwide across 164 countries and regions
- Regulatory bodies in 19 countries recognize the CFA charter for licensing purposes
- More than 125 universities integrate the CFA Program curriculum into their coursework, including:
 - University of Oxford – Saïd Business School
 - New York University

- INSEAD
- Peking University
- Nanyang Technological University

For more information about the CFA charter, visit www.cfainstitute.org

Legal & Compliance Information

- **Disciplinary History:** Mike has no legal or disciplinary events to report.
- **Conflicts of Interest:** Mike does not engage in any outside business activities that would pose a conflict of interest with his role as an Investment Advisory Representative at Bishop & Company Investment Management, LLC.
- **Additional Compensation:** Mike does not receive additional compensation for advisory services from persons or accounts that are not clients of Bishop & Company Investment Management, LLC.
- **Supervisory Oversight:** As Founder, President, and Chief Compliance Officer, Mike is responsible for his supervision and compliance with regulatory requirements.

Brochure Supplement on Michael H. Bishop, Esq.

Business Address:

1250 Tower Lane, Suite 101
Erie, PA 16505
814-314-0344

Michael was born in 1998. He graduated from John Carroll University where he received a Bachelor of Science degree in Economics in 2020. Michael attained his Juris Doctorate degree from Case Western University School of Law in May of 2022, and is a member in good standing of the Pennsylvania Bar. To maintain the membership, Michael must follow “The Rules of Professional Conduct” **and participate in continuing education.**

Michael has experience in legal services:

- 2022-2024 Associate Attorney at MacDonald Illig Attorneys in Erie, PA.

Michael has no legal or disciplinary events to report.

Michael does not engage in any outside business activities that would be considered a conflict of interest with his position as an Investment Advisory Representative with Bishop & Company Investment Management.

Michael does not receive any additional compensation for advisory services from persons or accounts that are not clients of Bishop & Company Investment Management, LLC.

Michael H. Bishop’s actions are monitored by Bishop & Company Investment Management’s Compliance Officer, Michael W. Bishop, through the supervisory structure. Michael W. Bishop may be reached by telephone at (814) 314-0344 ext. 1.