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April 2, 2026
FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Destination Wealth Management. If you have any questions about the contents of this brochure, please contact us at 925-935-2900. 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 Destination Wealth Management is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Destination Wealth Management is 110365.

Destination Wealth Management is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 – Material Changes

This disclosure brochure dated April 2, 2026, provides you with a summary of Destination Wealth Management's ("Destination", “DWM”, the "Firm”, “Adviser”, or "we"), advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. Item 2 provides a summary of material changes made to this brochure since the Firm's previous annual brochure update, which was dated March 28, 2025. Accordingly, Destination strongly encourages clients and prospective clients to review this brochure in its entirety and to call the Firm with any questions. Particular attention should be paid to the following material changes:

Since our last annual brochure update, we have made the following material changes to the business:

- Item 4 – Advisory Business – DWM clients with over $3,000,000 in assets under management (“AUM”) at Destination now qualify for estate planning and tax services provided by Destination’s strategic partners as described below. Previously, the minimum AUM requirement was $5,000,000.

- Item 5 – Fees and Compensation – DWM has updated its methodology regarding management fee calculations. Management fees are now calculated based on the average daily balance of AUM for the prior quarter, rather than the AUM value at prior quarter end.

- Item 5 – Fees and Compensation – This section has been updated to include a description of DWM’s management fees as it pertains to Private Placements / Alternative Investments.

- Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss – This section has been updated to reflect the inclusion of Alternative Investments, as defined below, throughout Item 8.

- Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss – DWM has expanded the Risk of Loss section in Item 8 to include additional risks clients and prospective clients should be aware of.

- Item 12 – Brokerage Practices – This section has been updated to clarify that DWM does not use “soft dollars” or have any commission sharing arrangements with any broker.

- Item 17 – Voting Client Securities – This section has been updated to describe how the voting of client securities functions for the portions of client portfolios managed by sub-advisors.

Item 3 – Table of Contents

Item 4 – Advisory Business

A. Description of Firm

DWM a Delaware corporation, is a SEC- registered investment adviser with its principal place of business located in Walnut Creek, California.

Destination's registration became effective on October 11, 1996.

The Firm's principal shareholder (i.e., those individuals and/or entities controlling 25% or more of this company) is Michael Allen Yoshikami (CRD Number 1929209). Mr. Yoshikami is the CEO and Founder of the Firm.

B. Types of Advisory Services Offered

Destination provides discretionary investment advisory and financial planning services (as more fully described below) to individuals, high net worth clients, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

The Firm offers the following advisory services to our clients:

1. Investment Management Services

Portfolio strategy and the allocation to equity, fixed income, or alternative asset classes are important considerations when assessing the most appropriate investment plan for a client's situation. Through personal discussions in which investment goals and objectives, based on a client's particular circumstance, are established, we determine which investment strategy best meets the needs and objectives of each client and create and manage a portfolio based on that strategy. During our data-gathering process, we determine the client's individual investment objectives, time horizon, risk tolerance, and liquidity needs, among other suitability considerations. As appropriate, we also review and discuss a client's prior investment experience, as well as family composition and background. In addition, we provide financial planning as part of our overall investment management services, as described below.

A review of a client's circumstances will occur periodically and as needed to assess the appropriateness of the strategy for each client. Clients are asked to inform Destination of any major life changes, changes in their financial condition, or suitability preferences in a timely manner. Clients can impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors, as agreed upon by DWM and the client.

We manage client accounts on a discretionary basis. Account supervision is guided by the client's desired objectives (e.g., capital appreciation, capital preservation, and style preferences such as global, domestic, or environment, social, and governance (also known as "ESG")), as well as other considerations. Primary investment management services include, but are not limited to, the following:

- Asset Allocation Design
- Investment Research and Asset Selection
- Portfolio Monitoring and Rebalancing

Assets are allocated/reallocated on an ongoing basis to ensure that client's overall portfolio matches the client's selected investment strategy, risk tolerance, and investment objectives, among other suitability considerations. Portfolios are designed to meet individual client objectives using a variety of security types and investment strategies.

Destination offers several model portfolios using a range of asset classes and security types to enable an appropriate allocation to be adapted for each client based on their individual needs. For DWM clients who have more than one account in the same model portfolio, securities will be allocated across all accounts which could result in the accounts not holding the same positions or having the same allocation of securities. Purchasing different securities in different accounts avoids duplication of purchases which can lead to lower trading fees. It also permits Destination to take better advantage of any potential difference in the tax status of such account(s) which can lead to better after-tax returns over time.

Account management is guided by the stated objectives of the client. In an effort to achieve the client's investment goals and objectives, we utilize a mixture of equity, fixed income securities, and alternative investments, including, but not limited to, publicly traded equity securities, mutual funds, Exchange Traded Funds (“ETFs”), and derivatives, and as suitable, privately offered securities (i.e., alternative investments) such as limited offerings, private placements, and structured products with varying risk tolerances to comprise a client's portfolio. DWM also uses certain sub-advisers to manage specific strategies that may not be offered directly by DWM, on our clients’ behalf. Please refer to Items 5, 6 and 8 below for additional information.

Our investment recommendations are not limited to any specific product or service and generally include advice regarding the following types of securities or strategies:

- Publicly traded equity and fixed income securities, including securities of foreign issuers;
- Derivatives;
- Corporate debt securities (other than commercial paper);
- Commercial paper;
- Certificates of deposit;
- Municipal bonds;
- Mutual funds;
- ETFs;
- United States Treasuries;
- Interests in partnerships;
- Sub-advised strategies;
- Interests in private funds;
- Structured products; and
- Other alternative investment strategies or securities, including those that are managed by sub-advisors.

Investments involve varying degrees of risk, and as such, specific recommendations will only be made and implemented when suitable for the client and consistent with the client's stated suitability and investment profile.

Destination provides discretionary investment advisory services to certain clients whose accounts are subject to the Employee Retirement Income Security Act of 1974 (“ERISA”), including employer-sponsored retirement plans (“Plan” or “Retirement Plan”) and individual retirement accounts (“IRA”). In connection with these engagements, DWM acts as an investment advice fiduciary, as defined under ERISA and applicable Department of Labor (“DOL”) regulations, and DWM both acknowledges and adheres to the fiduciary duties imposed by such laws.

As an ERISA fiduciary, DWM is required to act solely in the interest of plan participants, beneficiaries and retirement investors and provides investment advice and portfolio management services to ERISA-governed accounts in accordance with applicable fiduciary standards of prudence, loyalty, and care.

DWM's advisory services to ERISA plans and retirement accounts are structured to comply with applicable prohibited transaction rules under ERISA and the Internal Revenue Code. Where applicable, DWM relies on available prohibited transaction exemptions, including Prohibited Transaction Exemption 2020-02 ("PTE 2020-02"), in connection with the receipt of advisory compensation for services provided to retirement investors. In providing advice to ERISA Plans and IRA's, including recommendations relating to investments or rollovers, DWM considers relevant factors such as fees and expenses, services provided, available alternatives, and the objectives and circumstances of the plan and/or retirement investor. DWM maintains policies and procedures reasonably designed to mitigate conflicts of interest, ensure reasonable compensation, and support compliance with applicable ERISA fiduciary requirements.

2. Financial Planning Services

Financial planning involves an evaluation of a client's current financial condition and anticipated future circumstances using available information to assess cash flows, asset values, and withdrawal needs.

Financial planning services are provided pursuant to a written agreement between Destination and the client and are included at no additional cost for clients receiving investment management services. Financial planning services may include, but are not limited to:

- Net worth and financial profile analysis;
- Cash flow projections;
- Tax analysis and review;
- Education funding;
- Charitable gifting;
- Insurance analysis;
- Estate planning review; and
- Retirement planning.

DWM gathers information including, but not limited to, the client's current financial status, tax status, future goals, return objectives and risk tolerance. DWM reviews documents provided by the client, such as tax returns or estate planning documents, and prepares a written report. Should a client choose to implement any financial planning recommendations provided by Destination, the Firm recommends the client work with their attorney, accountant, insurance agent and/or other professional advisors, as appropriate. Implementation of any financial planning recommendations is solely at the client's discretion.

3. Estate Planning and Tax Services

Clients with at least $3,000,000.01 in Household[1] AUM with DWM, are eligible to receive certain estate planning and/or tax services provided by Destination's strategic partners, pursuant to the terms and conditions set forth below:

- Estate Planning Services – Estate planning services will be provided by a licensed attorney who will assist with wills, trusts, powers of attorney for health care and estate decisions, community property agreements, deeds to real property, and other estate planning considerations. DWM may contribute,

[1] A household is defined as those accounts aggregated for billing purposes, including a client's husband, wife, domestic partner, son, daughter, mother, father, grandparent, grandchild, and siblings.

from its own accounts, a one-time amount of up to $3,500, including up to two deed transfers, for estate planning services, which will be offered to the primary member of the household.[2] The primary household member may designate another household member to receive such benefit. Clients are responsible for any fees in excess of the amount paid by Destination. It is important for DWM clients to understand that DWM is not a law firm, does not provide legal services, but may coordinate with your estate planning attorney upon request.

- Tax Services – Tax services will be provided by Certified Public Accountants ("CPAs") and may include tax return preparation and tax planning services. DWM will pay, out of its accounts, up to $1,000 annually towards these services, which will be offered to the primary member of the household.[3] The primary household member can either use or choose to designate another household member to receive the benefit. Clients are responsible for any fees in excess of the amount paid by Destination. It is important for DWM clients to understand that DWM is not an accounting firm, but may coordinate with your CPA upon request.

- Notary Services – Should a state-commissioned Notary Public be engaged by a client to notarize documents related to services offered by DWM, we will provide, out of its own accounts, a one-time reimbursement of up to $250, which will be credited to the management fee assessed in the following quarter. Clients are responsible for any fees in excess of the amount paid by Destination.

At the beginning of each month, DWM will reevaluate existing Destination client eligibility for receiving the above estate planning and tax planning services based on total household AUM managed by Destination calculated as of the last day of the preceding month. To the extent that a DWM client is eligible, DWM's contribution is to be used for that calendar year. If a client terminates their engagement with DWM prior to such estate planning and/or tax planning services being completed, Destination will not contribute any amount towards these services, and the client will be solely responsible for paying the applicable strategic partner directly pursuant to the terms of the specific strategic partner's service agreement.

Any amounts paid by DWM out of its own accounts for the services described above are available for use during the applicable calendar year. If a client terminates their advisory relationship with DWM prior to completion of such services, DWM will not pay any amount toward such services, and the client will be solely responsible for payment of all fees directly to the applicable third-party professional pursuant to that professional's service agreement.

C. Information Related to the Firm's Services

1. Information Received from Individual Clients

The Firm will not assume any responsibility for the accuracy of the information provided by the client. The Firm is not obligated to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized by clients to rely on such information. As stated above, clients are responsible for promptly notifying DWM in writing of any material changes to the client's financial situation or suitability information. In the event that a client notifies DWM of changes in the client's financial circumstances, Destination will review such changes and recommend any necessary revisions to the client's portfolio.

[2] It is presumed that the household member with the largest assets is the primary household member.
[3] *Id.*

2. Advisory Services, Agreements and Disclosures

Prior to engaging DWM to provide investment management or financial planning services, clients will be required to enter into one or more written agreements with the Firm setting forth the terms and conditions under which the Firm shall render its services, collectively referred to as the Investment Advisory Agreement ("IAA"). In accordance with applicable laws and regulations, DWM will provide this brochure and one or more brochure supplements, as applicable, to each client or prospective client prior to, or contemporaneously with, the execution of the IAA. The IAA between the Firm and the client will continue in effect until terminated by either party pursuant to the terms of the agreement. Neither the Firm nor the client may assign the IAA without the prior written consent of the other party.

3. Restrictions/Guidelines Imposed by Clients

Clients can impose reasonable guidelines and/or restrictions on investing in certain securities or types of securities. Such guidelines and/or restrictions must be communicated to the Firm in writing. There may be times when certain restrictions are placed by a client, which prevents the Firm from accepting or continuing to manage the account(s). In certain circumstances, client-imposed restrictions may limit the Firm's ability to manage an account in a manner consistent with the client's investment objectives or the Firm's investment strategies. The Firm reserves the right to decline to accept, or to terminate, management of an account if such restrictions materially impair the Firm's ability to provide advisory services.

D. Participation in Wrap Programs

The Firm does not currently participate in any wrap programs.

E. Assets Under Management

As of December 31, 2025, the Firm managed on a discretionary basis $ $4,948,271,866.10 of client assets which represented 6,129 accounts.

Item 5 – Fees and Compensation

A. Advisory Fees

Destination charges investment advisory fees based on the type of advisory services provided. The specific fees, billing methodology, and payment terms applicable to each client are set forth in the client's written IAA(s) and are further detailed below. Although the Firm believes its fees are competitive, clients should be aware that lower fees for comparable investment advisory services are available from other sources.

Generally, the fee for investment management services is determined based on a client's AUM with the Firm and are assessed in accordance with the tiered or flat fee schedules set forth in the applicable IAA. However, advisory fees are negotiable at the sole discretion of the Adviser, and in determining the fees charged, the Firm may consider factors including, but not limited to, the client's investment objective, trading activity, client special requests, number of accounts, size of portfolio, and estimated transition time.

Fees for financial planning services are generally charged on an hourly or project-based basis, as set forth in the applicable IAA or financial planning agreement. For clients who engage the Firm for discretionary investment management services, financial planning services may be provided on a complimentary basis, as described in the IAA. Financial planning fees may also be waived at the Firm's discretion.

1. Investment Management Fees

DWM charges Households an investment management fee that is assessed and billed quarterly in advance. The advisory fee is calculated as an annualized percentage of AUM, based on the average daily value of the Household's managed assets during the preceding calendar quarter, as determined by DWM's portfolio accounting system. Fees are calculated and billed in accordance with the tiered fee schedule set forth in each client's IAA, which governs the calculation, billing, and payment of advisory fees.

TIERED RATE FEE SCHEDULE
(A separate advisory fee percentage is applied to each applicable tier of assets)

DWM charges an annualized investment management fee that is calculated using a tiered rate structure, with a separate fee percentage applied to each portion of a Household's AUM within the applicable tier.

ASSET TIER	MANAGEMENT FEE (Annualized)
First $500,000 ($0-$500,000)	1.15%
Next $500,000 ($500,000.01 - $1,000,000)	0.98%
Next $1m ($1,000,000.01 - $2,000,000)	0.93%
Next $1m ($2,000,000.01 - $3,000,000)	0.88%
Next $1m ($3,000,000.01 - $4,000,000)	0.83%
Next $1m ($4,000,000.01 - $5,000,000)	0.78%

FLAT RATE FEE SCHEDULE
(A single flat rate is applied across all eligible Household portfolios)

Once a Household exceeds $5,000,000 in assets AUM, as measured on the last day of the calendar quarter, the Household will transition to DWM's flat-rate fee schedule. Under this structure, a single annualized management fee rate is applied to the entire Household AUM, based on the applicable asset tier.

ASSET TIER	MANAGEMENT FEE (Annualized)
$5,000,000.01 - $10,000,000	0.75%
$10,000,000.01 - $15,000,000	0.70%
$15,000,000.01 - $20,000,000	0.65%
$20,000,000+	0.60%

Once a Household qualifies for the flat-rate fee schedule, the Household will generally remain on the flat-rate schedule even if the Household's AUM subsequently falls below the applicable threshold due solely to market fluctuations or investment performance. However, if the Household's AUM declines below $5,000,000 as a result of client-directed withdrawals, DWM, in its sole discretion, may elect to transition the Household back to the standard tiered fee schedule, as set forth in the applicable IAA.

For purposes of fee calculation, AUM generally includes cash balances held in managed accounts, including accrued dividends and margin balance, as well as other assets managed by DWM pursuant to the IAA. No increase in an advisory fee rate will be effective without prior written notice to the client. DWM generally requires a minimum Household portfolio size of $500,000 for discretionary investment management services; however, DWM may waive this minimum requirement in its sole discretion.

As described above, DWM's investment management fees are assessed and billed quarterly in advance. The quarterly advisory fee is calculated by applying the applicable annualized fee rate to the average daily value of the Household's AUM during the preceding calendar quarter, as determined by DWM's portfolio accounting system, and prorating that amount for the number of days in the applicable billing period.

For example, assume a client has $1,000,000 in AUM based on the average daily value of the account during the fourth quarter (October 1 through December 31) of the prior calendar year. The advisory fee for the first quarter of the following year would be calculated using the Tiered Rate Fee Schedule as follows:

- First $500,000 at 1.15%, and
- Next $500,000 at 0.98%.

Accordingly, the quarterly advisory fee would be calculated as:

- $500,000 × (1.15% ÷ 365 × 90)
- $500,000 × (0.98% ÷ 365 × 90) = $2,626.03

Similarly, assume a client has $6,000,000 in AUM, based on the average daily value of the account during the fourth quarter (October 1 through December 31) of the prior calendar year. Considering the Household exceeds $5,000,000 in AUM, the Flat Rate Fee Schedule would apply. The advisory fee for the first quarter of the following year would be calculated as follows:

- $6,000,000 × (0.75% ÷ 365 × 90) = $11,095.89

Client portfolios that contain only fixed income investments are typically charged a lower fee structure, as determined on an ad hoc basis at the discretion of the Destination. Charitable accounts are also typically charged a lower fee structure, as determined on an ad hoc basis at the sole discretion of Destination.

For accounts utilizing margin, advisory fees are calculated based on the total market value of assets in the account, rather than net equity. Advisory fees are deducted from client accounts, and assets in the account may be liquidated at DWM's discretion and consistent with the IAA, to satisfy fees due and payable.

For new client accounts, DWM will assess its initial asset management fee based on when asset management begins, unless special arrangements have otherwise been agreed to in writing. Billing occurs in advance, so the first invoice will include prorated fees (billed in arrears) for a partial quarter during which asset management begins, and a full quarter's fees for the following quarter. Should a client open an account during the quarter, the Adviser's management fee will be prorated (billed in arrears) based on the number of days that the account was open during the quarter. In the event that DWM's services are terminated during the quarter, any paid, unearned fees will be promptly refunded to the client.

<u>Aggregation of AUM for Billing Purposes Only</u>

Unless a client instructs DWM otherwise, a client's AUM may be aggregated with the AUM of other related Household accounts for billing purposes only. Household aggregation is used solely to determine the applicable advisory fee tier under DWM's fee schedules and may result in a lower effective advisory fee for one or more Household members. Fees are then allocated and billed proportionately to each Household account based on its respective AUM.

For example, assume a client and the client's adult child each maintain a separate IAA with DWM. For purposes of billing the first calendar quarter, the client's AUM total $1,500,000, and the child's portion of the AUM total is $500,000, based on the average daily value of each account during the fourth quarter (October 1 through December 31) of the prior year. For billing purposes only, the child's AUM would be aggregated with the client's AUM, and the total Household AUM would be used to determine the applicable tiered advisory fee. The combined quarterly advisory fee would be calculated as follows:

- $500,000 × (1.15% ÷ 365 × 90)
- $500,000 × (0.98% ÷ 365 × 90)
- $1,000,000 × (0.93% ÷ 365 × 90) = $4,919.18

This total quarterly advisory fee would then be allocated proportionally between the Household accounts based on their respective AUM. In this example, the client would be invoiced $3,689.38, and the client's child would be invoiced $1,229.80.

Clients are strongly encouraged to review their quarterly custodian statements and to contact Destination with any questions regarding fees.

2. Private Placements / Alternative Investments

Client assets invested in private funds (including private credit, private equity, hedge funds, etc.), investments managed by unaffiliated third-party sub-advisers (typically referred to as sub-managed assets), and/or other alternative investment types such as structured products (collectively, "Alternative Investments"), are subject to management fees, performance-based fees, and other expenses as disclosed in each Alternative Investment's offering and disclosure materials. Any such fees and expenses charged by an Alternative Investment manager are separate from, and in addition to, the advisory fees charged by DWM.

In addition, DWM assesses a separate management fee on Alternative Investments, generally equal to 0.75% of the value of the Alternative Investment. Clients should note this rate is outside of the management fee assessed by DWM for traditional portfolios, with the exception that the 0.75% drops in accordance to the flat rate fee schedule for applicable clients.

Destination clients should carefully review the fees charged by any Alternative Investment manager, together with the advisory fees charged by DWM, in order to fully understand the total amount of fees and expenses to be paid by the client as it relates to investing in Alternative Investments. Please review Section 8 for additional information regarding important risks and considerations with Alternative Investments.

3. Advisory Fee Payments

Payment of DWM's investment management fees is generally deducted directly from a client's account by the qualified custodian and remitted to DWM on a quarterly basis, unless alternative instructions have otherwise been directed in writing by a client. Fee deductions typically occur within ten (10) business days following the end of each calendar quarter. Client authorization for the automatic deduction of advisory fees from a client's account is contained in the IAA the client entered into between the client and Destination.

Clients' custodians will deliver account statements directly no less frequently than quarterly. These statements reflect all transactions occurring during the reporting period, including any advisory fees deducted and paid to DWM. Clients are encouraged to carefully review their custodial account statements for accuracy and to compare them with any reports provided by DWM.

For certain family and friends of Destination's employees, Destination may, in its sole discretion, reduce or waive investment management fees in their entirety. Accounts managed by DWM on behalf of employees are charged a reduced management fee.

The terms of the IAA between Destination and a client will remain in effect until terminated. Either party may terminate the agreement at any time and for any reason, upon receipt of a 30-day written notice to the other party. Clients may waive the 30-day period in writing to Destination if desired. Upon termination of an advisory relationship, any prepaid, but unearned advisory fees will be promptly refunded to the client. In the event of a client's death, and unless otherwise instructed, DWM will continue to manage the account in accordance with the terms of the IAA. Any advisory fees refunded due to termination or death are prorated based on the number of days remaining in the applicable billing period, calculated from the effective date of termination.

4. Financial Planning Fees

Destination offers financial planning services to clients. As described above, financial planning services are generally provided at no additional cost to clients who engage DWM for investment management services. Clients who engage DWM solely for financial planning services and do not receive investment management services are charged either a flat fee or an hourly fee, depending on the scope and complexity of the financial planning engagement.

DWM's standard hourly rate for financial planning services is $250 per hour, subject to a minimum engagement of six (6) hours. Flat fees for financial planning services are determined at DWM's discretion and are generally based on the scope of services provided and the complexity of the client's circumstances. The minimum flat fee is $1,500. Financial planning fees are negotiable, and all fees are agreed upon with the client in advance of entering into a financial planning agreement.

Destination may request a retainer following completion of the initial fact-finding session with the client; however, any advance payment will not exceed $1,200 for services that will not be completed within six months. Any retainer paid by the client to DWM will be applied toward the total cost of the financial planning services provided, with any remaining balance due to the Firm upon completion of the engagement.

In certain circumstances, DWM has in the past, and may in the future, waive or reimburse financial planning fees if a financial planning-only client subsequently engages DWM for investment management services and becomes an advisory client. Such waivers or reimbursements are determined at DWM's sole discretion.

5. Other Fees and Expenses

Destination's advisory fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which can be incurred by clients. Clients can incur certain fees and expenses imposed by custodians, brokers, Alternative Investment managers, and other third parties. These fees may include management or performance-based fees charged by third-party managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes associated with brokerage accounts and securities transactions. Mutual funds and ETFs also charge internal management and operating expense fees, which are disclosed in each fund's prospectus. If the mutual fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the Firm's services; however, they would not receive the investment management services provided by DWM, which are designed, among other things, to assist in selecting investments that are most appropriate to a client's financial condition and objectives. All such charges, fees and expenses are exclusive of and in addition to DWM's advisory fee(s), and DWM does not receive any portion of these commissions, fees, and costs.

In certain circumstances, client accounts may utilize margin to purchase securities. The fees related to margin accounts are calculated based on the total market value of assets in the account, rather than net equity. Clients with margin accounts are charged margin interest by the brokerage firm on the debit balance in their account. The use of margin involves additional costs and risks and is not suitable for all investors. Destination encourages clients to pay margin balances as quickly as possible. Clients should review all fees charged to their accounts to fully understand the total cost of services and investments. Clients should be aware that lower fees for comparable advisory services may be available from other investment advisory firms. Additional information regarding margin and related risks is discussed in Item 8, Methods of Analysis, Investment Strategies and Risk of Loss

6. Mutual Fund and ETF Fees

Destination invests in mutual funds, including open-end funds and ETFs on behalf of client portfolios. Mutual funds and ETFs charge internal management, administrative, and operating expenses, which are disclosed in each investment's respective prospectus or offering documents. These expenses are commonly referred to as a fund's "expense ratio" and are deducted at the mutual fund level when calculating the fund's net asset value ("NAV") and reduce overall investment performance. Certain mutual funds may also impose front-end or deferred sales charges, as well as redemption or other transaction-related fees.

Some mutual funds offer multiple share classes with different expense structures. The availability and cost-effectiveness of a particular share class depend on various factors, including the amount invested, anticipated holding period, and custodial platform availability. Expense ratios and share-class structures vary by fund, and clients are encouraged to review applicable prospectuses to fully understand all associated fees and expenses. Fees charged by mutual funds and ETFs are separate from, and in addition to, Destination's advisory fees and other third-party fees.

Destination will strive to purchase, when available, the lowest cost mutual fund share class for clients. Additionally, for new clients that hold any mutual funds upon account opening, Destination will determine whether such mutual fund remains suitable for the client's current objective and if we believe it is, then we will check to see if a lower cost share class is available and transfer the client's mutual fund holding into such share class. However, there have been times in the past, and can be in the future, when Destination does not have access to lower costs share classes. This mainly happens when the client's custodian does not offer a lower cost share class for some or all of the mutual funds bought for and/or held in clients' accounts, or the investment amount does not meet the share class minimum investment requirement. Transaction fees also play a role in the overall costs when investing in mutual funds. Some custodians offer certain higher cost mutual funds share classes for purchase at no transaction cost. Therefore, Destination will purchase a more expensive share class anytime we've determined, based on facts and circumstances, that such transaction would be the most economical for a client. We also will transfer a client into a lower cost share class at a later date if we determine it is beneficial for the client.

The fees charged to a client's account lower the overall performance of the account. Therefore, clients should review all applicable direct and indirect fees charged, including but not limited to custodian fees, transaction fees, fees associated with investments (e.g., mutual funds and ETFs), and advisory fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives.

Please refer to the "Brokerage Practices" section (Item 12) of this Brochure for additional information.

7. ERISA Accounts

Destination does not charge performance-based fees and does not receive commissions or 12b-1 fees in connection with investment advice provided to ERISA plans or IRAs. While not a current practice of the Firm, in the event any third-party compensation is received, such amounts are credited against or used to offset the client's advisory fees, consistent with applicable fiduciary standards and prohibited transaction rules.

8. Fee Arrangements with Custodians

Destination recommends, but does not require or direct, that clients maintain their investment accounts with Charles Schwab & Co., Inc. ("Schwab") or Fidelity Investments/Fidelity Institutional Wealth Services ("Fidelity"), each of which serves as a qualified custodian for client assets. DWM is independent and unaffiliated with Schwab and Fidelity, and clients who elect to use these custodians enter into a separate custodial agreement directly with the custodian.

Clients who maintain accounts at Schwab or Fidelity are subject to the fees, commissions, and other charges assessed by the custodian, which are separate from and in addition to the advisory fees charged by DWM. DWM does not receive any portion of the fees or commissions charged by Schwab or Fidelity and does not have any commission-sharing arrangements with either custodian. For additional information regarding brokerage practices and related conflicts of interest, please refer to Item 12 (Brokerage Practices) and Item 14 (Client Referrals and Other Compensation) in this Brochure.

Destination receives referrals from MedCentric Financial Network ("MedCentric"); however, Destination does not remunerate MedCentric for such referrals. Rather, Destination provides clients referred by MedCentric with a discount of 10% for financial planning services. This discount does not apply to investment management services.

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

DWM does not charge performance-based fees (fees based on capital appreciation) and therefore does not manage side-by-side accounts with mixed fee structures.

As described above, DWM may recommend certain private funds to certain clients who are qualified to make such investments that are suitable for their portfolio. While DWM does not charge a performance fee, the private fund manager can do so. Clients are encouraged to review the applicable private fund's offering documents carefully prior to investing.

Item 7 – Types of Clients

Destination provides investment advisory services to individuals, high net worth clients, pension plans, profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

Destination normally requires a minimum account size of $500,000 to establish a new investment management relationship; however, the minimum can be reduced or waived at the sole discretion of the Firm.

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

A. Methods of Analysis

1. DWM Core Strategies

Destination employs an asset allocation approach in managing client portfolios. In developing the Firm's investment strategies and overall investment philosophy, DWM evaluates a range of market, economic, and financial factors, including trends in the global economy, valuation considerations, and prevailing market conditions. Political events and policy decisions can impact markets, and as a result we also often assess developments around the world.

DWM's investment analysis incorporates both fundamental analysis and an assessment of current market dynamics. In evaluating individual securities and asset classes, DWM may consider factors such as economic developments, long-term trends, market sentiment, and other qualitative and quantitative indicators. While DWM generally manages portfolios with a long-term investment perspective, portfolios may be adjusted from time to time in response to changing market conditions or client circumstances.

Themes play a part in our investment process as well, and our focus tends to be on longer-term trends that we see having a financial impact on investable assets. Depending on a client's investment objectives and suitability, portfolio allocations may include domestic and international equities, fixed income securities, ETFs, mutual funds, commodity-related investments, derivatives, and other asset classes. DWM may also incorporate factors it believes may influence the long-term performance of certain asset classes or sectors, which may result in adjustments to portfolio allocations.

2. Alternative Investments

DWM's investment team conducts diligence and provides a curated set of opportunities for its clients to invest. All Alternative Investments offered by DWM are managed by third parties. Alternative Investments are required to be presented by Destination's investment team to the Investment Policy Committee for approval prior to being offered to clients. DWM's investment team considers a number of factors when evaluating Alternative Investments, including, but not limited to, strategy fit for DWM's client base, fund structure, historical performance, key person risk, investment philosophy and methodology, fees and expenses charged by the third-party fund manager, as well as potential or actual conflicts of interest.

Following approval, DWM conducts ongoing due diligence on Alternative Investments made available to clients, which generally occurs no less frequently than annually. DWM's due diligence process is designed to evaluate whether a previously approved Alternative Investment continues to be consistent with its stated strategy and disclosures; however, such review does not eliminate the risks associated with Alternative Investments. Recommendations of Alternative Investments to clients are based on information provided by the client, including investment objectives, risk tolerance, liquidity needs, time horizon, and other relevant client preferences.

B. Investment Strategies

1. DWM Core Strategies

As described in Item 4 above, the Firm offers a range of investment strategies designed to align with varying client objectives, risk tolerances, and time horizons. DWM typically implements these strategies through a combination of asset allocation and security selection.

Allocation Styles

DWM generally manages portfolios using one of the following allocation styles:

- Global Focused – Global focused allocations describe portfolios invested in both US and non-US assets. Regions utilized in portfolios are dependent on Destination's investment judgment. Portfolios continue to be primarily focused on US securities despite international diversification.

- Domestic Focused – Domestic focused allocations maintain a more significant focus on US assets. While global revenue contribution from US-based companies is an inherent part of held assets, the primary consideration for invested assets is if the issuer is domiciled in the US.

- ESG – ESG allocations describe portfolios that include securities that undergo additional screening based on one or more social criteria such as sustainability, environmental impact, and/or corporate diversity. These portfolios have a global investment footprint consistent with our Global Focused allocations described above. ESG allocations are only available for certain portfolios, as described below.

Investment Strategies

DWM offers a selection of investment strategies that have differing portfolio objectives and varying levels of risk, all of which can be further augmented by a client's asset preference and risk tolerance. These are:

- Concentrated Growth – An individual equity portfolio focused on capital appreciation. Fluctuation can be significant and is only suitable for clients that are comfortable with high capital fluctuation and have a long-term investment horizon. Fluctuations will reflect US mid-to-large-cap equity market volatility. This portfolio is available for Global Focused, Domestic Focused and ESG allocations.

- Focus Growth – An equity portfolio focused on capital appreciation. Fluctuation can be significant and is only suitable for clients that are comfortable with high capital fluctuation and have a long-term investment horizon. This portfolio is available for Global Focused, Domestic Focused and ESG allocations.

- Equity Growth – A primarily equity-oriented strategy focused on capital appreciation. This strategy has the potential for significant fluctuation and is only suitable for clients with an above-average tolerance for risk and a long-term time horizon. This portfolio is available for Global Focused, Domestic Focused and ESG allocations.

- ETF Only Equity Growth – This portfolio is primarily an equity-oriented strategy utilizing ETFs only that is focused on capital appreciation. This strategy has the potential for significant fluctuation and is only suitable for clients with an above-average tolerance for risk and a long-term time horizon. This portfolio is available for Global Focused and Domestic Focused allocations.

- Equity Income – This portfolio provides a combination of capital appreciation with some income generation. This strategy is subject to equity market fluctuation and is only suitable for clients with long-term time horizons or an above-average tolerance for risk. This portfolio is available for Global Focused, Domestic Focused and ESG allocations.

- Strategic Dividend Income – This portfolio is focused on generating income from dividends and interest. It invests in both equities and fixed income. This strategy is subject to equity market fluctuations and interest rate volatility, and is suitable for clients seeking income, having a moderate degree of risk tolerance and a long-term investment horizon. This portfolio is available for Global Focused allocation.

- Strategic Balanced – This portfolio balances income generation and capital appreciation. This strategy is subject to equity market fluctuations and interest rate volatility. It is suitable for clients with a modest degree of risk tolerance and average 3 to 5-year time horizon. This portfolio is available for Global Focused, Domestic Focused and ESG.

- Conservative Balanced – This portfolio focuses on income while seeking a small amount of capital appreciation on a long-term basis. This strategy is predominantly fixed income oriented and suitable for moderately risk averse clients with at least a 3 to 5-year time horizon. This portfolio is available for Global Focused, Domestic Focused and ESG allocations.

- Fixed Income – This portfolio is invested in income-oriented assets including bonds and other interest-bearing assets. It is DWM's least aggressive portfolio suitable for risk averse clients with shorter time horizons and the need for portfolio income generation. The portfolio will fluctuate depending on credit markets and interest rate levels. This portfolio is available for Global Focused allocation.

Fundamental research is a significant part of DWM's overall portfolio management process. To support this process, we employ a research team whose primary role is to conduct security analysis and develop asset allocation recommendations. Our internal research focuses on a variety of factors we feel are important to assess the attractiveness of individual securities. Depending upon the nature of the investment, factors that could be reviewed include appraising the quality of the company's management, the sustainable competitive advantages the company enjoys, and the competitive environment of the company and/or the projections of the company's ability to generate free cash flow.

In addition to internal analysis, DWM's research team may consider perspectives from external market participants, including sell-side and buy-side analysts, to inform its understanding of prevailing market views. DWM generally manages portfolios with a long-term investment horizon; however, changing market conditions or client circumstances may result in shorter-term holding periods for certain investments. Risk management is a core component of DWM's portfolio management philosophy. The Firm seeks to avoid excessive concentration in any single theme, sector, or market and emphasizes diversification as a fundamental element of portfolio construction. Portfolios are diversified across asset classes, geographic regions, market capitalizations, and types of positions. Clients should be aware that, due to the global and interconnected nature of financial markets, correlations among investments and asset classes may increase during certain market environments, which may reduce the effectiveness of diversification.

From time to time, and where consistent with a client's objectives and suitability, DWM may use options as part of an overall investment strategy (or, in certain instances when consistent with client investment objectives, as a primary investment strategy). An option is a securities contract that gives the holder the right, but not the obligation, to buy or sell an underlying asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a financial security. Considering the value of an option is derived from an underlying asset, options are considered derivative instruments.

The two types of options are calls and puts:

- Call options, which provide the holder with the right to purchase an underlying asset at a specified price within a defined period of time; and

- Put options, which provide the holder with the right to sell an underlying asset at a specified price within a defined period of time.

Depending on the selected investment strategy and a client's suitability, DWM may utilize option strategies in a variety of ways. These may include:

- Seeking to benefit from anticipated price movements in an underlying security;

- Managing risk through hedging strategies designed to limit potential gains and losses on positions held in a client's portfolio;

- Generating income through the sale of options on securities held in the account (commonly referred to as covered call strategies); and

- Implementing multileg option strategies involving the purchase and sale of one or more option contracts on the same underlying security, which may vary by strike price, expiration date, or other contract terms.

2. Alternative Investments

DWM may recommend certain alternative investments to clients where appropriate based on the client's investment objectives and circumstances. All alternative investments made available through DWM are sponsored and managed by unaffiliated third-party investment managers. DWM does not directly manage alternative investment products.

In certain cases, DWM may recommend an Alternative Investment manager for a portion of a client's overall portfolio. These managers are intended to provide specialized expertise, including niche asset classes or strategies. Examples of types of Alternative Investments offered by DWM include, but are not limited to:

- Private funds across various asset classes (private credit, private infrastructure, private real estate, private equity, private markets secondaries, hedge funds, and venture capital, among others.)

- Sub-advised accounts with varying niche strategies such as direct indexing, various options strategies, tax-aware strategies, and strategies designed to address overconcentration in client portfolios.

DWM's oversight of alternative investments generally includes ongoing monitoring and evaluation of factors such as performance, strategy consistency, and alignment with a client's portfolio objectives. However, each third-party alternative investment manager retains discretion and responsibility for day-to-day investment decisions within the scope of its respective mandate.

C. Risk of Loss

Securities investments are not guaranteed, and you can lose money on your investments including the loss of original capital invested, also known as loss of principal. Clients should understand that past performance is not indicative of future results and DWM does not guarantee any specific strategy offered by Destination will achieve its objectives or protect against losses. There are different risks associated with the varying strategies offered by DWM and the types of securities DWM invests in, and as such the overall risk level will depend on each specific investment. The following risks are not meant to be all inclusive and should be considered prior to engaging DWM for investment advisory services.

General Market and Economic Risks

- *Market Risk:* The price of a security can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.

- *Foreign Market Risk*: Investments in foreign securities pose special risks, including currency fluctuation and political risks, and such investments can be more volatile than that of a U.S. only investment. The risks are generally intensified for investments in emerging markets.

- *Interest Rate Risk*: The risk that the value of an interest-bearing investment will change due to changes in the general level of interest rates in the market. The market value of a bond fluctuates inversely to the change in interest rates; that is, as interest rates rise, bond prices fall and vice versa. Interest rate risk is commonly measured by a bond's duration, the greater a bond's duration, the greater the impact on price of a change in interest rates. Investors can incur a gain or loss from bonds sold prior to the final maturity date. Many bonds are rated by a third parties for example, Moody's Investor Services or Standard & Poor's Inc. While ratings may assist investors to determine the creditworthiness of the issuer, they are not a guarantee of performance. U.S. Treasury bills, notes and bonds are guaranteed by the full faith and credit of the United States and therefore are deemed to carry minimal risk of default.

- *Inflation Risk*: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- *Financial Institution Risk*: Investments with DWM are subject to the risk that one or more of the Firm’s third-party service providers, including banks, brokers, hedging counterparties, lenders, or other custodians of some or all of the Firm’s assets (each, a “Financial Institution”) fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a “Distress Event”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, DWM may not be able to access deposits, borrowing facilities or other services on behalf of its clients for an extended period or ever. Although assets held by regulated financial institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation (“FDIC”), in the case of banks, or protected by the Securities Investor Protection Corporation (“SIPC”), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss.

  Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets. Any Distress Event has a potentially adverse effect on the ability of DWM to manage its client investments, and on the ability of the Firm to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Such losses have the potential to require DWM to pay fees and expenses in the event the Firm is not able to close a transaction on behalf of its client (whether due to the inability to draw capital on a credit line provided by a financial institution experiencing a Distress Event), as well the inability of the Firm to acquire or dispose of investments at prices that the Firm believes reflect the fair value of such investments. Although DWM seeks to do business with financial institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Firm's clients, DWM is under no obligation to use a minimum number of financial institutions with respect to any client, or to maintain account balances at or below the relevant insured or protected amounts.

- *Liquidity Risk*: The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in a wide bid-ask spread or large price movements.

- *Currency Risk:* Foreign investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

- *Political and Legislative Risk*: Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact.

- *Cybersecurity Risk*: Cybersecurity attacks are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information (including confidential information of investors) and corruption of data. DWM, its clients and companies whose securities DWM invests in (as well as third-party service providers) may face cybersecurity threats to gain unauthorized access to sensitive information which could result in significant losses.

- *ESG Based Investing Risk*: When directed by the client, ESG-based investments may be included in a client's portfolio. ESG investments may include or exclude securities based on ESG practices vs. other investment methodologies, impacting performance, fund expenses, and investment risk. In addition, ESG strategies exclude certain industries, potentially limiting investment opportunities and affecting portfolio performance.

- *Information Source Risk:* Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be compromised in some way, there is always a risk that our analysis can be compromised by inaccurate or misleading information.

- *Force Majeure Events*: Events including, but not limited to, natural disasters, war, terrorism, riots, strikes, labor disputes, epidemics, and pandemics can have a regional or worldwide impact on financial markets and cause such markets to decline. These events are often unknown in terms of duration or impact and as such can cause prolonged periods of market downturns.

<u>Public Equity Risks</u>

- *Equity Risk*: Historically, the equity markets have moved in cycles, and the value of equity securities can fluctuate significantly. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies can suffer a decline in response. These factors contribute to price volatility. Small- and mid-cap equities are often more volatile than large-cap equities.

- *ETF, ETN, and Mutual Fund Risk*: When DWM invests in an ETF, ETN, or mutual fund for a client, the client will bear additional expenses and such investment carry additional risks, such as the risk of not having the same rights as direct shareholders (e.g. voting rights), not being able to choose the investments within ETF, ETN, or mutual fund, or not tracking its underlying index or asset accurately or consistently, or of facing unfavorable or complex tax consequences.

- *Master Limited Partnership (MLP) Risk*: MLPs are susceptible to general stock market fluctuations. The value might increase or decrease based on market confidence and perceptions of the issuers' change. MLPs also face unique risks specific to energy prices, inflation/deflation, regulatory action, interest rate fluctuations, and ease of access to capital markets.

Fixed Income Risks

- *Credit Risk*: The risk that principal and/or interest on a fixed income investment will not be paid in a timely manner or in full due to changes in the financial condition of the issuer. Generally, the higher the perceived credit risk, the higher the rate of interest investors will receive on their investment.

- *Reinvestment Risk*: The risk that interest and principal payments from a bond will be reinvested at a lower yield than that received on the original bond. During periods of declining interest rates, bond payments may be invested at lower rates; during periods of rising rates, bond payments may be invested at higher rates.

- *Call Risk:* The risk that a bond will be called by its issuer. A callable bond has a provision which allows the issuer to purchase the bond back from the bondholders at a predetermined price. Generally, issuers call bonds when prevailing rates are lower than the cost of the outstanding bond. Call provisions allow an issuer to retire high-rate bonds on a predefined call schedule.

- *Prepayment Risk*: Some types of bonds are subject to prepayment risk. Similar to call risk, prepayment risk is the risk that the issuer of a security will repay principal prior to the bond's maturity date, thereby changing the expected payment schedule of the bonds. Prepayment risk is particularly prevalent in the mortgage-backed bond market, where a drop in interest rates can trigger a refinancing wave. When investors in a bond comprised of the underlying pool of mortgages receive their principal back sooner than expected, they may be forced to reinvest at prevailing, lower rates.

Derivatives and Leverage Risks

- *Margin Risk:* There are times when the use of margin (i.e., money borrowed from a brokerage account) may offer the potential to take advantage of a buying opportunity or where the purchase of certain types of securities, such as certain types of derivatives, requires margin. Margin accounts will only be used where express written authorization has been granted by the client. Margin accounts allow for the purchase of more stock than one would be able to buy with available cash and allows us to purchase stock without selling other holdings.

  A risk in margin trading is that securities prices can fall very quickly. If the value of the securities in a margin account, minus what is owed, falls below a certain level, the broker will issue a "margin call", and a client will be required to sell a position in the security purchased on margin or add more cash to the account.

  Using margin is not suitable for all clients and there are a number of risks that clients should consider when deciding whether to open a margin account. It is important that each client fully understand the risks involved in trading securities on margin, which are applicable to any margin account that the client may maintain. These risks include, but are not limited to the following:

- A client can lose more assets than initially deposited in the margin account. A decline in the value of securities that are purchased on margin can require a client to provide additional monies to the account to avoid the forced sale of those securities or other securities in your margin account.

- The brokerage firm can force the sale of securities in the account. If the equity in the account falls below the maintenance margin requirements, the brokerage firm can sell the securities in the account to cover the margin deficiency. The client will also be responsible for any shortfall in the account after such a sale.

- The brokerage firm can sell securities in the account without contacting you, the client. Some mistakenly believe that a brokerage firm must contact the account holder for a margin call to be valid, and that the brokerage firm cannot liquidate securities in client accounts to meet the call unless they have contacted the client first. This is not the case. As a matter of good customer relations, most brokerage firms will attempt to notify their customers of margin calls, but they are not required to do so.

- Account holders are not entitled to an extension of time on a margin call. While an extension of time to meet initial margin requirements may be granted by the brokerage firm under certain conditions, they are not required to provide such extension. In addition, brokerage firms also are not required to provide an extension of time to meet a maintenance margin call.

- *Options Risk:* Options involve risk and are not suitable for all clients. Therefore, a client should read the option disclosure document, "Characteristics and Risks of Standardized Options", which can be obtained from the Options Clearing Corporation or by contacting your broker/custodian. Below are some of the main risks associated with investing in options:

  - When writing covered call options to produce income for a client's account, there can be times when the underlying stock is "called" (call option contract exercised or assigned) by the investor that purchased the call option. That means you would be required to sell the underlying security at the exercise (pre-determined) price to that investor. Also, the option buyer does not have to exercise the option, so if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

  - Clients are usually required to open a margin account in order to invest in options, which carries additional risks (see above for details) and would result in margin interest costs to the client.

  - Stock option positions tend to be adversely affected by company specific issues (the issuer of the underlying security) which can include but are not limited to bankruptcy, insolvency, failing to file with regulatory bodies, being delisted, having trading halted or suspended, corporate reorganizations, asset sales, spin offs, stock splits, mergers and acquisitions.

  - Market related actions, political issues, and economic issues can adversely affect the option market. These factors could restrict, halt, suspend, or terminate option positions written (sold) or purchased.

- Changes in value of the option do not always correlate with the underlying security/index, and the account could lose more than principal amount invested.

- Profits from price swings in option spreading strategies can be limited.

Alternative Investments

- *Private Fund Risk*: Investments in private funds present special risks for DWM's clients, including without limitation, limited liquidity, higher fees, volatile performance, heightened risk of loss, limited transparency, special tax considerations, subjective valuations and limited regulatory oversight. Therefore, private investments will not always be suitable for all DWM clients and will be offered only to those qualifying clients for whom an investment therein is determined to be suitable. Generally, such investments are available for investment only to a limited number of sophisticated investors who meet the definition of "accredited investor" under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") and "qualified client" under the Investment Advisers Act of 1940. It is important that each potential qualified investor fully read each offering or private placement memorandum prior to investing.

  Private funds can impose performance-based fees or incentive allocations payable to the fund manager or general partner. Such performance-based fee/incentive allocation structures create an incentive for the managers of the private funds to make investments that are riskier or more speculative than would be the case in the absence of a performance-based fee/incentive allocation structure. Additionally, the performance-based fee structure could also cause the portfolio managers responsible for the private funds to devote a disproportionate amount of time to the management of the private funds, and compensation can be larger than it otherwise would have been because the fee/incentive allocation will be based on account performance instead of a percentage of AUM. Please refer to Item 6 above for additional information.

- *Sub-Advisory Manager Risk*: When DWM engages or recommends a sub-advisor to manage a sleeve for portions of client portfolios, we rely on those managers to execute daily investment decisions in line with the client's objectives. However, we generally do not review or approve each individual security transaction executed by such sub-advisors. Instead, we monitor each manager's overall strategy, organizational stability, and aggregate performance. In addition, we do not supervise day-to-day decisions within sub-advisors' strategies; success ultimately depends on the skill and judgment of their investment personnel.

- *Tax Harvesting Risk*: Certain sub-advisors DWM has a business relationship with utilize a tax aware investment strategy, also referred to as "tax-loss harvesting". This strategy intends to sell a publicly traded at a taxable loss and replace those positions with a holding whose historical performance and expected future performance are similar, thereby having little impact on the overall strategic allocation but capturing the tax loss. Considering past performance is no indication of future performance, there is potential for the future performance of the replacement position to deviate from that of the initial holding. This strategy may also increase the frequency of trading and transaction costs.

- *Structured Product Risk*: The performance of structured products is often linked to underlying assets. If the value of these assets falls, the investment may suffer losses. Structured products are typically built using corporate bonds issued by financial institutions, and as such a client's invested principal is subject to the credit risk of the bond issuer. If the issuer encounters financial difficulties or defaults, investors may face the risk of losing part or all of their investment. Historically, investment-grade bonds carry more risk than US government bonds, but less risk than investing in the stock market. Many structured products have a holding requirement of multiple years. While it may be possible to withdraw funds before the term is over, liquidity is not guaranteed, and clients may lose principal, depending on market circumstances. Any investment income or capital gains received from structured products are taxable. These products have complex tax requirements. Some structured products may promise capital protection, but the degree of protection can vary. Clients should carefully review the terms to understand the extent of capital protection offered.

Item 9 – Disciplinary Information

Destination is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Destination has no such disciplinary events to report.

Item 10 – Other Financial Industry Activities and Affiliations

Michael Yoshikami created the KeKokua Foundation ("KeKokua"), a charitable organization, formed to support and foster community charities that provide socially responsible education services, advocacy, compassionate help, and resources to those in need. Destination is the primary source of funding for KeKokua, and operates KeKokua, including, among other things, providing management, accounting, and marketing services to the foundation. Mr. Yoshikami heads KeKokua's Charity Committee. Clients of Destination have the opportunity, but are not required, to donate to KeKokua. Mr. Yoshikami spends less than 5% of his work time performing his duties for KeKokua. Please refer to Mr. Yoshikami 's Form ADV Part 2B for complete details.

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

A. <u>Code of Ethics Summary</u>

Destination has adopted a written Code of Ethics ("COE") in compliance with SEC rule 204A-1. The COE sets forth standards of conduct and requires compliance with federal securities laws. DWM's COE also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to DWM's Compliance Department. DWM will provide a copy of the Firm's COE to any client or prospective client upon request.

B. <u>Participation or Interest in Client Transactions</u>

Destination, or individuals associated with Destination, can buy or sell securities for their personal accounts identical to those recommended to clients. It is the policy of Destination that no person employed by the Firm, or its associated persons, transact in any security prior to a transaction(s) in that same security on behalf of a client that in any way affects the client's execution result. This policy is designed to prevent the Firm and its employees from benefiting from transactions placed on behalf of advisory clients. Destination or any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the Firm's policy that the Firm will not affect any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

As these situations can represent conflicts of interest, Destination has established the following restrictions to enable the fulfillment of its fiduciary responsibilities:

- A director, officer or employee of Destination shall not buy or sell securities for their personal account(s) where their decision is substantially derived, in whole or in part, by reason of their employment unless the information is also available to the investing public on reasonable inquiry. No associated person of Destination shall prefer their own interest to that of the advisory client.

- Destination requires its employees to obtain pre-approval of certain securities transactions for their personal accounts. It should be noted that DWM does not require employees or associated persons to obtain pre-approval for transactions in ETFs, although such employees or associated persons may transact in ETFs that are also recommended to clients. Employees and associated persons are required to report all ETF transactions to the Compliance Department.

- Firm employees provide reports relating to their personal securities trading on a quarterly and annual basis, which are reviewed by the Compliance Department.

- Destination requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

- Any individual not in observance of the above may be subject to discipline by the Firm, including, among other things, suspension or termination.

Item 12 – Brokerage Practices

A. Selection Criteria

Destination recommends clients maintain their investment assets in accounts at either Schwab or Fidelity, each of which serves as a qualified custodian of client assets, both of which are a FINRA-registered broker-dealer, and a member of SIPC. DWM executes client trades through the brokerage services provided by these custodians, which includes, but is not limited to, access to institutional trading, custody, and a variety of other services, many of which are typically not available to retail investors. DWM is independently owned and operated and not affiliated with either Schwab or Fidelity. Schwab and/or Fidelity will hold client assets in an investment account, which is owned by the client, and buy and sell securities when instructed. While we recommend that you use Schwab and/or Fidelity as a custodian/broker, you will decide whether to utilize them, and if you decide to do so, you will open your account with Schwab and/or Fidelity by entering into an account agreement with one or both of them directly. Although we do not open an account for you, we can assist in this process. Even though your account is maintained at Schwab or Fidelity, we can still use other brokers to execute trades for your account as described below.

How We Select Brokers/Custodians

We seek to use a custodian who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors and quality of service, including, among other things:

- Execution services along with asset custody services; capability to execute, clear and settle trades (buy and sell securities for your account);

- Facilitation of transfers and payments to and from accounts (wire transfers, check request bill payment, etc.);

- Breadth of investment products made available (stocks, bonds, mutual funds, ETFs, etc.); availability of investment research and tools that assist us in making investment decisions;

- Price of services (commission rates, margin interest rates, etc.); reputation, financial strength and stability of the custodian;

- Prior quality of service provided to us and our other clients; and

- Availability of other products and services that benefit us, as discussed below (see Products and Services Available to Us from Schwab and Fidelity).

Your Custody and Brokerage Cost

Neither Schwab nor Fidelity generally charge a client separately for custody services, but instead the custodian is compensated by charging clients commissions and/or other fees on certain trades that the custodian executes or that settle into your Schwab or Fidelity accounts. Certain trades (for example, many mutual funds and ETFs) may not incur commissions or transaction fees, though other costs (for example, fund expenses) may still apply. Schwab and/or Fidelity is also compensated by earning interest on the uninvested cash in your account in the Cash Features Program (or similar cash-related programs). Clients should refer to their agreement with Schwab or Fidelity for details regarding specific costs and fees.

In addition to commissions and/or other fees noted above, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we execute with a different broker-dealer, but where the securities bought, or the funds from the securities sold, are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Considering this expense, and in order to minimize your trading cost, Schwab executes most trades for accounts custodied at Schwab. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" for your trades. See below for further information about best execution.

Destination has a substantially similar arrangement in place with Fidelity, and as such we place trades through Fidelity for accounts held with them.

Products and Services Available to Us from Schwab and Fidelity

Schwab and Fidelity are in the business of serving independent investment advisory firms like Destination. They provide the Firm and our clients with access to institutional brokerage-trading, custody, reporting and related services-many of which are not typically available to Schwab/Fidelity retail customers. Both Schwab and Fidelity also make available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Both Schwab and Fidelity's support services are generally available on an unsolicited basis (we do not have to request them).

Services that Directly Benefit You

Schwab and Fidelity's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab or Fidelity include some which we might not otherwise have access to or that would require significantly higher minimum initial investment from our clients. Schwab and Fidelity's services described in this paragraph generally benefit you and your account.

Services that May Indirectly Benefit You

Schwab and Fidelity also make available to Destination other products and services that benefit the Firm generally and may have an indirect benefit to our clients or client accounts. These products and services assist the Firm in managing and administering our clients' accounts. They include investment research, which we can use to service all or a substantial number of our clients' accounts. In addition to investment research, Schwab and Fidelity also make available software and other technology that:

- Provides access to client account data (such as duplicate trade confirms and statements); facilitates trade execution and allocation of aggregated trade orders for multiple accounts; provides pricing and other market data;
- Facilitates direct debiting of our fees from our clients' accounts; and
- Assists with back-office functions, recordkeeping and client reporting.

Services that Generally Benefit Only Destination

Schwab and Fidelity also offer services intended to help us manage and further develop our business enterprise. These services include:

- Access to educational conferences and events;
- Technology, compliance, legal, operational, and business consulting;
- Access to employee benefits providers, human capital consultants and insurance providers; and
- Marketing consulting and support.

Schwab and Fidelity provide some of these services themselves. In other cases, Schwab or Fidelity will arrange for third-party vendors to provide the services to us. Schwab and Fidelity may also discount or waive its fees for some of these services or pay all or part of a third party's fees. Schwab and Fidelity may also provide us with other benefits such as occasional business entertainment for our employees.

Destination's Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We do not have to pay for Schwab's services so long as we keep $50 million of client assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The $50 million minimum gives us an incentive to recommend that you maintain your account with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interest of our clients. It is primarily supported by the scope, quality and price of Schwab's services (based on factors discussed above), and not Schwab's services that benefit only Destination.

Destination's Interest in Fidelity's Services

Fidelity does not require a minimum amount of client assets to be maintained with them, and as a result of receiving such services at no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into a business relationship with Fidelity and have determined that the business relationship is in the best interests of Destination's clients and satisfies our client obligations, including our duty to seek best execution.

B. Best Execution

Except as otherwise provided for in the client's IAA, Destination has full discretion to place buy and sell orders with or through such brokers/dealers as it deems appropriate. Destination's general policy is to place client trades with the broker where their assets are custodied (e.g., Fidelity or Schwab), and Destination will continue to do so as long as the Firm believes that the brokers provide the best overall value for DWM’s clients. Destination's Brokerage Committee meets on a periodic basis to discuss the overall quality of service and execution the firm receives from Schwab and Fidelity.

A client may pay a commission at Schwab or Fidelity that is higher than another qualified broker-dealer might charge to affect the same transaction. However, in seeking best execution for client transactions, the determinative factor is not solely the lowest possible commission rate, but whether the transaction represents the best overall execution, taking into consideration the full range of a broker-dealer's services, as described in above in the “How We Select Brokers/Custodians” section. Accordingly, while Destination seeks competitive rates, we may not necessarily obtain the lowest possible commission rate for specific client account transactions.

C. Research and Other Soft Dollar Benefit

DWM does not use commission dollars generated by our clients’ accounts (i.e., “soft dollars” or commission sharing arrangements) to pay for research or other goods and services. However, we do receive certain incidental benefits from Schwab and Fidelity, ss outlined above in the “Services that May Indirectly Benefit You” and “Services that Generally Benefit Only Destination” sections, who provide Destination with access to institutional trading, custody, and related services, which we use in managing client accounts.

D. Client Referrals from Schwab

Destination receives client referrals from Schwab through the Schwab Advisor Network ("SAN"), and Destination compensates Schwab for such referrals as described below. This service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of, and unaffiliated with, Destination. Schwab does not supervise Destination and has no responsibility for Destination's management of client portfolios or any other service provided by DWM. Destination pays Schwab fees to receive client referrals, and Destination's participation in SAN raises potential conflicts of interest as described below.

Pursuant to a written agreement, Destination pays Schwab a participation fee relating to clients referred by Schwab who custody their account(s) at Schwab ("Participation Fee"), and Destination pays a different fee (the "Non-Schwab Custody Fee") on all such accounts referred by Schwab that are maintained at, or transferred to, another custodian. The Participation Fee is calculated as a percentage of the fees the client owes to Destination or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Destination pays Schwab the Participation Fee for so long as the referred client's account(s) remains in custody at Schwab. The Participation Fee is billed to Destination quarterly and can be increased, decreased, or waived by Schwab at their discretion. The Participation Fee is paid for by Destination and not by the client. Destination has agreed not to charge clients referred through SAN fees or costs that are greater than the fees or costs Destination charges clients with similar portfolios who were not referred through SAN.

Destination generally pays Schwab a Non-Schwab Custody Fee when custody of a referred client's account is not maintained by, or assets in the account are transferred away from Schwab. This fee does not apply if the client was solely responsible for the decision not to maintain custody of their account(s) at Schwab. The Non-Schwab Custody Fee is a one- time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fee that Destination would pay if client accounts were continued to be custodied at Schwab.

For accounts of Destination's clients referred by Schwab and custodied there, Schwab will not charge the client separately for custody but will receive compensation from Destination's clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also receives a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Therefore, Destination may have an incentive to cause trades for referred clients to be executed through Schwab rather than another broker-dealer. Trades can be executed through a different broker-dealer than Schwab, and as such, trades executed through Schwab may be executed at different times and at different prices than trades for other client accounts that are executed at other broker-dealers. Destination acknowledges its duty to seek best execution of trades, including for referred client accounts.

The Participation Fee and Non-Schwab Custody Fee will be based on assets in accounts of Destination's clients who were referred by Schwab and those referred client's family members living in the same household. Destination has an incentive to encourage household members of clients referred through SAN to maintain custody of their accounts and execute transactions at Schwab, and to instruct Schwab to debit the Firms fees directly from the accounts.

Destination's referral arrangement with Schwab creates a conflict of interest since Destination has an incentive to recommend that client accounts are held in custody at Schwab and that clients execute transactions through Schwab. To mitigate this conflict, Destination reviews and monitors the value and quality of execution and services provided to all Destination clients, including those referred by SAN, to help ensure that the client's accounts are receiving best execution.

E. <u>Trade Errors</u>

From time-to-time Destination may make an error in submitting a trade order on your behalf. When this occurs, Destination will place a correcting trade with the broker-dealer where your account is custodied. Should you sustain any economic detriment as a result of an error, our practice is to make you whole.

At Schwab, if an investment gain results from the correcting trade, the gain will remain in your account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g. due to tax reasons). If the gain does not remain in your account and Schwab is the custodian, Schwab will donate the amount of any gain $100 and over to charity. Schwab pays up to $100 for losses and anything over $100 will be paid by Destination. Schwab will maintain the loss or gain (if such gain is not retained in your account) if it is under $100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in your account, they will be netted.

At Fidelity, the Firm will correct the trade in a "trade error" account and absorb any profits or losses in that account. In the event there is a profit, at the end of each quarter, Destination will donate the proceeds to charity. However, the client will be made whole in the event of having sustained any loss(es).

F. Trade Aggregation / Block Trades

Transactions for each client account generally will be affected independently unless Destination decides to purchase or sell the same securities for numerous clients at approximately the same time. Destination may (but is not obligated to) combine such orders (known as a "block trade") to allow for an equitable allocation among the Firm's client's as it relates to prices and commissions, or other transaction costs, that might have otherwise been higher for some clients had such orders been placed independently. Under this practice, transactions will be averaged as to price and will be allocated among Destination's clients in proportion to the purchase and sale orders placed for each client account on any given day.

Generally, Destination does not "block" client trades; rather, we implement client transactions separately for each account. Consequently, certain client trades can be executed before others, at a different price and/or commission rate. Additionally, our clients will not receive volume discounts available to advisers who block all client trades.

Item 13 – Review of Accounts

A. Periodic Reviews

Investment Management Accounts

Review of client accounts, including portfolios and strategies, is dependent on conditions and circumstances specific to each client. In general, typically on a quarterly basis, but no less than on an annual basis, Destination seeks meetings with clients designed to review their accounts, to provide the clients with additional information relating to their accounts and to confirm client needs, but that time frame can be longer or shorter, and, where an in-person meeting is conducted to review a client's account, such timing will depend on a client's availability.

Accounts for which Destination only provides consulting advisory services and does not manage client assets, reviews are conducted by Destination on an ongoing basis. Discussion occurs as needed regarding investment preferences relative to investment policy statement guidelines and any other client preferences.

Financial Planning Only Accounts

Financial Planning clients will receive a completed financial plan. While reviews could occur at different stages depending on the nature and terms of the specific financial planning engagement, typically no formal ongoing reviews will be conducted, and no additional reports will be provided for financial planning clients unless otherwise agreed to in a client's financial planning agreement.

B. Other Reviews and Triggering Factors

In addition to periodic reviews described above, reviews can be triggered by changes in any number of areas such as a client's personal, tax or financial status, client objectives, market conditions, income, cash flow, changes in tax law, family status, disposition of assets, inheritance and health. Other events that can trigger a review of an account are material changes in market conditions as well as macroeconomic and company specific events. Clients are encouraged to notify Destination and its advisory representatives of any changes in a client's personal financial situation that might affect a client's investment needs, objectives, or time horizon.

C. Regular Reports

Custodian account statements are generated at least quarterly and are sent directly from the account custodian. The account statement lists the account positions, activity in the account over the covered period, and other related information, including all additions and withdrawals from the account. Generally, clients also receive confirmations following each account transaction.

In addition to the quarterly statements and confirmations that clients receive from their custodian, Destination provides quarterly reports summarizing account performance, balances and holdings. Clients are urged to compare the statements received from Destination to those received from the account custodian.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits Received

From time to time, the principals and associates of Destination may attend investment related conferences and events sponsored and paid for by investment companies or Schwab. These conferences and events cover a variety of topics related to the operation of an advisory firm, research content and other items. Additionally, in connection with such conferences and events, access to research from the conference sponsor may be provided to Destination that benefits Destination in managing investment portfolios and in operating the Firm.

Destination recommends that clients use Fidelity or Schwab as their custodian and broker of record. While there is no direct link between the investment advice given to clients and Destination's recommendation to use Fidelity or Schwab, certain benefits are received by the Firm due to these arrangements. Fidelity and Schwab make available to Destination other products and services that benefit Destination but do not necessarily directly benefit its clients. Some of these other products and services assist the Firm in managing and administering clients' accounts. Destination endeavors to act in its clients' best interests, Destination has an incentive to recommend that clients maintain their assets in accounts at Fidelity or Schwab due to the benefit to the Firm and the availability of some of the products and services provided, which create a conflict of interest. Please refer to the "Brokerage Practices" (Item 12) section above for further details.

B. Compensation for Client Referrals

Destination receives client referrals from Schwab through Destination's participation in SAN. SAN is designed to help clients seeking advisory services find an independent investment advisor. Schwab is a broker-dealer independent and unaffiliated with Destination. Schwab does not supervise Destination and has no responsibility for Destination's management of client's portfolios or Advisor's other advice or services. Destination pays Schwab fees to receive client referrals through the SAN. Destination's participation in the SAN creates conflicts of interest. See discussion of the SAN and additional important details described in the "Brokerage Practices" (Item 12) section above.

Destination receives referrals from MedCentric Financial Network ("MedCentric"); however, Destination does not remunerate MedCentric for such referrals. Rather, Destination provides clients referred by MedCentric with discount of 10% for financial planning services. This discount does not apply to investment management services.

Item 15 – Custody

As discussed in the "Fees and Compensation" (Item 5) section of this Brochure, Destination typically directly debits advisory fees from client accounts. As a result, the Firm is deemed to have limited custody of your assets. All Destination client account assets will be maintained with an independent qualified custodian.

Clients will receive account statements on at least a quarterly basis directly from the qualified custodian that holds and maintains a client's assets. The custodian is advised of the amount of the fees to be deducted from a client's account, and the custodian does not calculate the fee amount. Clients are urged to carefully review all custodial statements, including, among other things, the calculation of the fee amount, promptly when you receive them, and to compare such custodial statements to the periodic portfolio reports clients receive from Destination. Clients should contact the Firm directly if they believe that there may be an error in their statement. Please refer to the "Brokerage Practices" (Item 12) section for additional important disclosure information relating to Destination's practices and relationships with custodians.

The SEC has provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of authorization ("SLOA") is deemed to have custody. As such, DWM has adopted the following safeguards in conjunction with the applicable account custodian:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.

- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.

- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.

- The client has the ability to terminate or change the instruction to the client's qualified custodian.

- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.

- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.

- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Item 16 – Investment Discretion

A. Discretionary Authority; Limitations

Unless otherwise noted in the IAA, investment management services are performed by Destination on a discretionary basis. In exercising its discretionary authority, Destination has the ability to determine the type and amount of securities to be transacted and whether a client's purchase or sale should be combined (aggregated) with those of other clients and traded as a "block." Such discretion is to be exercised in a manner consistent with each client's stated investment objectives, risk tolerance, and time horizon.

In addition, the Firm's authority to trade securities can be limited in certain circumstances by applicable legal and regulatory requirements. Clients are permitted to impose reasonable limitations on the Firm's discretionary authority, including restrictions on investing in certain securities or types of securities. All such limitations, restrictions, and investment guidelines must be provided to Destination in writing.

B. Limited Power of Attorney

For clients that authorize Destination to trade on their behalf, unless otherwise noted in the IAA, those clients authorize Destination to exercise full discretionary authority, and such clients understand that this authority extends to all investment transactions involving the client's account. Pursuant to such agreement, Destination is designated as the client's attorney-in-fact with discretionary authority to effect investment transactions in the client's account, which authorizes the Firm to give instructions to third parties in furtherance of such authority.

Item 17 – Voting Client Securities

It is Destination's standard practice to vote proxies on behalf of client investment management account(s).

Generally, Destination will vote proxies and reorganizations relating to such account(s) in a manner that Destination believes will be consistent with the client’s best interest. Clients will complete paperwork required by the custodian to allow proxy voting by Destination. Clients do have the opportunity to opt out of the Firm's standard practice of voting proxies by opting out directly with the custodian or by providing written notice to Destination. Destination utilizes third party vendors to assist in researching proxy decisions and managing its proxy voting process. A copy of the Firm's written proxy voting policies and procedures as well as proxy voting results is available upon request.

In exercising its proxy voting authority, Destination and its employees shall seek to avoid any direct or indirect conflict of interest raised by a particular voting decision.

With respect to accounts for which Destination only provides consulting services and does not manage client assets, the Firm does not vote proxies. In addition, for portions of a client’s portfolio managed by sub-advisors, DWM does not typically vote client securities on behalf of such sub-advised accounts and follows the practice of such sub-advisors as it pertains to voting client securities. Sub-advisors may or may not vote client securities. Prior to any investment that is sub-managed, clients will be notified as to such sub-advisors practice in voting client securities.

Item 18 – Financial Information

As an advisory firm that maintains discretionary authority for client accounts, Destination is required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Destination does not believe that it has any financial condition that is reasonably likely to impair our ability to meet such obligations.

In addition, Destination does not require or solicit payment of fees in excess of $1,200 per client for more than six months in advance of services rendered. Therefore, Destination is not required to include a financial statement.

Destination also has not been the subject of a bankruptcy petition at any time during the past ten years.