BPU Investment Management, Inc.

Form ADV Wrap Fee Brochure
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This brochure provides information about the qualifications and business practices of BPU Investment Management, Inc. ("BPU" or the "Adviser"). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer at (800) 822-6585 or email bpucompliance@bpuinvestments.com.

Additional information about BPU is also available on the SEC's website at: www.adviserinfo.sec.gov.

BPU is registered as an investment adviser with the United States Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940 ("Advisers Act"). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Item 2: Material Changes

Since our last Wrap Fee Brochure dated March 31, 2015 no material changes have been made.

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Item 4: Services, Fees and Compensation

BPU is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC") and is dually registered as a securities broker-dealer. Registration as an investment adviser with the SEC does not imply a certain level of skill or training. Some of BPU's advisory clients participate in the Wrap Fee Program (the "Program) described in this disclosure document. Some advisory clients, and non-advisory clients, may have a separate brokerage relationship with BPU but their brokerage accounts do not participate in Program. BPU also offers managed account services, which are also referred to as Traditional Investment Solutions. This Wrap Program Brochure is to inform you about BPU's Wrap Programs (herein, individually the "Program" or collectively, the "Programs"). For additional information on BPU's Traditional Investment Solutions, please refer to The Brochure and The Brochure Supplement (Part 2B of Form ADV) that can be found on our website, www.bpuinvestments.com, or can be provided to you in hard copy upon your request.

BPU assists clients in allocating their assets to affiliated investment managers, which are employees of BPU, and unaffiliated investment managers ("Investment Managers") through the various Wrap Programs, for which BPU may serve as the sponsor. Each Wrap Fee Program service, also referred to as "strategy," will have its own client agreement, Investment Management Agreement ("IMA") and/or Investment Policy Statement ("IPS"). You or your advisor may be permitted to direct investment decisions and certain strategies using a discretionary investment manager as described below. All strategies, except the Client Advisor Program, typically use a "model" portfolio, where the strategy is designed to follow prescribed investment guidelines. The models are detailed in each strategy's IMA or IPS.

Some products and services described in this brochure may not be available in all jurisdictions or to all clients.

BPU is the sponsor of the programs and utilizes a variety of custodians and trading platforms as described in each strategy below. BPU has agreements with the following custodians/ trading platforms (collectively "custodians"): Pershing LLC (Pershing); Fidelity Institutional Wealth Services (Fidelity); Charles Schwab & Co. (Schwab).

You will pay investment advisory fees and certain other fees when you select a strategy. Those fees are described below and are further detailed in each strategy's IMA or IPS. Fees may be waived or lowered within each strategy, though you will never be charged more than the strategy maximum. In addition, each strategy may impose a minimum, though, at the discretion of the advisor, assets are permitted to go below the minimum. Wrap fees typically range from 1.50% to 2.55% of assets under management, depending on the Investment Managers selected and their willingness to negotiate fees. Of the total percentage, the Investment Managers generally receive 0.50-1.5% and the Custodians generally receives 0.05-0.25% for providing custody, trading, reporting services, etc. BPU generally receives the remainder. Fees are billed quarterly, in advance, based upon the market value of the assets under management, including accrued interest, as of the last day of the prior calendar quarter. Custodians are used for execution purposes and commission rates for transactions are embedded in the total wrap fee, which is based on a percentage of each client's assets under management, provided the transactions are not directed to another broker-dealer. In other words, clients do not pay commissions separately, on a transaction-by-transaction basis when transactions are executed using the approved Custodians.

BPU specializes in helping clients (1) identify acceptable risk tolerances and investment objectives, and (2) select suitable investment managers to help meet those objectives. Investment manager selection includes initial manager due diligence, performance reporting and account monitoring, ongoing manager due diligence, and continuous client consultation.

BPU interacts with wrap fee advisory clients on both a discretionary and non-discretionary basis. BPU may recommend allocations to third-party investment managers, which may require consent from clients prior to facilitating or implementing such recommendations. In non-discretionary accounts, BPU does not have authority to determine the securities to be bought or sold, the amount of the securities to be bought or sold, the broker or dealer to be used, or the commission rates to be paid for any of its advisory clients.

BPU's services through the Programs (investment advice, brokerage, and other services) may cost more or less than what clients would pay for purchasing the services separately. The factors that bear on the relative cost of the Program include the cost of the services if provided separately and the amount of trading activity in the client's account. To the extent that the client pays more for a bundled fee than it would by purchasing the services separately, this may create a possible financial incentive for BPU to recommend the Program over other available programs or services (such as a brokerage account with no advisory services).

Wrap Program Descriptions and Fees

BPU offers the services described herein to clients including, but not limited to, individuals, high net worth individuals, trusts, estates, charitable organizations, corporations or other business entities, and pension plans. These clients can choose from an array of services based upon their particular needs.

I. Privately Managed Account Program ("PMA")

Through the various strategies offered in the PMA, financial advisors of BPU provide investment advisory and brokerage service to client accounts on a discretionary basis. The PMA financial advisors develop disciplined portfolios based on the client's investment objectives and individual needs as established in investment portfolio and strategy criteria. The PMA program is designed to provide a disciplined advisory approach to meet client objectives and needs, yet with relatively few restrictions so that the financial advisor may develop the program for a wide variety of its clients' accounts. This program may employ modeled or non-modeled strategies. BPU contracts with various vendors to provide performance reporting to clients on a periodic basis.

a. Representative Advised, Non Modeled Program Description

Through the Pershing platform, BPU financial advisors may offer an advisory-based account where the advisor is the portfolio manager and will select investments appropriate to the client's objective and needs on a discretionary basis.

b. Representative Advised, Non Modeled Program Fees

The representative advised non-modeled accounts are charged an all-inclusive "wrap fee" that covers both investment advice and clearing and execution services. If the PMA agreement is terminated during

a quarter, which may be done at any time upon written notice from the applicable client, a pro rata refund will be made to the client. The maximum PMA fee is 1.50% of account asset value.

c. Enhanced Equity Strategy ("EES") and Premiere Dividend Strategy ("PDS")

EES is an actively managed strategic equity portfolio based on an Index weighted allocation process. This strategy seeks to provide long-term capital appreciation through various market cycles while seeking to outperform the broad market, utilizing ETFs, Individual Stocks and Cash.

PDS is an actively managed strategic dividend portfolio based on an Index weighted allocation process. This strategy seeks to provide long-term total return from income and capital appreciation through various market cycles while seeking to outperform the broad market, utilizing ETFs, Individual Stocks and Cash.

In both model portfolios, security screens and research are provided by a sub advisor who will manage the EES and PDS though the sub advisor relationship and as defined in the Sub Adviser's ADV Part 2a.

The Sub Adviser will:

- Manage the assets under their supervision in accordance with the guidelines and objectives outlined in their respective Service Agreements, Prospectus or Client Agreement;
- Exercise full investment discretion with regard to buying, managing, and selling assets held in the account.
- Use same care, skill, prudence, and due diligence expected of an experienced investment professional to meet clients' aims and accord with all applicable laws, rules, and regulations.

d. Enhanced Equity Strategy ("EES") and Premiere Dividend Strategy ("PDS") Fees

EES and PDS accounts are charged an all-inclusive "wrap fee" that covers both investment advice and clearing and execution services. If the PMA agreement is terminated during a quarter, which may be done at any time upon written notice from the applicable client, a pro rata refund will be made to the client. The maximum PMA fee is 1.50% of account asset value.

II. Client/Advisor Program ("CAP")

a. Client/Advisor Program ("CAP") Services Description

In the Client / Advisor Account Program (CAP), BPU financial advisors provide client accounts with investment recommendations, which the Client must accept before BPU acts. Clients may accept BPU recommendations or select alternative investments for their accounts. A client's acceptance of any recommendation is not presumed by the client's silence. Clients may place unsolicited trades in their account, but BPU will not be responsible for any losses resulting from such trading or for any transactions that it has not recommended to the client. BPU contracts with various vendors to provide performance reporting to clients on a periodic basis.

Financial advisors may recommend stocks, bonds or other assets of any kind, consistent with the client's investment objectives and restrictions set forth in the Client Profile that clients complete with assistance from their financial advisor. Financial advisors provide non- discretionary recommendations on the basis

of research and analysis that it reasonably deems to be reliable. Clients are asked to promptly notify BPU in writing of any changes in their Client Profile or other information relevant to their account.

Most types of securities are eligible for purchase in CAP accounts including, but not limited to, common and preferred stocks, exchange traded funds, closed end funds, fee-based unit investment trusts, corporate and government bonds, certificates of deposit, options and certain mutual funds whose shares can be purchased at net asset value (collectively, "Program Assets"). Program Assets do not include commodity futures contracts, options on such contracts, managed futures, hedge funds, annuities, limited partnership interests, and mutual funds that cannot be purchased at net asset value (collectively, "Excluded Assets"). Clients may purchase or sell Excluded Assets in their account, and appropriately may incur transaction charges on these purchases.

A CAP account may not be used for market timing strategies or activities for mutual funds or any extreme trading activity that BPU or Pershing, in its sole discretion, deems detrimental to the interest of average fund shareholders or contrary to the policies or interest of mutual fund companies with whom BPU or Pershing maintains relationships. BPU or Pershing reserves the right to reject any transactions or to assess a redemption fee on certain liquidations.

b. Client/Advisor Program ("CAP") Fees

CAP accounts are charged an all-inclusive "wrap fee" on Program Assets that covers advisory fees, execution, custodial, and reporting services on Eligible Assets. Clients pay all of BPU's usual and customary commissions and transaction fees and other charges for transactions in Excluded Assets. Commissions and fees on Excluded Assets and other charges will be assessed against a client's account on or about the transaction date or such other date as assessed by BPU or Pershing. If the CAP agreement is terminated during a quarter, which may be done at any time upon written notice from the applicable client, a pro rata refund will be made to the client.

The maximum fee is 1.50% for Program Assets. This rate will be used to determine each quarterly fee and will be recalculated each quarter based on the current quarter-end market values attributed to Program Assets.

III. Outside Managed Account ("OMA") Program

a. Outside Managed Account ("OMA") Program Services Description

Through OMA, BPU will assist clients in identifying a Money Manager to advise and counsel the client relative to the client's investment of assets. BPU's services may include assisting clients to prepare an investment policy statement in connection with anticipated advisory needs, matching personal and financial data provided by a client with a database of Money Managers approved by BPU for an appropriate fit, periodic evaluation and comparison of account performance, and continuing investment performance and objectives. The intent of this program is to offer the client a universe of competitive managers who represent a broad range of investment styles and classes from which the client along with the aid of the financial advisor may select.

BPU maintains an arrangement with Lockwood Capital Management, Inc. (LCM) an affiliate of Pershing LLC to sponsor two OMA programs: Lockwood Investment Strategies (LIS) program and the Lockwood Asset Allocation Portfolio programs (LAAP).

BPU will provide information on Money Managers that appear to meet a client's needs. Screening criteria may include the Money Manager's past record, management style, location, size of account, etc. The client, possibly with the assistance of a BPU financial advisor and/or other sources, will then choose one or more investment managers.

BPU or its financial advisor will furnish each client a statistical presentation of the performance of the client's account and ongoing comparisons of such performance with selected industry indices. The comparative indices are selected by the client after a discussion with BPU's financial advisor to determine appropriateness in light of client investment objectives and advisors' investment styles.

The independent money manager manages all accounts and BPU has no discretionary trading authority with respect to such accounts. Information collected by BPU regarding OMA independent managers are believed to be reliable and accurate but BPU does not necessarily independently verify it on all occasions. BPU does not assume responsibility for the conduct of money managers that clients select, including their performance or compliance with laws or regulations.

Clients are advised and should understand: that an advisor's past performance is no guarantee of future results; that there is a certain market and/or interest rate risk which may adversely affect any advisor's objectives and strategies, and could cause a loss in a client's account; and there is no guarantee that they will be met or exceeded.

b. Outside Managed Account Program ("OMA") Program Fees

OMA accounts are charged an all-inclusive "wrap fee" which includes custody and clearing services; separate account manager's investment management services; and, the services of your financial advisor. If the OMA agreement is terminated during a quarter, which may be done at any time upon written notice from the applicable client, a pro rata refund will be made to the client.

The maximum combined fee for this service, is 2.55% of clients assets in the program.

Clients authorize us to pay the separate investment advisory management fee invoiced by the advisor by debiting the client's account accordingly. The Client may revoke our authorization to pay the investment management fee on behalf of the Client any time by written notice to us.

<u>Additional Fees</u>

I. Weighted Billing Schedule

BPU charges a fee based upon the amount of assets under management. Clients may be charged higher (up to 2%) or lower advisory fees based on extenuating circumstances as determined by BPU and depending on the program chosen. BPU will aggregate the total portfolio values of related accounts for purposes of achieving the next tier when determining the advisory fee to be applied to those accounts.

BPU uses a weighted billing schedule as opposed to a break point billing schedule. In a weighted billing schedule, assets are billed based on multiple, weighted rates consistent with the total value of the client's portfolio. For example, if a client has $1,000,000 of investable assets and the weighted billing schedule is 1.5% for the first $500,000 and 1.25% for the next

$500,000, the weighted billing rate would be 1.38%.

II. Performance Link Fees

BPU provides Performance Link functionality to clients, which allows for consolidated performance reporting of managed accounts and retail accounts, on the Pershing platform. The custodian provides such consolidated performance reporting on a quarterly basis. The client selects the performance benchmark to be applied to the affected accounts. This fee is in addition to the account fee program and is borne by the client as a direct pass thru charge from the custodian.

The fee for Performance Link functionality is on a per account basis (based on Account Level Assets) as follows:

First $500,000	3 basis points
Next $500,000	2 basis points
Over $1,000,000	0 basis points

The minimum fee charged per quarter per account is $35.00. The maximum fee charged per quarter per account is $62.50.

III. Mutual Fund Fees

BPU will sometimes employ the use of mutual funds as part of the Managed Portfolio. Mutual funds are subject to an internal fee structure that may include management fees, operating expenses and/or 12b-1 fees. Depending on the custodian relationship, BPU or an affiliate may receive a portion of 12b-1 fees. Each mutual fund discloses these fees in its prospectus. These fees are in addition to BPU's investment management fees and are borne by the client. In all cases, BPU will notify clients if such a conflict may arise.

BPU will, in some cases, be paid a portion of the fees collected, causing a potential conflict of interest. BPU does not exclusively use funds which charge these additional fees and will utilize load waived, no load or institutional class shares as available.

BPU has entered into an arrangement with Lockwood Capital Management, Inc. (LCM), an affiliate of Pershing LLC., whereby we are paid a fee to sponsor programs offered by LCM as part of our Outside Manager Program. These fees are paid by LCM to BPU and are not born by the client. With respect to the Lockwood Investment Strategies (LIS) programs, fees paid to BPU by LCM range from 2 to 8 basis points on the managed account balance. With respect to the Lockwood Asset Allocation Portfolio programs (LAAP), fees paid by LCM to BPU range from 1 to 3 basis points on the managed account balance. This compensation is calculated and paid to BPU on a monthly basis.

As a result, BPU has an incentive to invest client assets in certain programs (e.g., LIS and LAAP) for which it receives this additional compensation. However, BPU shall maintain its fiduciary duty by only recommending money managers that it deems appropriate and suitable for its clients. In addition, BPU's due diligence process when selecting money managers includes complying with the standard set by the Center for Fiduciary Studies recommendation in that an investment product not be in bottom quartile of expenses (including any 12b-1 fees) relative to its peers. Further information regarding 12b-1 fees may be found in the respective mutual funds' prospectuses.

BPU does not receive any 12b-1 remuneration on ERISA Accounts.

Item 5: Account Requirements and Types of Clients

As described above, BPU offers the services described herein to clients including, but not limited to, to individuals, high net-worth individuals, trusts, non-profits, retirement plans and institutions and all types of fiduciary accounts. These clients can choose from an array of services based upon their particular needs.

BPU does not specify a minimum investment amount to participate in the Program. However, Investment Managers generally require a minimum account size of $50,000 subject to any exceptions granted by particular Investment Managers. Minimums are generally lower or waived entirely, for retirement plan accounts. BPU and/or the Investment Managers reserve the right to terminate any account falling below the minimum account size. Minimum account sizes for the various Investment Managers used in the Programs vary and are subject to negotiation with the particular Investment Managers selected for each client. The Program allows clients to obtain portfolio management services that may have higher minimum account sizes outside of the Programs. It should also be noted; that programs offered through the Outside Manager Program ("OMP"), including Lockwood Capital Management, Inc., may set account minimums.

Item 6: Portfolio Manager Selection and Evaluation

BPU will work with each client to develop an appropriate selection of Investment Manager(s) that BPU believes best meet(s) the client's goals and investment objectives, and will assist clients in the appropriate selection of Investment Managers in line with the recommended asset allocation. Recommendations are based upon the information gathered in developing an investment policy for the client. BPU will review the client's investment objectives and goals, net worth, current income, future income needs, liquidity needs, risk tolerances, tax considerations, and other specific items communicated by the client (collectively, "Investment Considerations"). Then the portfolio's current investment structure is reviewed by BPU. An assessment is made based upon economic and market conditions and the investment considerations. A recommendation as to the client's appropriate asset mix may be developed based on BPU's assessment of the information provided by the client. In order for BPU to properly monitor the asset allocation and Investment Managers selected, clients must promptly inform BPU in writing if their information changes.

Various Investment Manger styles and strategies are made available to clients. Investment Managers are selected through a detailed assessment of their investment philosophy, style, and methodology. Investment Managers will be assessed and chosen independently by BPU in accordance with the criteria herein.

BPU employs a multi-step process in screening Managers to determine if the Managers are suitable for BPU's program. After the above parameters have been satisfied, the review continues and includes, but is not limited to, conducting a general review of the organization (history, ownership, employees, etc.), gaining an understanding of the Investment Manager's investment process, asset allocation strategies, and reviewing the Investment Manager's Form ADV, Item 1A, 2A and 2B disclosures. BPU then verifies

the information provided by comparing it to other data from publicly available data collection sources. BPU may further verify the information provided by employing quantitative and qualitative screens as well as attribution analysis and risk analysis.

BPU, through Lockwood, requests that Managers adhere to GIPS standards and every attempt is made to obtain performance information which is calculated on a uniform and consistent basis. Occasionally, individual firms may provide information which does not entirely conform to these requirements. In most cases, performance data approved by BPU, through Lockwood, for Client viewing will have been calculated based on a uniform and consistent standard. In the rare instance where this is not possible, the affected performance data will clearly indicate that it was not calculated based on the uniform standard normally used.

BPU relies on information obtained from the following sources to reach its conclusions regarding each Manager:

- Manager's prospectus, Form ADV and or accompanying documents;
- Manager's website and other publicly-available information;
- SEC website;
- BPU's meetings with Manager's personnel; and
- External, commercially available databases.

Replacement Investment Managers may be recommended for various reasons such as, among other things, portfolio management inconsistent with an Investment Manager's stated style and philosophy, significant performance variances from the stated benchmark over a market cycle, a departure of a key employee from an Investment Manager who was integral to the Investment Manager's performance record, and/or serious regulatory problems or compliance issues.

Within the BPU sponsored wrap fee program, certain portfolio managers are affiliated with BPU. For wrap programs where the portfolio manager is an affiliate of BPU, the Adviser attempts to minimize this conflict through its ongoing reviews, which in part include, oversight reviews and investment selection through its Investment Committee and Asset Allocation Committee.

Affiliated portfolio managers are subject to the same review process as unaffiliated Investment Managers. In addition, your financial adviser conducts ongoing reviews (generally quarterly) for adherence to stated investment objectives and account restrictions, asset allocations, and overall account performance.

Please see the "BPU Sponsored Wrap Fee Programs" chart which will identify the main strategies and models within each program. More information about BPU's Advisory Business; Performance Based Fees and Side-By-Side Management; Methods of Analysis, Investment Strategies and Risk of Loss; and Voting Client Securities can be found in BPU's Disclosure Document (Form ADV: Part 2A).

Item 7: Client Information Provided to Portfolio Managers

I. Information provided to BPU affiliated managers

BPU generally collects information about our clients through their client profiles, new account applications. BPU also collects investment profile information such as investment objective and risk

tolerance through client interviews and risk profile questionnaires. BPU employees who serve as portfolio managers will have access to all client information related to the particular client accounts they manage.

II. Information provided to non-affiliated managers

Non-affiliated portfolio managers have access to potentially all client information for clients whose accounts they manage. This includes client identifying information such as name, address and tax ID; investment profile information such as investment objective and risk tolerance; and, administrative information such as disbursement requests, statements, confirmations and other documents prepared by the custodian, Pershing LLC. In addition, some non-affiliated individual managers request that the new account information, duplicate statement copies, or other information be provided. BPU will generally honor those requests as it relates to the ability manage the portfolios.

III. Updating of Client Information

Clients are responsible for providing BPU accurate information and keeping BPU informed of all changes. Information that is provided to affiliated portfolio managers as well as information provided to non-affiliated portfolio managers is kept updated as reasonably possible through the custodian or trading platform(s).

Item 8: Client Contact with Portfolio Managers

The primary point of contact for all clients, whether the managers are affiliated or non-affiliated, will be their BPU Financial Advisor. There are no restrictions on a client's access to his or her financial advisor. Non-affiliated portfolio managers do not service BPU clients exclusively and in general are not in contact with the client. That being said, BPU is not aware of any restriction on a client's ability to contact a non-affiliated portfolio manager.

Item 9: Additional Information

I. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or investor's evaluation of the adviser or the integrity of the adviser's management. This section contains information on certain legal and regulatory matters affecting BPU.

On August 4, 2009, Mr. Nadav Baum, Executive Vice President and Financial Adviser for BPU, submitted a Letter of Acceptance, Waiver and Consent for the purpose of settlement of alleged rule violations brought by FINRA. Alleged violations related to trading violations during Baum's employment with Citibank. Without admitting or denying the allegations, Mr. Baum consented to the described sanctions and to the entry of findings. As a result, Mr. Baum was fined $15,000 and suspended from September 8, 2009 through October 7, 2009. The findings stated that Nadav Baum engaged in discretionary trading without written authorization in a deceased customer's account and discretionary trading without written authorization in other customers' accounts.

On or about October 24, 2012, BPU submitted a Letter of Acceptance, Waiver and Consent for the purpose of settlement of alleged rule violations brought by FINRA. FINRA alleged that BPU, acting

through its Chief Compliance Officer, Rick Pierchalski, allowed an associated person to perform certain functions requiring principal registration without being registered in that capacity; created an inaccurate record relating to an Anti-Money Laundering test; and failed to implement policies and procedures reasonably designed to detect and cause the reporting of suspicious transactions. Without admitting or denying the findings, BPU was censured and fined $25,000, Pierchalski was fined $5,000 individually and $10,000 joint-and-severally with BPU. In addition, Pierchalski was suspended from November 19, 2012 through February 18, 2013.

On February 13, 2013, Thomas Eddy, General Counsel and Investment Committee Member for BPU, entered into a settlement agreement for the purpose of resolving alleged rule violations brought by FINRA. Without admitting or denying the findings, Mr. Eddy consented to the described sanctions and to the entry of findings. As a result, Eddy was fined $5,000 and suspended from March 4, 2013 through March 22, 2013. The findings state that in about September 2010, Mr. Eddy created an inaccurate record when he signed a document which purportedly memorialized BPU's test of its anti-money laundering compliance program for 2009. This conduct violated FINRA Rule 2010.

II. Other Financial Industry Activities and Affiliations

Client should be aware that the receipt of additional compensation by BPU, its employees and related parties creates a conflict of interest that may impair the objectivity of our firm and employees when making recommendations. While BPU does not currently receive compensation from other investment advisers, BPU endeavors at all times to put the interest of its clients first and will take the following steps to address this conflict if it presents itself:

- Disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our advisory fees;
- Disclose the capacity in which BPU or associates are acting in the transaction and whether any compensation is to be earned by the owners or associates;
- Disclose any interest that BPU or associates have in the transaction which may be adverse to your interest;
- Clients are not obligated to purchase recommended investment products from our firm or related parties;
- BPU conducts regular reviews of client accounts and activities to verify that recommendations made clients are suitable;
- Employees are required to seek approval of outside business activities; and
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

a. Affiliated Broker-Dealer

BPU is registered as a broker-dealer with the SEC and is a member of FINRA. BPU is an introducing broker-dealer that clears transactions on a fully disclosed basis through Pershing, LLC. Certain employees of the firm are also registered representatives of BPU. BPU and properly licensed employees

may receive brokerage commissions or mutual fund service fess (12b-1 fees). This is a potential conflict of interest and could cause BPU or its representatives to recommend investments based on the additional compensation they received.

b. Insurance Agents

The principals and other employees of BPU are also licensed agents for various insurance companies. In such capacity they may recommend insurance products and receive separate, yet customary compensation. BPU also maintains a relationship with various insurance brokerage firms who provide insurance solutions for our advisors and our clients. Transactions placed through these firms will result in a portion of the commission being paid to BPU.

Please refer to "Brokerage Practices" section (Item 12) and "Fees and Compensation" (Item 5) for additional information.

III. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

BPU has adopted a Code of Ethics ("Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 and is predicated on the principal that BPU owes a fiduciary duty to its clients. Accordingly, employees of BPU must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interest of clients. Therefore, BPU endeavors to maintain current and accurate records of all personal securities accounts of its employees in an effort to monitor all such activity. The Code addresses a variety of topics relating to the appropriate conduct of investment advisory personnel, among other things, that employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of the Company above one's own personal interests;
- Adhere to the fundamental standard that you should not take inappropriate advantage of your position;
- Avoid or disclose any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on yourself and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve your professional competence and strive to maintain and improve the competence of other investment professionals.
- Comply with applicable provisions of the federal securities laws.

The Company's Code of Ethics also requires Employees to: 1) pre-clear transactions in IPOs and private offerings, 2) report personal securities transactions on at least a quarterly basis, and 3) provide the

Company with a detailed summary of securities holdings (both initially upon commencement of employment and annually thereafter)

BPU and/or its related persons may buy or sell the same securities recommended to clients. They may buy or sell these securities about the same time as they are recommended to clients or at different times. The firm monitors personal securities transactions for the possibility of a conflict of interest. If a conflict is identified the client's interest will prevail. It is the policy of the Company that priority will always be given to the client's orders over the orders of an employee of the Company.

A copy of the Company's Code of Ethics shall be provided to any client or prospective client upon request.

IV. Review of Accounts

Ongoing review and analysis of the investment options is just as important as the due diligence process. There are two levels to review: Account and Investment portfolio.

For PAS clients, accounts are reviewed on an ongoing basis, generally quarterly, at the time performance analyses are completed. For financial planning clients, accounts are reviewed periodically, as needed by the client.

We request our clients to inform BPU and their financial advisor, at least annually, of any changes in their financial condition or of any additional investment restrictions and/or modifications to existing investment restrictions our client wishes to impose. BPU immediately forwards to the program managers any responses, which would impact the daily management of the client portfolio. While there are no restrictions on the ability of our clients to contact and consult with the portfolio managers, it is generally preferred that they do so through, or together with, his or her financial advisor.

Our clients may elect to change investments or portfolio manager at any time. Should financial circumstances change or economic or market conditions change, to the extent that BPU feels that a change is advisable, or, if in BPU's opinion, the investments or portfolio manager selected can no longer meet the client's investment objectives or manage according to certain investment style parameters, or there is a fundamental change in the management which would mandate a switch in investments or portfolio manager the financial advisors may recommend changes in the portfolio.

The performance of the investment selections in the portfolio will be monitored on an ongoing basis; and, depending on the platform, it is BPU's discretion whether and when to take corrective action.

BPU has no discretion to change the client's investment program or model. Should client agree with the financial advisors recommendation to make a model or program change, written authorization must be obtained.

V. Client Referrals and Other Compensation

BPU does not accept or allow our supervised persons to accept any form of compensation, including cash, sales, awards, or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

BPU does not compensate any persons for client referrals and does not use solicitors.

VI. Financial Information

A balance sheet is not required to be provided as BPU (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.