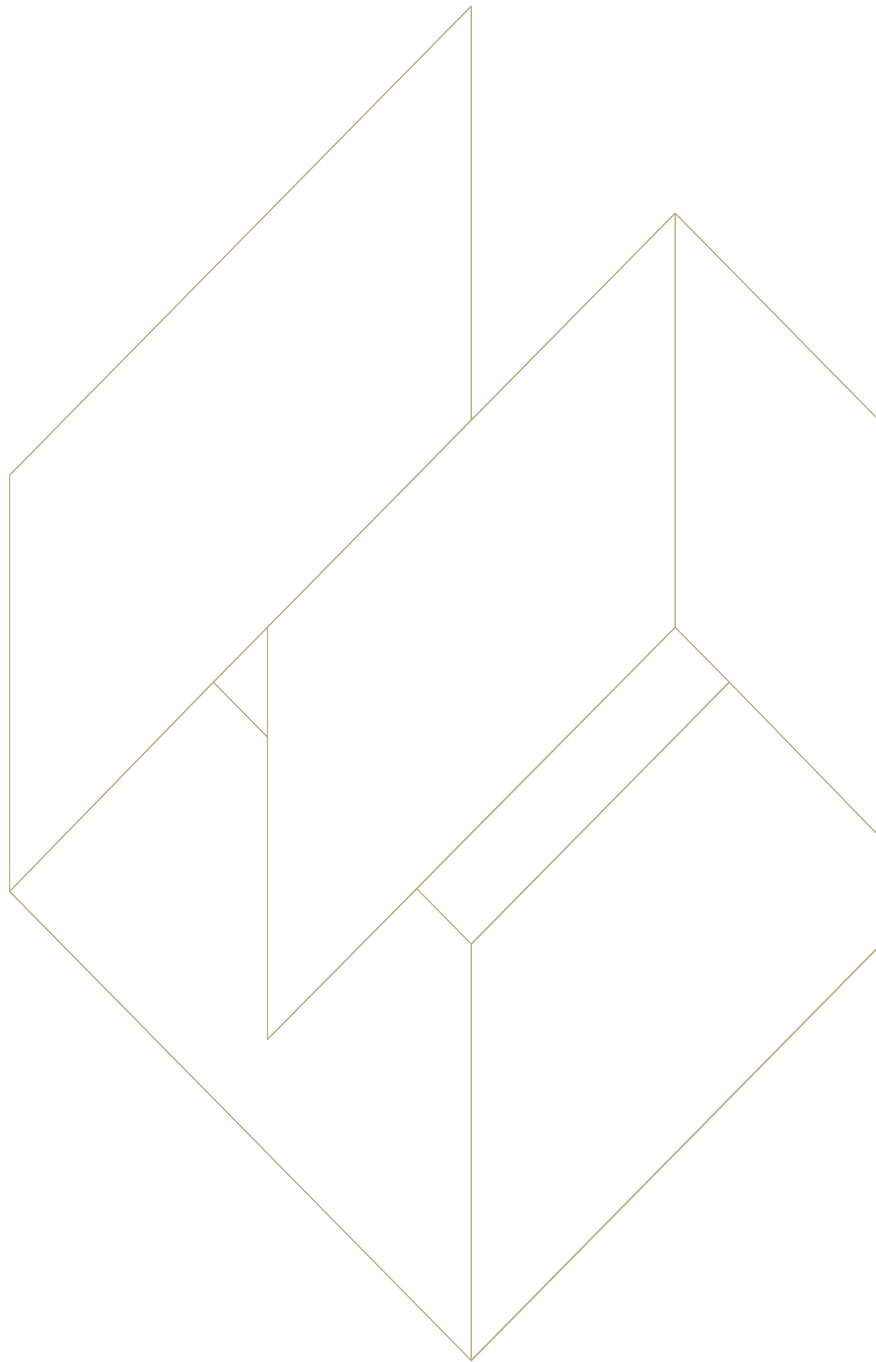




**Form ADV Part 2 Brochure**  
March 28, 2025



Goelzer Investment Management, Inc.  
10 East Main Street, Suite 110  
Carmel, Indiana 46032  
(317) 264-2600  
[www.goelzerinc.com](http://www.goelzerinc.com)

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This Form ADV Part 2 (“Brochure”) provides information about the qualifications and business practices of Goelzer Investment Management, Inc. (“Goelzer”). If you have any questions about the contents of this Brochure, please contact us at (317) 264-2600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any other state securities authority.

Goelzer is a registered investment adviser. However, please note that registration as an investment adviser does not imply any level of skill or training.

Additional information about Goelzer is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2 - Material Changes**

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The information contained in this section relates only to material changes that have occurred since the last annual update to this Brochure. The following material changes are disclosed in this Form ADV Part 2A as amended:

1. **Item 5, Fees & Compensation.** We updated the language in this section to state that advisory fees are automatically deducted from client accounts by the custodian.
2. **Item 11, Code of Ethics.** Our Code of Ethics and Employee Personal Trading Policy has been amended to allow employees to trade alongside client accounts if their account is custodied at Fidelity and treated as a managed account at Goelzer. Employees will receive the same average price on the transaction as clients when this occurs.
3. **Item 12, Brokerage Practices.** We have amended our practices to allow for agency cross-trades between client accounts when deemed appropriate. However, we generally will not engage in these types of transactions. Our investment advisory agreement has also been amended to provide client consent for these transaction types.

To obtain our brochure supplements (including information about each of our financial advisors), our Code of Ethics, or our Privacy Policy, please visit our website at [www.goelzerinc.com](http://www.goelzerinc.com) or call us at (317) 264-2600.



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## **ITEM 4 – Advisory Business**

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Goelzer Investment Management, Inc. (“Goelzer”) is an investment advisory firm registered with the SEC, whose Principal Officers include Gregory W. Goelzer, Chief Executive Officer, and Chris W. Cotterill, President. Goelzer is an employee-owned company, with a controlling interest held by the Goelzer family.

Founded in 1969, Goelzer provides services to private and institutional clients, which include Investment Advisory Services and discretionary and non-discretionary Asset Management Services. In addition, the firm may provide Consulting Services to clients that wish to have Goelzer monitor and report on investments held at a third-party asset manager, adviser, custodian, or trust company. These services are more fully described below, as well as in the advisory contract applicable to each account.

As of 12/31/2024, the firm advises on a total of \$3,608,800,007 in assets under management, and \$237,750,000 in non-discretionary assets for a total of \$3,846,550,007 in assets under advisement.

Goelzer’s Investment Advisory Services are divided into three separate teams that provide distinct aspects of Goelzer’s advisory offerings. These include Goelzer’s Institutional Advisory Services Team, which provides services tailored for institutional clients, Goelzer’s Private Client Team, which offers comprehensive wealth management services specific to private clients, and Goelzer’s Investment Management Team, which provides research and analysis to support the other teams.

### ***Institutional Advisory Services***

Goelzer’s Institutional Advisory Services Team offers investment consulting and custom-tailored portfolios to institutions, including pension and profit-sharing plans, foundations, and endowments, primary, educational institutions, corporate accounts, and other institutional accounts.

Goelzer has served the institutional marketplace for over 30 years, offering comprehensive investment advice. Goelzer offers a customized approach, tailored to each client’s needs and objectives, not a mass generated solution.

### ***OCIO Discretionary Services***

Goelzer can serve as an Outsourced Chief Investment Officer (“OCIO”) for institutions where we serve as a co-fiduciary next to the client, saving the client’s time by allowing it to focus on more important priorities. Goelzer serves as a close partner with its institutional clients by providing OCIO services that help to alleviate the burdens that clients face.

OCIO Services include:

- Development of the Investment Policy Statement
- Asset Allocation Study and Liability Analysis



- Investment Manager Searches, Monitoring, and Supervision
- Portfolio Implementation and Rebalancing and Tactical Shifts
- Customized Portfolio Construction
- Research and Education
- Portfolio Compliance and Risk Management
- Performance Reporting and Monitoring
- Spending Policy Analysis
- Annual Fee Analysis

### *Traditional Consulting Services*

Goelzer also offers any of the above services individually or in a group as part of a consulting relationship. For instance, Goelzer can provide assistance with the Investment Policy Statement, Investment Manager Monitoring, and Performance Reporting. Goelzer can contract to provide any and all of these services according to the needs of the institutional client on a consulting basis for a fixed fee.

### *Private Client Services*

Goelzer's Private Client Team provides comprehensive wealth management services to high net worth individuals, which includes individualized investment and financial planning advice tailored to each client's needs. Each portfolio is structured to conform to the client's investment objectives and risk tolerances. This service is typically available to persons wishing to invest a minimum of \$1,000,000, but this amount can be waived. The investment objectives and risk tolerances may differ from client to client, and portfolios may differ among clients.

Goelzer's private client services include:

- Development of Personal Investment Plan
- Plan updates and Revisions
- Asset Allocation
- Custom Portfolio Creation
- Performance Reporting

### *Financial Planning*

Goelzer also provides wholistic financial planning services to help the client evaluate their current income, financial condition, and spending by using current known variables and the client's financial goals to assess potential future income, asset values, and withdrawal plans. Goelzer works with the client to understand and identify his or her current financial situation and specific



goals. The adviser then analyzes the current course of action and potential alternative courses of action to develop an appropriate and mutually agreed upon financial plan. Throughout the relationship, Goelzer's advisers will monitor the plan, updating it as necessary. As part of its financial planning services, Goelzer may provide clients advice on various subjects including education savings, debt management, funding retirement plans, estate planning concepts, charitable giving, business exit strategies, and other relevant subjects.

### *Goelzer Private Office*

For clients with more complex financial estates, Goelzer provides specialized Private Office services to meet the needs of these clients. These services include some or all of the following: generational wealth planning, philanthropic legacy, consolidated reporting, institutional investing consulting, alternative investments, business advisory, custom wealth solutions, and Goelzer Wealth Vision, a planning tool that provides clients a wholistic view of their personal finances. Goelzer Private Office is a tailored approach focusing on the needs of these complex situations.

### *G•PRO Sports*

Goelzer markets itself specifically to professional athletes under the name G•PRO Sports and/or G•PRO. G•PRO Sports offers financial planning, investment advisory, and asset management services that are tailored to the needs and financial situations of professional athletes, coaches, and others involved with amateur and professional athletes.

### ***Investment Management***

Goelzer offers investment management services in support of the Institutional Advisory Services and Private Client Teams in which Goelzer provides research and portfolio management to Goelzer clients. Goelzer's Investment Management Team maintains Goelzer's proprietary investment strategies, which include core equity strategies and exchange traded funds, government, corporate, and municipal fixed income, mutual funds, and private investments.

Please see Items 8 and 13 below for more information on Goelzer's Investment Management Team and its investment process.

### *Non-Discretionary Accounts*

From time to time, clients may ask Goelzer to include assets for which Goelzer does not provide ongoing management or advisory services ("unsupervised assets") in client reports. As Goelzer may include these unsupervised assets in its reports to clients and may consider these unsupervised assets in making asset allocation decisions or recommendations for clients, Goelzer may, but typically does not, include these unsupervised assets when determining the total assets under management upon which the client's fee is based, depending on the complexity of including the assets in the report.

However, Goelzer does not regularly research, review, or otherwise evaluate a client's unsupervised assets. Clients holding unsupervised assets should recognize that Goelzer may be



unaware of factors that could lead an unsupervised asset to rapidly decline in value and that Goelzer should not be expected to alert the client should such a decline be in progress. The client has the sole responsibility to monitor and request trades in unsupervised assets.

For these non-discretionary accounts, clients do not sign an Investment Management Agreement.

### *Miscellaneous*

#### *Sub-Adviser Relationships*

For a number of accounts, Goelzer serves as a sub-adviser to another investment adviser.

#### *Co-Adviser Relationships*

For a specific number of clients, Goelzer contracts to work as a co-adviser with another registered investment adviser. With these clients, Goelzer provides certain investment management services as per the advisory contract, and the other investment adviser provides additional and separate investment advisory services.

## **ITEM 5 – Fees & Compensation**

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All clients are required to enter into a written advisory agreement or financial planning agreement prior to the establishment of an investment advisory relationship. Goelzer offers its Investment Advisory Services based upon a percentage of assets under management, hourly charges, a fixed fee, or a combination of those forms of compensation (as outlined below). Investment advisory fees are divided into quarterly installments and are payable in advance of each quarter based on market values as of March 31, June 30, September 30, and December 31.

### *Investment Advisory Fees*

For Goelzer's private clients, we charge fees according to a standard fee schedule with standard fees ranging from .5% to 1.5% of assets under management and annual minimums ranging from \$0 to \$6,000. For Goelzer's institutional clients, our standard fees range from .10% to .75%.

In addition, the client will incur costs, such as brokerage, custodial, and ancillary costs charged by their broker and/or custodian as well as transaction costs depending on their broker/dealer. For the client accounts that are invested in mutual funds and exchange traded funds, the client also will bear any direct shareholder charges of the mutual fund and will indirectly bear internal mutual fund fees and expenses.

### *Consulting Services*

Fees for Consulting Services may be based upon a percentage of assets under management with a standard fee schedule beginning at .50% of the first \$1,000,000 of assets under advisement, hourly charges, a fixed fee, or a combination of those forms of compensation. Fixed fees and hourly



charges are determined by the duration and complexity of the arrangement among other factors. Consulting Services fees are divided into quarterly installments and are payable in advance of each quarter as of March 31, June 30, September 30, and December 31.

### ***Financial Planning Fees***

Goelzer will charge a flat fee to clients who engage Goelzer to prepare a financial plan but who do not utilize any of Goelzer's other services. The fee is determined based on the scope of the financial plan, complexity of the client's financial situation, the length of the engagement, and other factors. At the end of the engagement, if appropriate, the clients paying a flat fee for a financial plan may enter into an advisory agreement for Goelzer to provide management services.

### ***Additional Fee Information & Disclosures***

All advisory fees are negotiable. As such, in certain cases, investment advisory fees may be modified based on a pre-existing or employee relationship, the nature of services to be provided, types of investments, portfolio makeup, size of the account, the complexity of the client's situation, and/or other competitive factors. Investment advisory fees and services to be provided are determined at the time of engagement.

Fees will be deducted directly from client custodial accounts. If a client opens an account during a quarter, fees for that quarter are pro-rated to the end of that quarter. Note that the custodian does not verify advisory fees; therefore, clients are encouraged to direct any questions regarding fees to their advisor at Goelzer directly and are advised to carefully review each statement received by the custodian firm to ensure accuracy.

The aforementioned advisory fees do not include fees or expenses paid to other service providers (if applicable on accounts). Clients are strongly encouraged to read any offering document or prospectus for additional information.

Goelzer employs both Chartered Financial Analysts<sup>®</sup> and CERTIFIED FINANCIAL PLANNERS<sup>®</sup>. Other professional financial designations that Goelzer employees hold are Chartered Financial Consultant<sup>®</sup>, Chartered Alternative Investment Analyst<sup>®</sup>, Certified Private Wealth Advisor<sup>®</sup>, and Certified Divorce Financial Analyst<sup>®</sup>. Goelzer and its employees provide services on a fee-only basis, and neither Goelzer nor any related parties receive sales-related compensation from any other source. Employees may receive periodic bonuses based on performance of their job duties, including performance of Goelzer strategies as compared against the appropriate benchmark as well as referral compensation for successfully referring and opening accounts with Goelzer. Performance bonuses are calculated according to compensation plans and the percentage of job performance goals the employee met during the prior year. This practice has no effect on the amount of fees paid by a client.

Goelzer will not enter into an investment advisory relationship with any prospective client whose investment objectives may be considered incompatible with Goelzer's basic investment





philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Fees will not be based upon a share of capital gains or capital appreciation of the funds of any portion of a client's account (known as "performance fees"). Goelzer reserves the right to modify fees with at least 30 days' advance written notice.

The fees associated with Goelzer's services may be higher or lower than at other financial institutions. Clients are encouraged to discuss any questions that may arise regarding services and fees throughout the course of our engagement. Additionally, clients are welcome to utilize a broker/dealer of their choice for execution of securities transactions.

### ***Termination of Services***

Investment Advisory Services are continuous and on-going in nature, but either party may terminate the Advisory Agreement with at least 90 days prior written notice to the other party's last known legal address. As fees are levied on a quarterly basis in advance, a pro-rata refund will be made to the client in the event of termination of the Advisory Agreement prior to the end of a calendar quarter.

## **ITEM 6 – Performance Based Fees & Side-by-Side Management**

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Goelzer does not charge any performance-based fees of any kind. (Those fees that are based upon a share of capital gains or capital appreciation of client assets.)

Goelzer does manage client accounts that may pay different fees. This is a conflict of interest in that Goelzer has an incentive to favor accounts that pay higher fees. Goelzer has developed trade allocation policies designed to ensure that clients are treated equitably over time. Goelzer does not trade shares in its own principal accounts in a manner that would intentionally disadvantage clients.

Goelzer employees may trade individual securities in their personal accounts that are held in client accounts. If the employee trades along with clients, the employee's trade will be included in the average price calculation so that the employee will receive the same price as the clients. However, if a portfolio manager trades a security for a client, and another employee without knowing what the portfolio manager has decided to do, trades in the same security in his or her personal account, then the employee may receive a better price than the client if that is the result of the trades.

## **ITEM 7 – Types of Clients**

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Investment Advisory Services are generally provided to individuals, high net worth and ultra high net worth individuals, families, institutions, and institutional investors. These may include accounts for taxable investment accounts, retirement plans, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, partnerships, or other business entities.



If an account is subject to the Employee Retirement Income Security Act of 1974, as amended, (“ERISA”), the plan sponsor or investment committee is typically a named fiduciary with respect to the control or advice of the assets in the Account and Goelzer acknowledges that it is a fiduciary within the meaning of the Act. Goelzer requests that the client agrees to obtain and maintain a bond satisfying the requirements of Section 412 of ERISA and to include Goelzer, and Goelzer’s principals, agents, and employees under those insured under that bond and will deliver to Goelzer a copy of the governing plan documents. If the account assets for which Goelzer provides services represent only a portion of the assets of an employee benefit plan, the client will remain responsible for determining an appropriate overall diversification policy for the assets of such plan. Goelzer will maintain appropriate bonding and insurance for the types of clients it has.

Goelzer typically requires a minimum investment account size of \$1,000,000. This minimum may be reduced at Goelzer’s discretion.

## **ITEM 8 – Methods of Analysis, Investment Strategies, Risk of Loss**

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Investing in securities of any kind involves risk of loss that clients must be prepared to bear.

Portfolio construction begins with an analysis of a client’s investment goals, risk capacity, and risk tolerance. In most circumstances, Goelzer’s portfolios are built with a long-term view, understanding that the portfolio is likely to experience periods of recession, inflation, and both rising and falling markets. Portfolios are typically built with total-return objectives, though other portfolio strategies may include objectives such as income generation or capital preservation.

To achieve these objectives, portfolios typically include securities such as stocks, bonds, mutual funds, and exchange traded funds (ETFs). Portfolios may also include options, warrants, preferred stock, separately managed accounts, and other investment securities when appropriate. Goelzer may also use pooled investment strategies such as interval funds or tender-offer funds that offer only limited, periodic liquidity to clients. When appropriate, Goelzer includes private alternative investments in client portfolios that are not traded on public exchanges.

When selecting investments for client portfolios, Goelzer employs several methods of analysis, including both quantitative and qualitative approaches. Examples of the former include the modeling of long-term return and risk expectations of various asset classes. Examples of the latter include independent research of individual equity and fixed-income securities. The principal sources of information that Goelzer uses include company prepared information such as annual reports, prospectuses, and press releases; SEC filings; management and financial industry related press; and industry trade research from various sources, including FactSet, Bloomberg, Morningstar, and various sources of sell-side research.

At the outset of a relationship with a new client, Goelzer may provide investment advice on any holdings in a client's investment portfolio. A decision regarding whether to hold or sell an existing asset will include careful consideration of tax implications, trading costs, and the client's specific requests.



Investments in privately held investments—whether in the form of limited partnership opportunities or semi-liquid evergreen or interval funds—may involve a higher degree of risks than other investment opportunities, including liquidity risk. Private investments are generally illiquid, and our ability to transfer or dispose of private investments is expected to be restricted.

### *Margin*

Upon occasion, clients' investment goals and objectives may warrant the use of margin accounts and/or the use of equity options. Because the use of margin accounts and options entail increased risk, they are only recommended when consistent with client's stated risk tolerance and investment objectives.

To facilitate mandatory distributions or other liquidity needs, Goelzer may advise clients to open a margin account. In a margin account, the securities will serve as collateral for the borrowed funds. A client may at his or her discretion, direct the opening of a margin account to facilitate the purchase of additional securities without selling the holdings in the account.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in a client's account minus what the client owes the broker falls below a certain level, the broker will issue a "margin call", and the client will be required to either sell a portion of margined securities the position in the security purchased on margin or add more cash to the account. In some circumstances, the client may lose more money than was originally invested.

Goelzer may recommend, where appropriate, that a client establish a margin account with the client's broker, even though a margin strategy is not being followed. In this situation, if Goelzer is selling one stock and purchasing another stock with the proceeds, Goelzer can use the margin account to make certain that the client is not left out of the purchase if Goelzer has difficulty completing the sale.

### *Options*

Goelzer may, from time to time if circumstances warrant, use options as an investment strategy after discussion and mutual agreement with the client. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an 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 security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives the holder the right to buy an asset at a certain price within a specific period of time. Goelzer may buy a call based on research indicating that the stock will increase substantially before the option expires.



- A put gives the holder the right to sell an asset at a certain price within a specific period of time. Goelzer may buy a put if research indicates that the price of the stock will fall before the option expires.

Goelzer may use options to speculate on the possibility of a sharp price swing. Goelzer may also use options to “hedge” a purchase of the underlying security; in other words, Goelzer may use an option purchase to limit the potential downside of a security purchased for a client’s portfolio.

Goelzer may use “covered calls,” in which Goelzer may sell an option on a security the client owns. In this strategy, the client receives proceeds for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if the client wants to sell the stock prior to the end of the option agreement, the client will have to buy the option back from the option holder, for a possible loss.

Goelzer may use a “spreading strategy,” in which Goelzer purchases two or more option contracts (for example, a call option that Goelzer buys and a call option that Goelzer sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Global markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises, and similar “Act of God” events have led, and may lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on world economies and markets generally. Clients may have exposure to countries and markets impacted by such events, which could result in material losses.

## **ITEM 9 – Disciplinary Information**

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Firms are required to report any legal or disciplinary events that are material to a client’s evaluation of our advisory business and the integrity of our management.

Goelzer does not have anything to report.

## **ITEM 10 – Other Financial Industry Activities & Affiliations**

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Neither the firm nor any individual associated with the firm, except one Financial Advisor, is registered with any other investment adviser, brokerage firm, insurance agency or company, of any kind, and the firm does not permit any individual to maintain outside registrations of any kind (dual registrations) with any other registered investment advisory firm or broker/dealer.



One Financial Advisor is registered with an insurance agency to assist a Goelzer client with life and long-term disability insurance .

Goelzer also compensates other advisory firms for client referrals to this firm under a written agreement. All disclosures about compensation to the other advisory firms will be made at the required time. This arrangement is more fully described in Item 14.

## **ITEM 11 – Code of Ethics, Participation/Interest in Client Transactions, & Personal Trading**

### ***Code of Ethics***

Goelzer has adopted a Code of Ethics that obligates the firm and its related persons to put the interest of the firm’s clients before their own interests, and to act honestly and fairly in all aspects of client servicing. Clients or prospective clients can always obtain a copy of the firm’s Code of Ethics by contacting the Chief Compliance Officer at the address or phone number listed on the cover page of this Brochure. Additionally, Goelzer has also adopted the Asset Manager Code of Professional Conduct published by the Chartered Financial Analyst Institute.

### ***Participation/Interest in Client Transactions & Personal Trading***

Goelzer and its related persons may invest in the same or similar types of securities, investment products, or market segments as clients are invested in. As such, at times the interests of Goelzer or related persons’ accounts may coincide with, or conflict with, the interests of clients’ accounts. Because of this, employee trades in securities reportable under the Code of Ethics are reviewed on a periodic basis to ensure that front-running and other potential conflicts can be prevented.

Employees may maintain a managed account with Goelzer for a reduced advisory fee. The employee account will trade alongside client accounts and will receive the same average price. Employees that maintain non-managed accounts at third-party brokers must pre-clear transactions if the trade is over \$10,000 and or a market cap of under \$2 billion.

The Code also requires covered transactions to be reported quarterly and holdings to be reported annually.

Goelzer does not intend to conduct “principal” transactions involving its own proprietary accounts and no active proprietary accounts are maintained at this time. It typically does not engage in cross-trades between advisory clients and will follow Rule 206(3)-2 of the Advisers Act if it does. Clients consent to the use of cross-trades when they sign an advisory agreement with Goelzer.

### ***Conflicts of Interest***

Conflicts of interest may exist between various individuals and entities, including the Firm, its employees, and/or our vendors.



*Goelzer has identified the following conflict of interest.* At Goelzer, we encourage our team to get meaningfully involved in non-profits. Thus, the firm and our employees support our institutional clients in many ways including by volunteering on boards and committees; providing support through financial donations, volunteer time, labor, and hosting events; and, providing financial literacy, sustainable investing, and other presentations.

We mitigate the conflicts posed above by ensuring that no client that participates in the above activities receives any fee discounts or other special treatment such as more favorable trade allocations.

## **ITEM 12 – Brokerage Practices**

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Typically, clients must direct Goelzer as to the broker/dealer to be used. In directing the use of a particular broker/dealer, clients should understand that Goelzer will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients.

Certain institutional clients may direct Goelzer to select brokers/dealers. In these client relationships, Goelzer shall utilize factors included in the Advisory Agreement with the client. The firm considers the following factors before suggesting a particular brokerage firm to clients: the products offered, the level of service, the quality of trade execution, the record keeping and reporting capabilities, the trading platforms offered, and the ability to meet client needs. In assessing the reasonableness of their commissions, the firm periodically compares various brokerage firm rates.

Each client must evaluate each broker/dealer carefully to determine if the broker/dealer selected provides the client with an optimal blend of cost, clearance and settlement, client service and responsiveness, and other services.

### ***Fidelity Relationship***

If the client does not direct a broker/dealer, Goelzer recommends that clients use the brokerage services of Fidelity Institutional Wealth Services. Fidelity Institutional Wealth Services is a division of Fidelity Investments, member FINRA/SIPC/NFA (“Fidelity”), an unaffiliated SEC-registered broker-dealer and FINRA member. Goelzer generally recommends Fidelity to clients for brokerage and custody services.

Goelzer receives some benefits from Fidelity through its relationship, including economic benefits that are typically not available to Fidelity retail investors. These benefits include consulting services provided without cost or at a discount as well as monetary assistance in implementing recommendations due to those consulting services. These consulting services may benefit Goelzer but may not directly benefit its client accounts by assisting Goelzer in managing and administering client accounts, including accounts not maintained at Fidelity. As part of its fiduciary duties to clients, Goelzer endeavors at all times to put the interests of its clients first. Clients should be



aware, however, that the receipt of economic benefits by Goelzer or its related persons based on the assets held at Fidelity creates a conflict of interest and may indirectly influence Goelzer's recommendation of Fidelity for custody and brokerage services. Clients who want to use "discount" or other brokerage firms that may charge lower commissions, or provide other services the client wants, may direct Goelzer to do so.

Additionally, Fidelity receives benefits from its arrangement from Goelzer, including commissions from some clients and sundry fees such as wire transfer fees. Depending on the transaction, Fidelity may receive additional compensation from mutual funds held in Goelzer client accounts in the form of 12b-1 fees or other service fees. These mutual funds may or may not have transaction charges for clients, but clients should be aware that Fidelity may be compensated from the mutual fund families based on Goelzer's discretionary purchase or non-discretionary recommendation of the mutual fund. Goelzer does not receive any compensation from mutual fund families. Other brokers/dealers that a client may utilize for clearing and custody services may receive similar fees as Fidelity.

Goelzer may also receive client referrals from Fidelity, and Clients should be aware that there may be a conflict of interest between Goelzer obtaining best execution and receiving future referrals from Fidelity.

Clients should note, while Goelzer has a reasonable belief that Fidelity is able to obtain the best execution and competitive prices, our firm will not be independently seeking best execution price capability through other brokers on a trade-by-trade basis.

Goelzer does not have any formal or informal soft-dollar arrangements and does not receive any soft-dollar benefits, which are research or other products or services (other than execution) from Fidelity or any broker-dealer or third party in connection with client securities transactions.

### ***Directed Brokerage***

Clients may direct Goelzer to utilize a certain broker/dealer, however, Goelzer reserves the right to refuse to work with any broker/dealer chosen by a client if the broker/dealer does not meet Goelzer's standards as described in Goelzer's Best Execution Policy.

Where the client directs Goelzer to use a specified broker, the client should understand that (1) Goelzer will not negotiate commissions on the client's behalf and that, as a result, the client may pay materially different commissions than paid by other clients depending on the client's commission arrangement with such broker and upon other factors, such as the number of shares, round and odd lots, and the market for security purchased or sold; (2) the client's securities trades will not be included in Goelzer's "batched" orders (*i.e.*, orders for the purchase or sale of the same security for more than one account) executed through such broker and, therefore, the client may pay a different brokerage commission than other clients participating in such "batched" orders; (3) the client may pay more in commissions than if Goelzer was not directed to use such broker; (4) Goelzer has a potential conflict between client's interest in obtaining best execution and the firm's



interest in receiving future referrals from such broker/dealer and; (5) for the foregoing reasons, Goelzer may not obtain best execution in certain transactions in the client's account.

### ***Best Execution***

For a client where we have discretion to select brokers on a trade-by-trade basis, in seeking best execution, the determinative factor is not solely the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker/dealer's services: (1) overall execution quality (general past performance under similar trading circumstances), (2) liquidity of the name and the liquidity that the broker is expected to be able to provide, (3) responsiveness and promptness in providing executions and ability to maintain anonymity, (4) difficulty of the trade, (5) capital commitment of the broker to facilitate timely completion of the trade, (6) opportunity for price improvement, (7) commission rates, and (8) clearance and settlement capabilities of the broker.

Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

### ***Block Trading/Order Aggregation***

As a general rule, all contemporaneous trades in the same security in the same direction for client accounts that do not have any sort of broker-direction or soft-dollar restrictions are combined into a single block order where possible and where the terms of the order are the same (e.g., orders at market).

Orders will be executed in the order received, subject to Goelzer's general trade allocation and aggregation practices. If additional orders for the same security with the same terms are received and the first received order has not been completely filled, the orders first received shall generally be combined and the total fill at that time will be aggregated and allocated with the price averaged across all executions across all orders. Further, orders will generally be combined if received at separate times on the same date when the earlier order(s) have not yet been completed filled.

Any decision to block, or "bunch," transactions will be made on the basis of a determination that doing so does not intentionally favor any account or group of accounts over another, that doing so does not systematically advantage or disadvantage any account or group of accounts, that Goelzer does not or will not receive any additional compensation or remuneration solely as the result of such aggregation, and that each participating account shall participate in the average share price and share transaction costs on a pro rata basis, where possible.

All accounts participating in a block transaction pursuant to the aforementioned trade allocation sequence procedures shall participate on a pro rata, average-price basis, where possible. Pro rata allocation shall generally consist of a weighted-average allocation based on account size whereby each participating account shall receive a portion of an executed order based on each account's current market value relative to other accounts participating in the transaction. This practice is





known as “bunching.” Goelzer generally believes that aggregating or “bunching” of orders results in a more favorable overall execution for clients over time.

When bunched orders are filled at several different prices through multiple trades, then an average price is calculated for all—each trade, where possible, and all participants in the allocation will receive such average price.

### ***Trade Errors***

As a fiduciary, Goelzer has the responsibility to effect orders correctly, promptly, and in the best interests of clients. However, during the course of business, errors occur in the handling of client transactions due to the actions or inactions of Goelzer or any of its service providers. Goelzer’s policy is to correct these errors as quickly as possible without disadvantaging the client. If the error is due to an action or inaction by Goelzer, then Goelzer will correct the error and will be responsible for any loss as a result of the error.

For all clients custodied at Fidelity, Goelzer participates in Fidelity’s mandatory trade correction policy where all gains and losses are netted against each other at the end of a certain period. All net losses at the end of the period are the responsibility of Goelzer, and all net gains are donated to charity. Goelzer utilized Fidelity to select the charity, which currently is the American Red Cross. Any gains from trade errors will be distributed to the American Red Cross or other selected charity on a quarterly basis.

## **ITEM 13 – Review of Accounts**

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### ***Discretionary & Non-Discretionary Investment Management Accounts***

*Reviews:* Each investment advisory account is reviewed frequently by the portfolio manager together with the client adviser of Goelzer specifically in charge of that account. This portfolio manager also keeps a separate inventory of each advisory account under his or her care. Further, the Investment Management Team reviews each account on periodically, focusing on client objectives and directive and according to the Investment Management Team’s models. Goelzer portfolio managers in charge of an investment strategy also meet periodically, and in most cases weekly, to discuss market conditions and potential investments.

*Reports:* The custodial firm will provide investment advisory clients with a monthly statement for any month during which there is trading activity in the client’s account. In addition, Goelzer will provide clients with periodic reports, which will include an account summary and performance history. Whenever transactions are affected for their account, the client receives confirmation from the broker/dealer or custodian firm. At calendar year end, all taxable client accounts receive a Form 1099 reflecting net tax effects of all transactions during the year from the broker/dealer or custodian firm.



### ***Portfolio Monitoring & Consulting Services***

*Reviews:* While reviews may occur at different stages depending on the nature and terms of the specific engagement and the needs of the client, typically no formal reviews will be conducted for Consulting Services private clients unless otherwise contracted for. Such reviews will be conducted by the client's adviser. Goelzer endeavors to formally meet with all clients at least annually, in person, by phone or by virtual meeting, but whether the meeting takes place is at the client's discretion.

*Reports:* Portfolio Monitoring & Consulting Services clients will typically receive reports unless those reports are otherwise excluded through the Advisory Agreement.

### **ITEM 14 – Client Referrals & Other Compensation**

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Goelzer contracts with other advisory firms to refer suitable potential advisory clients to Goelzer, and Goelzer in turn compensates those firms for that referral. To the extent Adviser pays fees to unaffiliated promoters or placement agents for client referrals, all such activities will be conducted in a manner that is consistent with relevant SEC requirements and guidance. Any new arrangements with promoters must be approved in advance by the Adviser's CCO, be formalized in writing and contain a duty to disclose certain information to clients/prospective clients under Rule 206(4)-1 of the Advisers Act.

Rule 206(4)-1 of the Advisers Act was recently amended to provide that the use of promoters must follow the endorsement provisions of the Rule. Goelzer will work with its promoters to ensure that the required client disclosures are made. These disclosures will include cash and non-cash compensation received, any material conflicts of interest that may exist, state the registration status of the promoter, and state whether the client will pay a specific fee or a higher management fee due to the referral arrangement.

Currently, Goelzer has a promoter agreement with third party investment adviser Henderson Investment Advisers ("Henderson"). In exchange, Goelzer will pay Henderson a percentage of its fees that it receives from the referred clients over a three-year period. This does not affect the fee paid by clients to Goelzer.

### **ITEM 15 – Custody**

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All funds are held by the broker/dealer or custodian firm. We previously disclosed in the Fees & Compensation section (Item 5) of this brochure that our firm directly debits advisory fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the



calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send reports directly to our clients or provide them in person on a periodic basis. We urge our clients to carefully compare the information provided on these statements to ensure that all holdings and values are correct and current.

Due to allowing standing letters of authorization, Goelzer has custody of some client funds. Goelzer follows the conditions described in the SEC's no-action letter of February 21, 2017, and believes that it is not required to have a surprise examination, which is otherwise required for custody.

### **ITEM 16 – Investment Discretion**

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Goelzer Investment Management provides both Discretionary and Non-Discretionary Investment Advisory Services to its clients. Clients choose at the inception of the relationship whether they prefer to grant discretion to Goelzer, or whether their account will be non-discretionary in nature.

If a Discretionary account is chosen, clients specifically provide this discretionary authority in the Advisory Agreement that must be signed. Discretionary authority can be revoked at any time in writing to this firm. Discretion is limited discretion, allowing this firm to execute trades, rebalance accounts, and buy and sell investments within client accounts, in accordance with the Advisory Agreement and client investment objectives. As noted in Item 4 of this Brochure, firm advisory services can be tailored to each client – as such, if any client requires any restrictions on any types of investments, stocks, or market segments, the client needs to inform their advisory representative of the restrictions in writing. If, for any reason, the firm is not able to meet the client restrictions, the firm will notify the client of that fact so that the client can determine whether Goelzer meets their requirements and needs.

In very limited circumstances, an institutional client may give Goelzer discretion to choose a broker/dealer as discussed in Item 12 above.

### **ITEM 17 – Voting Client Securities**

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In the vast majority of instances, clients retain the authority to vote proxies and will be responsible for ensuring that all proxy materials are sent directly to them. For those clients, Goelzer does not and will not vote proxies on behalf of the client.

However, in very limited instances, an institutional client may delegate proxy voting authority to Goelzer. Those institutional clients work closely with this firm to ensure that the authority and scope of the delegated authority is noted in the client account file. Goelzer will vote proxies according to its Proxy Voting Policy; however, clients may contact the firm to direct how it would



like its securities voted either generally or for specific votes. For those clients, a copy of the firm's Proxy Voting Policy can be obtained by contacting the firm's Chief Compliance Officer at the address and phone number on the front cover or in Item 2 of this Brochure. Those clients may also contact the Chief Compliance Officer for a copy of how their securities were voted.

**ITEM 18 – Financial Information**

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Goelzer does not require prepayment of more than \$1,200 in fees per client 6 months or more in advance – as such, a Balance Sheet is not required and therefore not attached. There is also no known financial condition that is reasonably likely to impair this firm's ability to meet contractual commitments to clients, and the firm has not been the subject of a bankruptcy proceeding.

