

Item 1

Cover Page

# Brighton Jones, LLC

SEC File Number: 801 – 57087

ADV Part 2A, Firm Brochure

Dated: May 31, 2024

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**This Brochure provides information about the qualifications and business practices of Brighton Jones, LLC (the “Registrant”). If you have any questions about the contents of this Brochure, please contact us at (206) 258-5000. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

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

**References herein to Brighton Jones, LLC as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2           Material Changes**

Since our last annual amendment dated March 31, 2023, this disclosure brochure has been materially amended as follows:

- Reconsolidated Brighton Jones & Open Plan ADV 2A documents;
- Item 4 was updated to align services with Brighton Jones’ branded offerings;
- Item 4 Miscellaneous section was relocated to Item 10;
- Item 5 was updated to align fees descriptions with client service agreements and billing practices;
- Item 6 was update to account for performance-based fees for Lenora Capital investments;
- Item 7 was updated to include OpenPlan clients; and
- Item 10 was updated to include new and rebranded lines of business.

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## Item 4            **Advisory Business**

A. The Registrant (Brighton Jones, LLC) is a limited liability company formed on December 21, 1999, in the state of Washington. Brighton Jones became registered as an Investment Adviser in January 2000. Brighton Jones is principally owned by Charles Brighton and Jon Jones. Brighton Jones also conducts business as OpenPlan and Lenora Capital. All advisory services obtained through OpenPlan or Lenora Capital are provided by Brighton Jones. OpenPlan, founded in 2016 in the state of Washington, offers individual financial planning and retirement plan advisory services. Lenora Capital, founded in 2022 in the state of Washington, offers Brighton Jones clients private investment services. It is important to note that responses from Brighton Jones also pertain to OpenPlan and Lenora Capital unless specifically stated otherwise.

B.

### **BRIGHTON JONES PERSONAL CFO (PCFO) SERVICES**

For high-net-worth clients, Brighton Jones' Personal Chief Financial Officer (PCFO) offering provides comprehensive and ongoing strategic wealth management services consisting of: financial planning and consulting; discretionary investment management; and continuous monitoring, each of which are described in more detail below. These services are provided on a *fee-only* basis, subject to the terms and conditions of an agreement between Brighton Jones and the client.

Brighton Jones generally believes that these services should extend to a clients' entire balance sheet, ensuring that our advice considers their complete financial picture and aims to enhance overall wealth. However, clients have the option to request, in writing or through an addendum to their client service agreement, that certain assets be excluded (the "Excluded Assets") from our advisory scope. In such cases, Brighton Jones will not incorporate these Excluded Assets into our financial planning and consulting or discretionary investment management services, and clients will bear sole responsibility for the performance of those assets. Excluded Assets are not subject to PCFO advisory fees.

If Brighton Jones determines in its sole discretion that the client requires services that exceed the scope of the agreement, Brighton Jones will present the client with a separate agreement or addendum to memorialize the applicable terms and conditions of a proposed separate or expanded engagement.

Annual PCFO fees include the services described below:

**Financial Planning and Consulting Services.** Brighton Jones provides PCFO clients dedicated teams led by experienced Lead Advisors, serving select client groups across the United States. Our comprehensive approach involves thorough analysis of clients' total balance sheets within our PCFO framework. We provide tailored recommendations aligned with clients' investment objectives, values, risk tolerance, and financial and personal circumstances. Please see Item 8 below for discussion on certain limitations applicable to financial planning and consulting services.

**Discretionary Investment Management Services.** Brighton Jones also assumes full discretionary authority over the investment and reinvestment of the client's securities accounts, unless otherwise noted in an addendum to their PCFO agreement. Brighton Jones may buy, sell, trade and allocate in and among stocks, bonds, mutual funds, exchange

traded funds, cash / cash equivalents, sub-advisory accounts, investment subdivisions within variable annuity products, accounts with independent investment managers and/or programs (with or without discretion, depending upon the independent investment manager or program) and other securities or contracts relating to the same, on margin (only if written authorization by the client has been granted) or otherwise, consistent with the client's then-current circumstances and investment objectives. As indicated in Item 16 below, clients receiving discretionary management may, at any time, impose reasonable restrictions on Brighton Jones' discretionary authority.

**Continuous Monitoring and Reporting Services.** Brighton Jones may also provide comprehensive reporting services through its designated online client portal which can incorporate all of the client's investment assets, including those investment assets that are not part of the assets managed by Brighton Jones (the "Excluded Assets"). Should the client receive such reporting services, the client acknowledges and understands that with respect to the Excluded Assets, Brighton Jones' service is limited to reporting services only and does not include investment management, review, or monitoring services, nor investment recommendations or advice. In the event the client desires that Brighton Jones provide financial planning and consulting or discretionary investment management services with respect to the Excluded Assets, the client may engage Brighton Jones to do so under the terms and conditions of their service agreement, or for a separate and/or additional fee pursuant to the terms and conditions of a separate agreement.

#### **OPENPLAN INDIVIDUAL FINANCIAL PLANNING (IFP) SERVICES**

Brighton Jones, through OpenPlan, provides initial and ongoing strategic wealth management services consisting of: financial planning and consulting; optional discretionary investment management; and continuous monitoring as part of its IFP services for clients starting their wealth management journey. These services are provided on a *fee-only* basis, subject to the terms and conditions of an agreement between OpenPlan and the client. Unlike Brighton Jones' PCFO service, OpenPlan clients are primarily responsible for the execution of the investment strategy provided by OpenPlan advisors.

**Financial Planning and Consulting Services.** OpenPlan provides financial planning services (including investment and non-investment related matters, such estate planning, insurance planning, taxes, real estate, cash flow planning, etc.). Before engaging us to provide planning services, clients are generally required to enter into an agreement with us setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to OpenPlan commencing services. Please see Item 8 below for discussion on certain limitations applicable to financial planning and consulting services.

**Discretionary Investment Management Services.** Clients have the option to delegate discretionary investment management and execution of the investment plan to OpenPlan for a portion or all their assets for which OpenPlan provides financial planning and consulting services. These services are subject to the terms and conditions of a separate agreement, and a separate fee for the assets under management. Clients acknowledge that any assets for which OpenPlan is not specifically delegated as having discretionary investment management over, are considered Excluded Assets, and not subject to additional fees. As indicated in Item 16 below, clients receiving discretionary management may, at any time, impose reasonable restrictions on Brighton Jones' discretionary authority.

**Annual Monitoring and Reporting Services.** All IFP clients are provided access to eMoney, a third party financial planning software, so that they may continuously monitor portfolio performance. On an annual basis, or as specifically requested by the client, OpenPlan may review client asset allocation as compared to client investment objectives. For assets which the client has delegated discretionary authority, OpenPlan periodically executes or recommends execution of account transactions based upon such reviews. The client acknowledges and understands that with respect to the Excluded Assets, our service is limited to reporting services only and does not include investment management, review, or monitoring services, nor investment recommendations or advice. As such, the client, and not OpenPlan, shall be exclusively responsible for the investment performance of the Excluded Assets. In the event the client desires that we provide discretionary investment management services with respect to the Excluded Assets, the client may engage us to do so for a separate and/or additional fee pursuant to the terms and conditions of a separate agreement between us and the client.

### **OPENPLAN RETIREMENT PLAN ADVISORY (RPA) SERVICES**

Brighton Jones, through OpenPlan, provides retirement plan consulting/management services, pursuant to which it assists sponsors of pooled employer and self-directed retirement plans organized under the Employee Retirement Security Act of 1974 (“ERISA”). The terms and conditions of the engagement shall be set forth in an agreement between OpenPlan and the plan sponsor.

**Retirement Plan Consulting/Management Services.** If the plan sponsor engages the OpenPlan in an ERISA Section 3(21) capacity, OpenPlan will, on a non-discretionary basis, assist with the selection and/or monitoring of investment options (generally open-end mutual funds and exchange traded funds) from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts. If the plan sponsor chooses to engage OpenPlan in an ERISA Section 3(38) capacity, OpenPlan may provide the same services as described above, but may also: create specific asset allocation models that OpenPlan manages on a discretionary basis, which plan participants may choose in managing their individual retirement account; and/or modify the investment options made available to plan participants on a discretionary basis.

**Financial Wellness Consulting.** OpenPlan may also provide Financial Wellness seminars to a retirement plan’s participating employees on issues such as educational funding, life insurance coverage, estate planning, retirement planning, and recent developments in the financial services industry or regulations. The number and frequency of the seminars is subject to negotiations between OpenPlan and the employer. Generally, before engaging OpenPlan to provide Financial Wellness Consulting services, clients are required to enter into an RPA agreement with us setting forth the terms and conditions of the engagement. In some cases, we may offer Financial Wellness Consulting services to non-RPA clients, subject to the terms and conditions of a standalone agreement.

### **OTHER FINANCIAL SERVICES PROVIDED BY BRIGHTON JONES AND AFFILIATES**

Brighton Jones may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Brighton Jones does not serve as an attorney or insurance agency, and no portion of its services should be construed as legal or insurance brokerage services. Accordingly, Brighton Jones does not prepare estate planning documents or sell insurance products. To

the extent requested by a client, Brighton Jones may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance agents, etc.) including certain of Brighton Jones representatives in their separate and individual capacities as Certified Public Accountants or licensed attorneys as described in Item 10.C below.

Clients are under no obligation to engage the services of any recommended professionals. The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation from Brighton Jones. If the client engages any recommended professional, and a dispute arises thereafter relative to the engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged licensed professional(s) (i.e. attorney, accountant, insurance agent, etc.), and not Brighton Jones, shall be responsible for the quality and competency of the services provided.

**Tax Preparation Services through Brighton Jones.** Brighton Jones offers comprehensive tax preparation and filing services. Brighton Jones charges clients a separate fee (fixed or hourly) for tax preparation services, depending upon the scope and complexity of the services required. To the extent that a client engages Brighton Jones to provide such services, the client shall execute a separate agreement or an addendum to their PCFO services agreement which will detail the services to be provided and the separate fee paid by the client for those services.

**Corporate Transparency Act (CTA) Filing Services through Brighton Jones.** Upon the client's written request, Brighton Jones may arrange to support Client's compliance with the Corporate Transparency Act ("CTA"). Such services may be provided by Brighton Jones at an additional cost and under the terms and conditions of a separate agreement or an addendum to their PCFO services agreement.

**Private Investments through Lenora Capital.** Lenora Capital, LLC is a wholly owned subsidiary of Brighton Jones, LLC. Lenora Capital is the LLC manager of various private funds for which Brighton Jones, LLC serves as investment manager. The funds act as vehicles for Brighton Jones to consolidate client capital for the purposes of making private investments. For qualified clients or qualified purchasers, Brighton Jones may make recommendations to invest in private funds offered through Lenora Capital, LLC. The funds that clients may be referred to invest in are Lenora Capital MultiStrategy Fund I, LLC, and Lenora Capital MultiStrategy Fund I (QP), LLC.

**Tax Advantage Investments through Brighton Jones Real Estate Advisors.** Brighton Jones offers tax advantage securitized real estate investment opportunities through Brighton Jones Real Estate Advisors, LLC (BJREA). In the event that clients choose to engage BJREA to provide real estate investment services, those services shall be provided through BJREA pursuant to a separate agreement and subject to a *one-time only* administrative flat fee, organized in a tier structure, based on the amount of principle invested. Investment advice related to BJREA services is provided by Brighton Jones and the client's service team.

**BPC REIT and Blueprint Capital Services.** Brighton Jones is the majority owner of Blueprint Capital Services, LLC ("Blueprint"), the manager of the BPC REIT. Blueprint provides management services on a fee basis to the BPC REIT.

**Estate Planning Services through 2030 Law.** Certain of Brighton Jones' supervised persons are also, in their separate and individual capacities, licensed attorneys. These individuals offer their legal services, as part of 2030 Law, separate and apart from Brighton Jones. Clients with a net worth over \$15 million may engage these individuals to provide legal services subject to the terms and conditions of a separate agreement and service fee.

**Other Estate Planning Services through Brighton Jones.** Brighton Jones utilizes Wealth, Inc. as part of our commitment to providing comprehensive estate planning services, enabling clients to effectively manage their legacy and ensure their wishes are carried out according to their preferences. Resources offered by Wealth, Inc. include, without limitation, creation of estate planning documents from templates and forms for revocable trusts, pour-over wills, last will and testaments, financial power of attorneys, advance health care directives, guardianship nominations, deed transfers through the attorney consultation feature, and gift and estate tax projections with a visual report. Clients may engage these services according to the terms and conditions specified in a separate addendum to their client service agreement. Services are subject to a *one-time only fee* which is variable depending on the complexity of the client's needs. In these engagements, Brighton Jones may be granted view-only access to a client's estate planning progress, but the underlying legal and estate planning services will be provided by Wealth.com or one or more of the platform's engaged professionals.

- C. Brighton Jones shall provide investment advisory or management services specific to the needs of each client. Before providing investment advisory or management services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, Brighton Jones shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on Brighton Jones' services.
- D. Brighton Jones does not participate in or sponsor a wrap fee program.
- E. As of As of December 31, 2023, Brighton Jones had \$12,393,371,217 in assets under management on a discretionary basis and \$94,977,287 in assets under management on a non-discretionary basis.

## **Item 5 Fees and Compensation**

A.

### **BRIGHTON JONES PERSONAL CFO (PCFO) FEES**

Brighton Jones' annual investment advisory fee shall include: 1) financial planning and consulting services; 2) discretionary investment management services; and 3) continuous monitoring and reporting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of Brighton Jones), we may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client.

Brighton Jones' annual fee for PCFO services generally ranges between 0.35% and 1.25% of total assets benefiting from Brighton Jones' financial planning and consulting and/or discretionary investment management services. This generally will apply to a client's entire investable net worth, except those assets that have been specifically designated as Excluded

Assets. Brighton Jones generally requires a minimum quarterly fee ranging of \$2,500.00. Fees are negotiable.

Brighton Jones' fee shall vary depending upon various objective and subjective factors, including but not limited to: the representative assigned to the account, the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, related accounts, future earning capacity, anticipated future additional assets, and negotiations with the client. As a result, similar clients could pay different fees, which will correspondingly impact a client's net account performance. Moreover, the services to be provided by Brighton Jones to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

### **OPENPLAN INDIVIDUAL FINANCIAL PLANNING (IFP) FEES**

OpenPlan charges a fixed fee for its: 1) financial planning and consulting services; and 2) continuous monitoring and reporting services. This includes an implementation fee of \$2,500 and a monthly monitoring fee of \$150. Fees are negotiable.

OpenPlan's annual discretionary investment management fee generally ranges between 0.50% - 0.95% of total assets placed under our management, paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter, including any accrued interest. We may, at our discretion, charge a lower fee. This fee only applies to clients who opt in to OpenPlan's discretionary investment management service and applies only to the assets the client has specifically requested this service for in writing. The services to be provided by OpenPlan to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

### **OPENPLAN RETIREMENT PLAN ADVISORY (RPA) FEES**

OpenPlan also provides retirement consulting / management services, pursuant to which it assists sponsors of self-directed retirement plans with the selection and/or monitoring of investment alternatives from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts.

The terms and conditions of the retirement plan / pension consulting services engagement, including the negotiable fee, shall be set forth in an agreement between OpenPlan and the plan sponsor.

OpenPlan charges Financial Wellness Consulting Fees, which vary from engagement to engagement. Typically, these engagements involve a fixed fee (generally ranging between \$5,000 and \$25,000) and an hourly component (generally ranging between \$150 and \$300 per hour) subject to the terms and conditions of the agreement between the client and OpenPlan. The total fees for Financial Wellness Consulting services will vary depending on the number of seminars, length of the seminars, the number of employees participating in the program and the professional providing the service.

- B. PCFO clients may elect to have Brighton Jones' advisory fees and any other fees deducted from their custodial account. The applicable form of agreement between Brighton Jones and the client, and the custodial/clearing agreement may authorize the custodian to debit the client's account for the amount of Brighton Jones' investment advisory fee and to



directly remit that fee to Brighton Jones in compliance with regulatory procedures. In the limited event that Brighton Jones bills the client directly, payment is due upon receipt of Brighton Jones' invoice.

IFP clients who have determined to engage OpenPlan for financial planning and consulting services only, monthly fees are paid using an unaffiliated third-party payment processor, Stripe. IFP clients who have engaged OpenPlan for discretionary investment management services, clients may elect to have OpenPlan's investment management fees and any other fees deducted from their custodial account. The applicable form of agreement between OpenPlan and the client, and the custodial/clearing agreement may authorize the custodian to debit the client's account for the amount of OpenPlan's investment advisory fee and to directly remit that fee to OpenPlan in compliance with regulatory procedures. In the limited event that OpenPlan bills the client directly, payment is due upon receipt of OpenPlan's invoice.

RPA clients typically negotiate OpenPlan fee terms and payment methods with their retirement plan sponsor.

PCFO clients who request tax preparation services pay an annual fee based on the scope and complexity of the required work. The fee amount is agreed upon between Brighton Jones and the client and debited from a client account in four quarterly fee installments.

- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, Brighton Jones shall generally recommend that Fidelity Investments ("*Fidelity*") serves as the broker-dealer/custodian for client investment management assets.

Broker-dealers such as *Fidelity* charge brokerage commissions and/or transaction fees for effecting certain securities transactions. In addition, client accounts may invest in mutual funds (including money market funds) and ETFs that have various internal fees and expenses (i.e. management fees), which are paid by these funds but ultimately borne by clients as a fund shareholder. The fees charged by the applicable broker-dealer/custodian, and the internal fees and expenses imposed at the fund level, are in addition to Brighton Jones' investment advisory fees referenced in this Item 5.

- D. Brighton Jones' annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter, including any accrued interest. The applicable form of agreement between Brighton Jones and the client will continue in effect until terminated by either party by written notice in accordance with the terms of such agreement.

Upon termination, Brighton Jones shall refund any unearned portion of the advance advisory fee based upon the number of days that services were provided during the final billing quarter (as applicable). Fees collected for completed tax preparation engagements will not be refunded, and the full remaining balance must be paid prior to termination.

- E. Neither Brighton Jones, nor its representatives accept compensation from the sale of securities or other investment products.

## **Item 6 Performance-Based Fees and Side-by-Side Management**

Brighton Jones does not charge any performance fees for its PCFO offering. OpenPlan does not charge performance fees for its IFP or RPA offerings. Lenora Capital collects carried interest on the performance of private investment funds. The structure and payment of the carried interest to an affiliate of Brighton Jones may create a conflict of interest in that the carried interest could encourage Brighton Jones to make riskier or more speculative investments than it otherwise would in the absence of a performance-fee arrangement. Certain of Brighton Jones' employees invest in Lenora Capital funds and therefore are exposed to the same risks brought about by performance-based fees as Brighton Jones clients who have invested in the fund.

Performance-based fees, such as carried interest, may only be offered to clients who meet one of the following criteria:

- A natural person who or a company that immediately after entering into the contract has at least \$1,100,000 under the management of the investment adviser;
- A natural person who or a company that the investment adviser entering into the contract (and any person acting on his behalf) reasonably believes, immediately before entering into the contract, either:
  - Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse, excluding principal residence) of more than \$2,200,000, at the time the contract is entered into; or
  - Is a qualified purchaser as defined in section 2(a)(51)(AA) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(51)(A)) at the time the contract is entered into; or
- A natural person who immediately before entering into the contract is:
  - An executive officer, director, trustee, general partner, or person serving in similar capacity of the investment adviser; or
  - An employee of the investment adviser (other than an employee performing solely clerical, secretarial, or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

## **Item 7 Types of Clients**

Brighton Jones' clients generally include: individuals, high net worth individuals, pooled investment vehicles, pension and profit sharing plans, charitable organizations, business entities, and trusts. For PCFO clients, Brighton Jones generally requires a minimum quarterly fee ranging from \$2,500.00 to \$3,500.00. Certain clients with more complex financial situations may be subject to minimum quarterly fees that are substantially greater than this amount. Brighton Jones may, in its sole discretion, waive or reduce its minimum quarterly fee.

OpenPlan's clients generally include individuals, business entities, and trusts. For clients who engage OpenPlan for investment management services, there is generally not a minimum account size or quarterly fee requirement. For financial planning and consulting clients, there is generally a monthly maintenance fee of \$150.

## **Item 8            Methods of Analysis, Investment Strategies and Risk of Loss**

- A. Brighton Jones may utilize the following methods of security analysis:
- Fundamental – (analysis performed on historical and present data, with the goal of making financial forecasts)
  - Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
  - Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

Brighton Jones may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Margin Transactions (use of borrowed assets to purchase financial instruments)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

**Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear, including the loss of principal investment. Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Brighton Jones) will be profitable or equal any specific performance level(s).

Investment strategies such as asset allocation, diversification, or rebalancing do not assure or guarantee better performance and cannot eliminate the risk of investment losses. There is no guarantee that a portfolio employing these or any other strategy will outperform a portfolio that does not engage in such strategies. While asset values may increase and client account values could benefit as a result, it is also possible that asset values may decrease and client account values could suffer a loss.

Investors generally face the following types of investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors independent of the fund's specific investments as well as due to the fund's specific investments. Additionally, each security's price will fluctuate based on market movement and emotion, which may, or may not be due to the security's

operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.

- **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.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

**Private Investment Funds.** Brighton Jones may provide investment advice regarding affiliated and unaffiliated private investment funds. Brighton Jones' role relative to the unaffiliated private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become an investor in a private fund, then unless otherwise agreed, the amount of assets invested in any such private fund will be included as part of "assets under management" for purposes of Brighton Jones calculating its investment advisory fee. Brighton Jones' clients are under absolutely no obligation to consider or make an investment in any affiliated or unaffiliated private investment fund. Due to this compensation structure, Brighton Jones has a conflict of interest in recommending its affiliate private funds, as Brighton Jones would continue to receive its agreed upon asset-based fee with respect to the private fund holding, and Brighton Jones' affiliate would receive compensation from the fund, potentially including performance-based compensation. Prospective investors are advised to carefully consider the advisory fees and fund fees and costs, as well as the resulting conflict of interest, prior to investment. Private investment funds and private placements generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds and private placements do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement or similar offering document, pursuant to which the client shall establish that he/she is qualified for investment in the fund or private placement security and acknowledges and accepts the various risk factors that are associated with such an investment.

**Retirement Plan Rollovers.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Brighton Jones recommends that a client roll over their retirement plan assets into an account to be managed by Brighton Jones, such a recommendation creates a conflict of

interest if Brighton Jones will earn an advisory fee on the rolled over assets. No client is under any obligation to roll over retirement plan assets to an account managed by Brighton Jones.

**ERISA / IRC Fiduciary Acknowledgment.** When Brighton Jones provides investment advice to a client regarding the client's retirement plan account or individual retirement account, it does so as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. The way Brighton Jones makes money creates some conflicts with client interests, so Brighton Jones operates under a special rule that requires it to act in the client's best interest and not put its interests ahead of the client's.

Under this special rule's provisions, Brighton Jones must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put its financial interests ahead of the client's when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that Brighton Jones gives advice that is in the client's best interest;
- Charge no more than is reasonable for Brighton Jones' services; and
- Give the client basic information about conflicts of interest.

**Use of Mutual Funds and Exchange Traded Funds.** While Brighton Jones may recommend allocating investment assets to mutual funds that are not available directly to the public, Brighton Jones may also recommend that clients allocate investment assets to publicly available mutual funds and exchange traded funds ("ETFs") that the client could obtain without engaging Brighton Jones as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publicly available mutual funds and ETFs without engaging Brighton Jones as an investment adviser, the client or prospective client would not receive the benefit of Brighton Jones' initial and ongoing investment advisory services.

Other mutual funds, such as those issued by Dimensional Fund Advisors ("*DFA*"), are generally only available through registered investment advisers. Brighton Jones may allocate client investment assets to *DFA* mutual funds. Therefore, upon the termination of Brighton Jones' services to a client, restrictions regarding transferability and/or additional purchases of, or reallocation among *DFA* funds will apply. Brighton Jones' Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above.

**Portfolio Activity.** Brighton Jones has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Brighton Jones will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Brighton Jones determines that changes to a client's portfolio are neither necessary nor prudent. Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity.

**Non-Discretionary Service Limitations.** Clients that determine to engage Brighton Jones on a non-discretionary investment advisory basis must be willing to accept that Brighton Jones cannot effect any account transactions without obtaining prior consent to such transaction(s) from the client. Thus, in the event that Brighton Jones would like to make a transaction for a client's account (including in the event of an individual holding or general market correction), and the client is unavailable, Brighton Jones will be unable to effect the account transaction(s) (as it would for its discretionary clients) without first obtaining the client's consent.

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.** As indicated above, Brighton Jones may be engaged to provide financial planning and related consulting services. Neither Brighton Jones nor its investment adviser representatives assist clients with the implementation of any financial plan, unless they have agreed to do so in writing. Unless otherwise agreed, Brighton Jones does not monitor a client's financial plan, and it is the client's responsibility to revisit the financial plan with Brighton Jones, if desired.

**Independent Managers.** Brighton Jones may recommend that the client allocate a portion of a client's investment assets among unaffiliated independent investment managers ("Independent Manager(s)") in accordance with the client's designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of the allocated assets. Brighton Jones will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation, and client investment objectives. Brighton Jones generally considers the following factors when recommending Independent Manager(s): the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s) are exclusive of, and in addition to, Brighton Jones' ongoing investment advisory fee, subject to the terms and conditions of a separate agreement between the client and the Independent Manager(s). Brighton Jones' advisory fee is set forth in the fee schedule at Item 5.

**Cash and Cash Equivalents.** Depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Brighton Jones may maintain cash and cash equivalent positions (such as money market funds) for defensive, liquidity, and other purposes. Unless otherwise agreed in writing, all such cash positions are included as part of assets under management for purposes of calculating Brighton Jones' investment advisory fee.

**Client Obligations.** Brighton Jones will not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely on the information in its possession. Clients are responsible for promptly notifying Brighton Jones if there is ever any change in their financial situation or investment objectives so that Brighton Jones can review, and if necessary, revise its previous recommendations or services.

- B. Brighton Jones' methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis Brighton Jones must have access to current/new

market information. Brighton Jones has no control over the dissemination rate of market information; therefore, unbeknownst to Brighton Jones, certain analyses may be compiled with outdated market information, severely limiting the value of Brighton Jones' analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Brighton Jones' primary investment strategies – Long Term Purchases and Short-Term Purchases – are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

In addition to the fundamental investment strategies discussed above, Brighton Jones may – on a case by case basis – also implement and/or recommend – use of margin and/or options transactions. Each of these strategies has a high level of inherent risk. (See discussion below).

Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin.

To the extent that a client authorizes the use of margin, and margin is thereafter employed by Brighton Jones in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to Brighton Jones may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the conflict of interest whereby the client's decision to employ margin may correspondingly increase the management fee payable to Brighton Jones. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Brighton Jones shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio.

Although the intent of the options-related transactions that may be implemented by Brighton Jones is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, a client may direct Brighton Jones, in writing, not to employ any or all such strategies for their accounts.

- C. Currently, Brighton Jones primarily allocates client investment assets among various debt (bonds and bond funds) and fixed income securities, individual equities, mutual funds, and/or ETFs on a discretionary or non-discretionary basis in accordance with the client's designated investment objective(s). Brighton Jones may also allocate client investment assets among one or more asset allocation strategies.

Brighton Jones may also allocate and/or recommend a client allocate investment assets in Real Estate Investment Trusts ("REITs"). REITs are subject to risks generally associated with investing in real estate, such as: possible declines in the value of real estate; adverse general and local economic conditions; possible lack of availability of mortgage funds; changes in interest rates; and environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.

Brighton Jones believes that its annual investment advisory fee is reasonable in relation to: (1) the advisory services provided under the applicable form of agreement between the client and Brighton Jones; and (2) the fees charged by other investment advisers offering similar services/programs. However, Brighton Jones' annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to Brighton Jones' annual investment advisory fee, the client will also incur charges imposed directly at the mutual and ETF level (e.g., management fees and other fund expenses). **Turnover Risk:** Brighton Jones' investment programs may involve above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

## **Item 9            Disciplinary Information**

Brighton Jones has not been the subject of any disciplinary actions.

## **Item 10          Other Financial Industry Activities and Affiliations**

- A. Neither Brighton Jones, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Brighton Jones, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Certified Public Accountants.** Certain individuals within Brighton Jones are also Certified Public Accountants. In the event that clients choose to engage these individuals to provide accounting services, those services shall be provided in the individual's separate capacity as a CPA. Clients are reminded that they are under no obligation to engage these individuals to provide accounting services and may seek such services from any unaffiliated entity.



**BPC REIT and Blueprint Capital Services.** Because Brighton Jones and/or its affiliates may earn compensation from the BPC REIT that may exceed the fee that Brighton Jones would earn under its standard asset-based fee schedule referenced in Item 5 above, the recommendation that a client become a BPC REIT investor presents a conflict of interest.

**Affiliated Fund/REIT Conflict Of Interest.** Because Brighton Jones and/or its affiliates may earn compensation from the BPC REIT that may exceed the fee that Brighton Jones would earn under its standard asset-based fee schedule referenced in Item 5 above, the recommendation that a client become a BPC REIT investor presents a conflict of interest.

**Private Investment Fund/Private Placement REIT Valuation.** In the event that Brighton Jones references private investment funds and/or private placement securities owned by the client on any supplemental account report prepared by Brighton Jones, the values for all such positions owned by the client will reflect the most recent valuation provided by the sponsor, or for fund of funds, be based on the aggregate values provided by the underlying sponsors. The current value of any private investment fund and/or private placement security could be significantly more or less than the original purchase price or the price reflected in any supplemental account report. The client's advisory fee will be based upon the values provided by the sponsor.

**Lenora Capital, LLC.** Because Brighton Jones and/or its affiliates may earn compensation from MSF I or MSF I QP funds that may exceed the fee that Brighton Jones would earn under its standard asset-based fee schedule referenced in Item 5 above, the recommendation that a client become a MSF I or MSF I QP investor presents a conflict of interest.

**Brighton Jones Real Estate Advisors, LLC.** Because BJREA is Brighton Jones's affiliate, the recommendation that a client engage the services of BJREA presents a conflict of interest.

**2030 Law.** In the event that clients choose to engage these individuals to provide legal services, services shall be provided through 2030 Law pursuant to a separate engagement. Brighton Jones shall not receive any portion of the fees paid to 2030 Law in conjunction with the services rendered pursuant to that separate engagement.

**ByAllAccounts Platform.** In conjunction with the services provided by ByAllAccounts, Inc., Brighton Jones may also provide periodic comprehensive reporting services, which can incorporate all of the client's investment assets including those investment assets that are not part of the assets managed by Brighton Jones (the "Excluded Assets"). Brighton Jones' service relative to the Excluded Assets is limited to reporting services only, which does not include investment implementation. Because Brighton Jones does not have trading authority for the Excluded Assets, to the extent applicable to the nature of the Excluded Assets (assets over which the client maintains trading authority), the client (and/or any other investment professional involved in the management of those assets), and not Brighton Jones, shall be exclusively responsible for directly implementing any recommendations relative to the Excluded Assets. The client and/or their other advisors that maintain trading authority, and not Brighton Jones, shall be exclusively responsible for the investment performance of the Excluded Assets. Without limiting the above, Brighton Jones shall not be responsible for any implementation error (timing, trading, etc.) relative to the Excluded Assets. In the event the client desires that Brighton Jones provide non-discretionary investment management services (whereby Brighton Jones would have

trading authority) with respect to the Excluded Assets, the client may engage Brighton Jones to do so pursuant to the terms and conditions of the *Investment Advisory Agreement* between Brighton Jones and the client.

**eMoney.** The eMoney platform also provides access to other types of information, including financial planning concepts, which should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by OpenPlan. Finally, OpenPlan shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the eMoney platform without OpenPlan's assistance or oversight.

**Be WELLthy.** As of the date of this brochure, Brighton Jones may offer PCFO clients access to the Be WELLthy web and mobile app experiences, which are developed by Summit Wealth, Inc. Through Be WELLthy, PCFO clients can access a variety of investment management tools including balance sheet tracking, document vaulting, portfolio analysis, risk assessment, and other goal tracking features. The platform offers personalized investment recommendations based on clients' financial objectives, risk tolerance, and time horizon, helping them make informed decisions about their investment portfolios. Brighton Jones leverages Be WELLthy as part of our commitment to providing personalized and comprehensive financial advisory services to our PCFO clients. Clients should always review and customize their financial plans with the assistance of their Lead Advisor to ensure they align with their specific needs and objectives. In conjunction with the services provided through Be WELLthy, Brighton Jones may also provide periodic comprehensive reporting services, which can incorporate all of the client's investment assets including those investment assets that are not part of the assets managed by Brighton Jones (the "Excluded Assets"). Brighton Jones' service relative to the Excluded Assets is limited to reporting services only, which does not include investment implementation. Because Brighton Jones does not have trading authority for the Excluded Assets, to the extent applicable to the nature of the Excluded Assets (assets over which the client maintains trading authority), the client (and/or any other investment professional involved in the management of those assets), and not Brighton Jones, shall be exclusively responsible for directly implementing any recommendations relative to the Excluded Assets. The client and/or their other advisors that maintain trading authority, and not Brighton Jones, shall be exclusively responsible for the investment performance of the Excluded Assets. Without limiting the above, Brighton Jones shall not be responsible for any implementation error (timing, trading, etc.) relative to the Excluded Assets. In the event the client desires that Brighton Jones provide non-discretionary investment management services (whereby Brighton Jones would have trading authority) with respect to the Excluded Assets, the client may engage Brighton Jones to do so pursuant to the terms and conditions of the *Investment Advisory Agreement* between Brighton Jones and the client.

**Wealth, Inc.** Wealth, Inc. is a specialized third-party technology platform that Brighton Jones employs exclusively for estate planning purposes. This platform is designed to assist clients in organizing and managing their estate-related documents, assets, and beneficiary information in a centralized and secure digital environment. Brighton Jones utilizes Wealth.com as part of our commitment to enabling clients to effectively manage their legacy and ensure their wishes are carried out according to their preferences. Any legal services pertaining to this offering are provided by Wealth.com or one or more professional(s) provided under the Wealth.com platform. Brighton Jones shall not be held responsible for any adverse results a client may experience if the client engages in estate

planning or other functions available on the Wealth.com platform without Brighton Jones' assistance or oversight.

**RPAG.** OpenPlan leverages RPAG for its retirement plan consulting services. These services encompass plan design, fiduciary support, investment due diligence, and participant education. RPAG assists OpenPlan in delivering a bespoke approach, aligning services with the individualized needs and objectives of each client. In partnership with RPAG, OpenPlan assists clients in navigating the intricacies of retirement planning. OpenPlan shall not be held liable for any losses or damages arising from reliance on RPAG's services or recommendations.

- D. Brighton Jones does not receive, directly or indirectly, compensation from investment advisers that it recommends or selects for its clients.

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

- A. Brighton Jones maintains an investment policy relative to personal securities transactions. This investment policy is part of Brighton Jones' overall Code of Ethics, which serves to establish a standard of business conduct for all of Brighton Jones' Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Brighton Jones also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Brighton Jones or any person associated with Brighton Jones.

- B. As disclosed above, Brighton Jones and/or its affiliates have a financial interest in the *Funds*. The terms and conditions for participation in the *Funds*, including management fees, conflicts of interest, and risk factors, are set forth in the *Funds*' offering documents. **Please Note:** BJIP and BJIP II are closed to new investors as of 2021 and 2023, respectively.
- C. Brighton Jones and/or representatives of Brighton Jones may buy or sell securities that are also recommended to clients. This practice may create a situation where Brighton Jones and/or representatives of Brighton Jones are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Brighton Jones did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Brighton Jones' clients) and other potentially abusive practices.

Brighton Jones has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Brighton Jones' "Access Persons". Brighton Jones' securities transaction policy requires that an Access Person of Brighton Jones must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her

designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date Brighton Jones selects. Furthermore, Brighton Jones requires all employees and owners to report equity transactions on a quarterly basis.

- D. Brighton Jones and/or representatives of Brighton Jones *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Brighton Jones and/or representatives of Brighton Jones are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11.C, Brighton Jones has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Brighton Jones' Access Persons.

## **Item 12      Brokerage Practices**

- A. In the event that the client requests that Brighton Jones recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Brighton Jones to use a specific broker-dealer/custodian), Brighton Jones generally recommends that investment management accounts be maintained at *Fidelity*. Prior to engaging Brighton Jones to provide investment management services, the client will be required to enter into a formal agreement with Brighton Jones setting forth the terms and conditions under which Brighton Jones shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/ custodian.

Factors that Brighton Jones considers in recommending *Fidelity* (or any other broker-dealer/custodian to clients) include historical relationship with Brighton Jones, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Brighton Jones' clients shall comply with Brighton Jones' duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Brighton Jones determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not 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, including, but not limited to, the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Brighton Jones will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Brighton Jones' investment advisory fee. Brighton Jones' best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

### **1. Fidelity Wealth Advisor Solutions® Program.**

Brighton Jones participates in the Fidelity Wealth Advisor Solutions® Program, which is a referral program designed to introduce high net worth investors to independent registered investment advisors. Except for the fees discussed in Item 14 below, Brighton Jones does not pay a fee to participate in the Wealth Advisor Solutions® Program. Brighton Jones' participation in the program may raise conflicts of interest as described below, including that Brighton Jones is incentivized to recommend that clients custody asset with *Fidelity* or its affiliates.

### Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Brighton Jones receives from *Fidelity* (and could potentially receive from other broker-dealers, custodians, investment platforms, unaffiliated investment managers, vendors, or fund sponsors) free or discounted support services and products. Certain of these products and services assist Brighton Jones to better monitor and service client accounts maintained at these institutions. The support services that Brighton Jones obtains can include: investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free gratis travel and attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Brighton Jones in furtherance of its investment advisory business operations.

Certain of the support services or products may assist Brighton Jones in managing and administering client accounts. Others do not directly provide this assistance, but rather assist Brighton Jones to manage and further develop its business enterprise. Brighton Jones' clients do not pay more for investment transactions effected or assets maintained at *Fidelity* or other broker-dealers and custodians because of these arrangements. There is no corresponding commitment made by Brighton Jones to any broker-dealer or custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products because of the above arrangements.

### Additional Benefits

Brighton Jones receives certain additional economic benefits ("Additional Benefits") from a broker-dealer/custodian, investment platform, and/or mutual fund sponsor (collectively, the "Contributing Entities") that may or may not be offered to Brighton Jones again in the future. Specifically, the Additional Benefits include financial contributions made by the Contributing Entities towards the cost of charitable and/or marketing events sponsored by Brighton Jones. Each payment is non-recurring and individually negotiated. Brighton Jones and the Contributing Entities have not entered into any written agreement to govern the Additional Benefits. Contributing Entities, including *Fidelity* and *DFA*, have provided combined Additional Benefits of approximately \$125,000 for 2023i. Brighton Jones has no expectation that these Additional Benefits will be offered again; however, Brighton Jones reserves the right to negotiate for these Additional Benefits in the future. The Contributing Entities provide the Additional Benefits to Brighton Jones in their sole discretion and at their own expense, and neither Brighton Jones nor its clients pay any fees to the Contributing Entities to compensate for the Additional Benefits.

2. As set forth in Item 12.A.1, Brighton Jones receives client referrals from *Fidelity* for its participation in the Fidelity Wealth Advisor Solutions® Program. Please also refer to Item 14.B. below for more information about this arrangement.
3. Directed Brokerage.  
Brighton Jones does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer).

In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Brighton Jones will not seek better execution services or prices from other broker-dealers or be able to “batch” the client’s transactions for execution through other broker-dealers with orders for other accounts managed by Brighton Jones. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs Brighton Jones to effect securities transactions for the client’s accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Brighton Jones. Higher transaction costs adversely impact account performance.

Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

- B. To the extent that Brighton Jones provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless Brighton Jones decides to purchase or sell the same securities for several clients at approximately the same time. Brighton Jones may (but is not obligated to) combine or “bunch” such orders to seek best execution, to negotiate more favorable commission rates or to allocate equitably among Brighton Jones’ clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Brighton Jones shall not receive any additional compensation or remuneration as a result of such aggregation.

### **Item 13      Review of Accounts**

- A. For those clients to whom Brighton Jones provides wealth management services, account reviews are conducted on an ongoing basis by Brighton Jones’ Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise Brighton Jones of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Brighton Jones on an annual basis.
- B. Brighton Jones may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Brighton Jones may also provide a written periodic report summarizing account activity and performance.

## Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, Brighton Jones receives certain benefits from *Fidelity* including support services and/or products. Brighton Jones' clients do not pay more for investment transactions effected and/or assets maintained at *Fidelity* as a result of this arrangement. There is no corresponding commitment made by Brighton Jones to *Fidelity* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.
- B. If a client is introduced to Brighton Jones by either an unaffiliated or an affiliated solicitor, Brighton Jones may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-1 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Brighton Jones' investment advisory fee, and shall not result in any additional charge to the client. If the client is introduced to Brighton Jones by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of their solicitor relationship, and shall provide each prospective client with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between Brighton Jones and the solicitor, including the compensation to be received by the solicitor from Brighton Jones and the material conflicts of interest associated with the referral.

Fidelity Wealth Advisor Solutions®. In addition to the above, Brighton Jones participates in the Fidelity Wealth Advisor Solutions® Program (the "WAS Program"), through which Brighton Jones receives referrals from Fidelity Personal and Workplace Advisors LLC ("*FPWA*"), a registered investment adviser and Fidelity Investments company. Brighton Jones is independent and not affiliated with *FPWA* or any Fidelity Investments company. *FPWA* does not supervise or control Brighton Jones, and *FPWA* has no responsibility or oversight for Brighton Jones' provision of investment management or other advisory services.

Under the WAS Program, *FPWA* acts as a solicitor for Brighton Jones, and Brighton Jones pays referral fees to *FPWA* for each referral received based on Brighton Jones' assets under management attributable to each client referred by *FPWA* or members of each client's household. The WAS Program is designed to help investors find an independent investment advisor, and any referral from *FPWA* to Brighton Jones does not constitute a recommendation or endorsement by *FPWA* of Brighton Jones' particular investment management services or strategies. More specifically, Brighton Jones pays the following amounts to *FPWA* for referrals: the sum of (i) an annual percentage of 0.10% of any and all assets in client accounts where such assets are identified as "fixed income" assets by *FPWA* and (ii) an annual percentage of 0.25% of all other assets held in client accounts. In addition, Brighton Jones has agreed to pay *FPWA* an annual program fee of \$50,000 to participate in the WAS Program. These referral fees are paid by Brighton Jones and not the client.

To receive referrals from the WAS Program, Brighton Jones must meet certain minimum participation criteria, but Brighton Jones may have been selected for participation in the WAS Program as a result of its other business relationships with *FPWA* and its affiliates, including Fidelity Brokerage Services, LLC ("*FBS*"). As a result of its participation in the WAS Program, Brighton Jones has a **conflict of interest** with respect to its decision to use certain affiliates of *FPWA*, including *FBS*, for execution, custody and clearing for certain

client accounts, and Brighton Jones has incentive to suggest the use of *FBS* and its affiliates to its advisory clients, whether or not those clients were referred to Brighton Jones as part of the WAS Program. Under an agreement with *FPWA*, Brighton Jones has agreed that it will not charge clients more than the standard range of advisory fees disclosed in this Form ADV 2A Brochure to cover solicitation fees paid to *FPWA* as part of the WAS Program. Pursuant to these arrangements, Brighton Jones has agreed not to solicit clients to transfer their brokerage accounts from affiliates of *FPWA* or establish brokerage accounts at other custodians for referred clients other than when Brighton Jones' fiduciary duties would so require, and Brighton Jones has agreed to pay *FPWA* a one-time fee equal to 0.75% of the assets in a client account that is transferred from *FPWA*'s affiliates to another custodian; therefore, Brighton Jones has an incentive to suggest that referred clients and their household members maintain custody of their accounts with affiliates of *FPWA*, which presents a **conflict of interest**. However, participation in the WAS Program does not limit Brighton Jones' duty to select brokers on the basis of best execution.

## **Item 15      Custody**

Brighton Jones shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Brighton Jones may also provide a written periodic report summarizing account activity and performance.

The account custodian does not verify the accuracy of Brighton Jones' advisory fee calculation. To the extent that Brighton Jones provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Brighton Jones with the account statements received from the account custodian.

Brighton Jones engages in other practices and/or services on behalf of its clients that require disclosure at the Custody section of Part 1 of Form ADV, which practices and/or services are subject to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940.

Brighton Jones is also considered to have custody of its affiliated private funds. In accordance with Rule 206(4)-2, Brighton Jones has retained an independent certified public accounting firm that is a member of the Public Company Accounting Oversight board ("PCAOB") to conduct an annual audit of such funds' financials. This audit will occur on an annual basis, and audited financial statements will be delivered to all affiliated fund investors within 120 days of the fund's fiscal year-end.

## **Item 16      Investment Discretion**

The client can determine to engage Brighton Jones to provide investment advisory services on a discretionary basis. Prior to Brighton Jones assuming discretionary authority over a client's account, the client shall be required to execute an agreement, naming Brighton Jones as the client's attorney and agent in fact, granting Brighton Jones full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.



Clients who engage Brighton Jones on a discretionary basis may, at any time, impose restrictions, in writing, on Brighton Jones' discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe Brighton Jones' use of margin, etc.).

**Item 17      Voting Client Securities**

- A. Brighton Jones does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Brighton Jones will not be responsible, and each client has the right and responsibility to take any action, and the right to initiate or pursue any legal proceeding with respect to: transactions, securities or other investments held in the client's account or the issuers thereof. Brighton Jones is not obligated to render any advice or take any action on a client's behalf with respect to the above.
  
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Brighton Jones to discuss any questions they may have with a particular solicitation.

**Item 18      Financial Information**

- A. Brighton Jones does not solicit fees of more than \$1,200, per client, six months or more in advance.
  
- B. Brighton Jones is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
  
- C. Brighton Jones has not been the subject of a bankruptcy petition.