



THE  
STEWARDSHIP  
SOLUTION

# The Stewardship Solution

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of The Stewardship Solution. If you have any questions about the contents of this brochure, please contact us at (661) 829-4154 or by email at: [dhubbard@thestewardshipsolution.com](mailto:dhubbard@thestewardshipsolution.com). 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 The Stewardship Solution is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Stewardship Solution's CRD number is: 282050.*

1661 International Drive, Suite 400  
Memphis, TN 38120  
(661) 829-4154  
<https://www.thestewardshipsolution.com>  
[dhubbard@thestewardshipsolution.com](mailto:dhubbard@thestewardshipsolution.com)

*The Stewardship Solution is a registered investment adviser. Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure. Each year, we will ensure that you receive a summary of any material changes to this and subsequent brochures by April 30th. We will further provide you with our most recent brochure at any time at your request, without charge. You may request a brochure by contacting us at (661) 829-4154.

### **Material Changes since the Last Update**

The Stewardship Solution had the following material changes since the last Updated annual filing on March 6, 2024.

- Item 4 has been amended to reflect the change of domicile for the firm, from California to Tennessee. References to California Code and regulations are only included due to the fact TSS is still registered in California.
- Item 5 has been amended to reflect the fact financial planning fees are not being collected in advance.
- Inclusion of annual retainer as a fee option (See Item 5)

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

The Stewardship Solution (hereinafter "TSS") is a Sole Proprietorship originally organized in the State of California and redomesticated to the State of Tennessee in 2023. The State of Tennessee Securities Division is the regulatory entity that has jurisdiction with respect to TSS. The firm was formed in November 2015, and the principal owner is Derrik Jacob Hubbard.

### **B. Types of Advisory Services**

#### ***Investment Advisory Services***

TSS provides investment advisory services, which may include, but are not limited to, the review of client investment objectives and goals, recommending asset allocation strategies of managed assets among investment products such as cash, stocks, mutual funds and bonds, annuities, and/or preparing written investment strategies. TSS provides investment advisory and other financial services through its Investment Advisory Representatives ("IAR") to accounts opened with TSS. Managed Accounts are available to individuals and high net worth individuals.

TSS provides discretionary and non-discretionary investment advisory services to some of its clients through various managed account programs. TSS will assist clients in determining the suitability of the Managed Account Programs for the client. The IAR is compensated through a comprehensive single fee and the account may be assessed other charges associated with conducting a brokerage business. TSS and its IAR, as appropriate, will be responsible for the following:

- Performing due diligence
- Recommending strategic asset and style allocations
- Providing research on investment product options, as needed
- Providing client risk profile questionnaire
- Obtaining investment advisory contract from client with required financial, risk tolerance, suitability and investment vehicle selection information for each new account
- Performing client suitability check on account documentation, review the investment objectives and evaluate the investment vehicle selections

- Providing Firm Brochure (this document)

### ***Financial Planning***

Financial plans and financial planning may include, but are not limited to, investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

In offering financial planning, a conflict exists between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and, if the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the investment adviser. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.

### **C. Client Tailored Services and Client Imposed Restrictions**

TSS will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by TSS on behalf of the client. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent TSS from properly servicing the client account, or if the restrictions would require TSS to deviate from its standard suite of services, TSS reserves the right to end the relationship.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. TSS does not participate in any wrap fee programs.

### **E. Assets Under Management**

As of February 27, 2025, TSS has the following assets under management:

Discretionary	Non-Discretionary	Total
\$11,707,853	\$908,294	\$12,616,147

## **Item 5: Fees and Compensation**

Lower fees for comparable services may be available from other sources.

## A. Fee Schedule

### *Asset Management*

Fees are charged monthly in arrears or in advance, depending on the platform used and are based primarily on asset size and the level of complexity of the services provided. In individual cases, TSS has the sole discretion to negotiate fees that are lower than the standard fee shown or to waive fees. Fees are not based on the share of capital gains or capital appreciation of the funds or any portion of the funds. Comparable services for lower fees may be available from other sources. Fees for the initial month will be prorated based upon the number of calendar days in the calendar month that the advisory agreement is in effect. Fees are based on the market value of the assets on the last business day of the month. Annual fees range from 1.55% - 1.90%, depending on the amount of assets under management ("AUM") – See chart below. Consulting services are included in these fees for asset management services with the exception of unique circumstances that may require a separate agreement for financial planning services (description and fees are discussed below). If the situation warrants separate financial planning fees, it will be discussed upfront and a separate agreement will be negotiated.

Fee Schedule for Asset Management:

Total Account Value	Maximum Annual Advisory Fee
Under \$100,000	1.90%
\$100,000 – 250,000	1.70%
\$250,001 – 500,000	1.65%
\$500,001 – 1,000,000	1.60%
\$1,000,001 or more	1.55%

As authorized in the client agreement, the account custodian withdraws advisory fees directly from the clients' accounts according to the custodian's policies, practices, and procedures. The custodial statement includes the amount of any fees paid to TSS for advisory services. You should carefully review the statement from your custodian/broker-dealer's statement and verify the calculation of fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

Fees are charged in arrears or in advance, depending on the platform used, on a monthly basis, meaning that advisory fees for a month are charged on either the first or last day of the month. Clients may terminate investment advisory services obtained from TSS, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with TSS. The client is responsible for any fees and charges incurred by the client from third parties as a result of maintaining the account such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, the client may terminate advisory services upon written notice delivered to and received by TSS. Clients who terminate investment advisory services during a month are charged a prorated advisory fee based on the date of TSS's receipt of client's written

notice to terminate. Any earned but unpaid fees are immediately due and payable, and any prepaid and unearned fees will be immediately refunded.

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

**Fixed Fees:** The negotiated fixed rate for creating client financial plans is between \$500 and \$3,000.

**Hourly Fees:** The hourly fee for these services is between \$150 and \$200.

**Annual Retainer:** At a rate negotiated between the client and TSS, clients can elect to pay a retainer annually in arrears for financial planning services. This fee would come from the client's advisory account as specified in the investment advisory agreement.

Clients may terminate the agreement without penalty for a full refund of TSS's fees within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

Financial planning fees are paid via check or wire upon presentation of the plan.

### **B. Client Responsibility for Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by TSS. Please see Item 12 of this brochure regarding broker-dealer/custodian.

### **C. Prepayment of Fees**

TSS collects fees monthly, or annually, in arrears, or in advance, depending on the platform used. For the removal of doubt, the annual fee option is solely to be paid in arrears. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\* The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.



For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

#### **D. Outside Compensation for the Sale of Securities to Clients**

Derrick Jacob Hubbard does not receive any outside compensation for the sale of securities.

Clients always have the option to purchase TSS recommended products through other brokers or agents that are not affiliated with TSS.

### **Item 6: Performance-Based Fees and Side-By-Side Management**

TSS does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **Item 7: Types of Clients**

TSS generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

There is no account minimum for any of TSS's services and the third-party advisers do not impose account minimums in connection with TSS's services.

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

#### **A. Methods of Analysis and Investment Strategies**

##### ***Methods of Analysis & Investment Strategies***

TSS's methods of analysis and investment strategies incorporate the client's needs and investment objectives, time horizon, and risk tolerance. TSS is not bound to a specific investment strategy for the management of investment portfolios, but rather consider the risk tolerance levels pre-determined gathered at the account opening, as well as on an on-going basis.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### ***Methods of Analysis & Investment Strategies***

Examples of methodologies that our investment strategies may incorporate include:

**Asset Allocation** – Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

**Dollar-Cost Averaging** – Dollar-cost averaging is the technique of buying a fixed dollar amount of securities at regularly scheduled intervals, regardless of the price per share. This will gradually, over time, decrease the average share price of the security. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time.

**Technical Analysis** – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

**Long-Term Purchases** – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Short-Term Purchases** – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Our strategies and investments may have unique and significant tax implications. Regardless of your account size or other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Investing in securities involves risk of loss that clients should be prepared to bear. Although we manage your portfolio with strategies and in a manner consistent with your risk tolerances, there can be no guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Regardless of the methods of analysis or strategies suggested for your particular investment goals, you should carefully consider these risks, as they all bear risks.

**Selection of Other Advisers:** Although TSS will seek to select only money managers who will invest clients' assets with the highest level of integrity, TSS's selection process cannot

ensure that money managers will perform as desired and TSS will have no control over the day-to-day operations of any of its selected money managers. TSS would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

TSS's primary goal for investing is to help the client maintain purchasing power over the long term. This may result in short term variability and loss of principal. Time horizon and risk tolerance are key determinates of the proper asset allocation. TSS's approach focuses on taking appropriate risks for which clients are compensated (i.e. market risk) and seeking to limit or eliminate risks that do not provide compensation over the long term (i.e. individual stock risk or lack of portfolio risk).

Below are some more specific risks of investing:

**Market Risk.** The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the client or an underlying fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.

**Management Risk.** TSS's investment approach may fail to produce the intended results. If our perception of the performance of a specific asset class or underlying fund is not realized in the expected time frame, the overall performance of client's portfolio may suffer.

**Equity Risk.** Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.

**Fixed Income Risk.** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

**Municipal Securities Risk.** The value of municipal obligations can fluctuate over time, and may be affected by adverse political, legislative and tax changes, as well as by financial developments that affect the municipal issuers. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, healthcare, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer's general unrestricted revenues, revenue generated by a specific project, the operator of the project, or government appropriation or aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the "over-the-counter" market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. TSS has no control over the risks taken by the underlying funds.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

## **B. Administrative Proceedings**

There are no administrative proceedings to report.

## **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

## **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Derrik Jacob Hubbard is not registered as a broker/dealer or broker/dealer representative.

## **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither TSS nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

## **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Derrik Jacob Hubbard is an independent licensed insurance agent.

From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. TSS always acts in the best interest of the client and clients are in no way required to the services of any representative of TSS in connection with such individual's activities outside of TSS.

All material conflicts of interest under California Code of Regulations Section 260.238(k) are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonable expected to impair the rendering of unbiased and objective advice.

## **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

TSS may refer clients to third-party investment advisers to manage all or a portion of the client's assets. TSS will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be memorialized in each contract between TSS and

each third-party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that TSS has an incentive to refer clients to the third-party investment advisers that provide TSS with a larger fee split. TSS will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. TSS will ensure that all recommended advisers are licensed or notice filed in the states in which TSS is recommending them to clients.

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

### **A. Code of Ethics**

TSS has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. TSS's Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

TSS does not recommend that clients buy or sell any security in which a related person to TSS or TSS has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of TSS may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of TSS to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. TSS will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of TSS may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of TSS to buy or sell securities before or after recommending securities to clients, resulting

in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, TSS will never engage in trading that operates to the client's disadvantage if representatives of TSS buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

In order for TSS to provide asset management services, we request you utilize the brokerage and custodial services of Goldman Sachs or Allianz ("Goldman and Allianz"), for which we have an existing relationship. TSS, Goldman and Allianz are not affiliated companies. In considering which independent qualified custodian will be the best fit for TSS's business model, we are evaluating the following factors, which is not an all-inclusive list:

- Financial strength
- Reputation
- Reporting capabilities
- Execution capabilities
- Pricing, and
- Types and quality of research

A detailed description, list of services, and additional disclosures will be made during the revision of this brochure once an arrangement is finalized.

While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including, but not limited to research, market information, and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the recommended broker-dealers, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm.

You may direct us in writing to use a particular broker-dealer to execute some or all of the transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.



### ***1. Research and Other Soft Dollar Benefits***

TSS receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

### ***2. Brokerage for Client Referrals***

TSS receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including, but not limited to research, market information, and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the recommended broker-dealers, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm.

You may direct us in writing to use a particular broker-dealer to execute some or all of the transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer. Not all investment advisers allow their clients to direct brokerage.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

When TSS buys or sells the same security for two or more clients (including our personal accounts), we may place concurrent orders to be executed together as a single "block" in order to facilitate orderly and efficient execution. Each client account will be charged or credited with the average price per unit. We receive no additional compensation or remuneration of any kind because we aggregate client transactions. No client is favored over any other client. If an order is not completely filled, it is allocated pro-rata based on an allocation statement prepared by TSS prior to placing the order. Because of an order's aggregation, some clients may pay higher transaction costs, or greater spreads, or receive less favorable net prices on transactions than would otherwise be the case if the order had not been aggregated.



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

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for TSS's advisory services provided on an ongoing basis are reviewed at least quarterly by Derrik Jacob Hubbard, Managing Member, with regard to clients' respective investment policies and risk tolerance levels. All accounts at TSS are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Derrik Jacob Hubbard, Managing Member. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, TSS's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of TSS's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

TSS may receive compensation from the selected third-party advisers via a fee split, but otherwise does not receive any economic benefit from any other third party for advice rendered to TSS's clients.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

TSS does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

TSS does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the client's custodian. Clients will receive account statements from the custodian and should carefully review those statements for accuracy. However, by granting TSS written authorization to automatically deduct fees from client accounts, TSS is deemed to have limited custody. You will receive account statements from the independent, qualified custodian holding your funds at least quarterly. The account statement from your custodian will indicate the amount of advisory fees deducted from your account(s) each billing cycle. Clients should carefully review statements received from the custodian.

### **Item 16: Investment Discretion**

Before TSS can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a limited power of attorney, and/or trading authorization forms. By choosing to do so, you may grant the firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided to the IAR in writing. Please refer to the "Advisory Business" section of this Brochure for more information on our discretionary management services.

### **Item 17: Voting Client Securities (Proxy Voting)**

TSS will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

### **Item 18: Financial Information**

#### **A. Balance Sheet**

TSS neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

**B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither TSS nor its management has any financial condition that is likely to reasonably impair TSS's ability to meet contractual commitments to clients.

**C. Bankruptcy Petitions in Previous Ten Years**

TSS has not been the subject of a bankruptcy petition in the last ten years.

**Item 19: Requirements For State Registered Advisers**

**A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

TSS currently has only one management person: DERRIK JACOB HUBBARD. Education and business background can be found on the individual's Form ADV Part 2B brochure supplement.

**B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

**C. Calculation of Performance-Based Fees and Degree of Risk to Clients**

TSS does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

**D. Material Disciplinary Disclosures for Management Persons of this Firm**

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

<b>E. Material Relationships That Management Persons Have with Issuers of Securities (If Any)</b>
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Neither TSS, nor its management persons, has any relationship or arrangement with issuers of securities. See Item 10.C and 11.B.