



## **Firm Brochure**

*Part 2A of Form ADV as of July 20, 2022*

***Front Street Wealth Management***

*is the independent, fee-only, wealth advisory firm for individuals, families and trusts who value proactive management of their investments and a deeper confidence in their wealth.*

*This brochure provides information about the qualifications and business practices of Front Street Wealth Management. If you have any questions about the contents of this brochure, please contact us at (231) 947-3775 or [info@frontstreet.com](mailto:info@frontstreet.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. The terms “registered investment adviser” or references to being “registered” does not imply a certain level of skill or training. Additional information about Front Street Wealth Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)*

**Front Street Wealth Management**

310 W. Front Street, Suite 406  
Traverse City, Michigan 49684  
(231) 947-3775

[info@frontstreet.com](mailto:info@frontstreet.com)  
[FrontStreet.com](http://FrontStreet.com)

**Item 2 - Material Changes**

---

**Material Changes since March 22, 2021**

Since our last published ADV Part 2A and Part 2B, there are no material changes to Front Street Wealth Management's operations or service.

As of September 2021, our office is now located at the following address:

310 W. Front Street, Suite 406  
Traverse City, MI 49684

---

**Full Brochure Available**

Whenever you would like to receive a copy of our Firm Brochure, please call (231) 947-3775 or email us at [info@frontstreet.com](mailto:info@frontstreet.com). We do publish our latest version of our Firm Brochure/Form ADV at [www.FrontStreet.com/adv](http://www.FrontStreet.com/adv)

## Item 3: Table of Contents

<b>Item 2 - Material Changes</b> .....	<b>i</b>
Material Changes since March 22, 2021 .....	i
Full Brochure Available .....	i
<b>Item 4 - Advisory Business</b> .....	<b>1</b>
Firm Description .....	1
Types of Advisory Services .....	1
Types of Agreements .....	2
Types of Investments .....	2
Termination of Agreement .....	3
<b>Item 5 - Fees and Compensation</b> .....	<b>3</b>
Description .....	3
Fee Billing Process .....	3
Third-Party Fees .....	4
<b>Item 6 - Performance-Based Fees</b> .....	<b>4</b>
Sharing of Capital Gains .....	4
<b>Item 7 - Types of Clients</b> .....	<b>4</b>
Description .....	4
Account Minimums.....	4
<b>Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>5</b>
Our Portfolio Management Process.....	5
Our Aggregation of Orders & Trading.....	6
Risk of Loss.....	6
<b>Item 9 - Disciplinary Information</b> .....	<b>7</b>
Legal and Disciplinary .....	7
<b>Item 10 - Other Financial Industry Activities and Affiliations</b> .....	<b>7</b>
Activities and Affiliations.....	7
<b>Item 11- Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b> .....	<b>7</b>
Code of Ethics .....	7
Retirement Rollovers Potential for Conflict of Interest .....	8
Personal Trading & Participation or Interest in Client Transactions .....	8
<b>Item 12 - Brokerage Practices</b> .....	<b>9</b>
Selecting Brokerage Firms.....	9
Best Execution.....	9
Soft Dollars .....	10

<b>Item 13 - Review of Accounts .....</b>	<b>10</b>
Periodic Reviews .....	10
Client Account Statements and Reports.....	10
<b>Item 14 - Client Referrals and Other Compensation .....</b>	<b>10</b>
Referrals Received.....	10
Referrals Made .....	11
<b>Item 15 - Custody.....</b>	<b>11</b>
Account Statements .....	11
<b>Item 16 - Investment Discretion .....</b>	<b>11</b>
Discretionary Authority for Trading.....	11
<b>Item 17 - Voting Client Securities .....</b>	<b>11</b>
Proxy Votes.....	11
Shareholder Class Action Lawsuits .....	12
Financial Condition .....	12
Business Continuity & Succession Plan .....	12
Information Security Program .....	12
Privacy Policy and Notice.....	13
<b>Item 19 - Requirements for State-Registered Advisers.....</b>	<b>14</b>
Principals and Management Persons .....	14
Jason P. Tank, CFA, Principal and Managing Member .....	14
<b>Part 2B of Form ADV .....</b>	<b>1</b>
Education and Business Standards .....	1
Professional Certifications.....	1
Jason P. Tank, CFA, CFP Principal and Managing Member .....	2

## Item 4 - Advisory Business

---

### Firm Description

Front Street Wealth Management, LLC (Front Street) was founded in early 2003. Front Street's principal and sole owner is Jason P. Tank, CFA.

As of December 31, 2021, we managed on a discretionary basis \$71.3 million on behalf of 82 clients. Additionally, we provide both ongoing, non-discretionary wealth management advice and one-time, financial planning advice for multiple other clients. We currently have two people serving clients, including one full-time employee who fulfills administrative duties for Front Street.

As a fee-only firm, we do not sell any financial products and we do not accept any commissions or referral fees, in any form. Our clients are the only parties that pay us for the advice and service we provide.

At the outset of our relationship with you, we work to define your financial and investment objectives to help you develop and achieve your unique financial objectives.

We offer two types of services; *wealth management* provided on an ongoing basis or *financial planning* provided either in a single session or provided on a project basis.

Our initial engagement with prospective *wealth management clients* – those seeking an ongoing professional relationship – is free of charge and is treated as a *discovery interview* to help determine the extent to which our services best fit your needs.

Our initial engagement with prospective *financial planning clients* – those seeking financial planning advice only – is subject to either a session-based flat fee or a project-based fee determined in consultation with you.

While we don't act as a custodian of your investment accounts, we do recommend that you use certain custodians. After your accounts are opened *in your name* with the chosen account custodian(s), we are granted *limited powers* by you to place trades and to conduct administrative functions for you.

At your request we will recommend other professionals that you may also need (e.g., attorneys, accountants, insurance agents, real estate agents, etc.) As a fee-only firm, you should know that we receive no referral fees when making these professional recommendations.

---

### Types of Advisory Services

Our primary service is designed for *wealth management clients*. Our other service is designed for *financial planning clients*.

For our *wealth management clients*, our core day-to-day service is our discretionary management of their investment accounts. Included within our service for *wealth management clients*, we also provide comprehensive financial planning advice. The combination of investment management and financial planning services is commonly referred to as *wealth management*.

For our *financial planning clients*, we offer a service designed to deliver relevant and comprehensive financial planning advice. These types of engagements are performed on either a session- or project-based fee basis.

Unlike with our prospective *wealth management clients*, our *initial fact-discovery conversation* with you as a prospective *financial planning client* is *not* considered complimentary. Prior to engaging in an *initial fact-discovery conversation*, we will inform you that the upcoming

conversation may cost \$300. However, following our *initial fact-discovery conversation*, if you do subsequently choose to engage us as an ongoing *wealth management client* or hire us to provide one-time *financial planning* advice, we will apply a \$300 fee credit.

It's important to explain how our discretionary management relationship differs from a non-discretionary relationship. Where a non-discretionary relationship would require your approval *prior to any trading activity* in your account, our discretionary management relationship grants us this trading authority *within agreed-upon investment guidelines at the outset of our relationship with you*.

At your request, we will hold aside certain assets in your accounts or within separate accounts on an unsupervised basis. As unsupervised assets, we are not responsible for reviewing or analyzing them and we will not provide ongoing advice or take any actions with them. Of course, we do not charge an investment management fee or any other fees on assets considered by us to be unsupervised.

---

## Types of Agreements

We ask you to sign *one agreement* with us that acts as a guide to the service we provide to you, depending on the type of service that fits your needs.

When you hire us as a *wealth management client*, the services we perform are subject to our *Investment Management Agreement* that includes a customized *Investment Guidelines and Restrictions* section as well as our *Fee Schedule* that entitles you to unlimited financial planning and administrative services.

When you hire us as a *financial planning client*, the services we perform are subject to our *Financial Planning Agreement* that details the financial advice we will provide to you.

For our *wealth management clients*, we review and analyze your financial life to help determine your overall financial objectives and investment goals as well as the amount of risk that we determine is prudent for you. As a matter of practice, we do not independently verify the information you provide, and we do expect you to notify us when there are significant changes in your financial life.

Within our *Investment Management Agreement* is our *Investment Guidelines and Restrictions* section that describes your parameters for investment risk, your overall asset allocation, and the diversification requirements we will follow when managing your portfolio. This section will also detail any special investment restrictions or limitations you'd like in place.

Our *financial planning advice* may include areas such as retirement readiness planning, performing a retirement income analysis, providing general tax and estate planning reviews, reviewing your insurance needs, and providing advice on college savings, among other areas related to your financial life.

You should know that we are not legal or tax professionals and following the delivery our general tax and estate planning advice, we consider it wise for you to seek specific and qualified outside counsel to address more complex matters.

---

## Types of Investments

We typically manage portfolios that are considered *balanced*, meaning they often include a mix of multiple asset classes such as equities, fixed income, and cash.

*For the equity segment of your portfolio*, in addition to the mutual fund types described below, we invest in individual equities – both common stocks and preferred stocks – that are publicly

traded and listed either on a domestic stock exchange, an over-the-counter market or traded on a foreign exchange.

*For the fixed income segment of your portfolio*, in addition to the mutual fund types described below, we may also invest in individual bonds, such as U.S. Treasury and other government agency securities, corporate bonds, municipal bonds, commercial paper and certificates of deposit.

As mentioned above, we may also invest in mutual funds (open-end, closed-end and exchange-traded funds.) When we utilize mutual funds in your accounts, we most often invest in passively managed, low-cost index funds.

In addition, while used infrequently, we may also invest in warrants and options contracts such as put or call options, if approved by you and authorized by your account custodian.

---

### Termination of Agreement

You may terminate our *Investment Management Agreement* at any time by notifying us in writing. Upon the termination of our relationship, as described in detail below, we will refund to you any investment management fees that we have not yet earned.

### Item 5 - Fees and Compensation

---

#### Description

Our fee schedule for our *wealth management clients* is based on the value of the assets you have placed under our management, as measured on the final day of the preceding calendar quarter. Our wealth management fee is typically in the range of 0.75% and 1% per year, paid in advance and charged in quarterly segments. For *wealth management clients* who prefer an ongoing, collaborative, and consultative relationship as it relates to their investments, we do offer a flat fee arrangement, also paid in advance, and charged in quarterly segments.

*Financial Planning Sessions* typically involve a fact-discovery meeting or call, follow-up communications and the delivery of our financial advice. *Financial Planning Sessions* often include concisely written communications designed to summarize the advice we delivered. This service best meets the need of clients with fewer, less complex questions or concerns. *Financial Planning Sessions* cost a minimum of \$1,200 *after applying the credit of \$300 for our initial fact-discovery conversation*.

*Financial Planning Projects* typically involve a fact-discovery meeting, multiple follow-up conversations to clarify the data we receive, the delivery of a written or verbal report and follow-up communication to ensure your understanding. This service best meets the needs of clients with more complex or numerous planning needs. *Financial Planning Projects* cost a minimum of \$4,200 *after applying the credit of \$300 for our initial fact-discovery conversation*.

We reserve the right to adjust our standard fee schedule based upon certain criteria. These criteria may include, among others, the anticipation of additional assets to be managed by us, the current level of your assets placed under our management, the tenure of our relationship with you, the existence of related clients of our firm, your overall portfolio management preferences and/or restrictions, individual client circumstances and complexities and, naturally, our desire to provide pro bono or discounted services.

---

#### Fee Billing Process

Our ongoing wealth management fees are billed quarterly, *in advance*.

Your total portfolio value – excluding any unsupervised assets – as of the last day of the preceding calendar quarter is used as the basis for our fee calculation for the current quarter.

Typically, we produce and present your *Statement of Management Fees* within the first two weeks following the end of the preceding calendar quarter. As a *wealth management client*, with your advance consent, our fee is directly deducted from one of your designated accounts. Additional payment options are available, such as credit card and debit card drafts.

If you decide to terminate our *Investment Management Agreement* prior to the end of a calendar quarter, we will refund any unearned portion of the advance payment of the fee within five (5) business days of the date of a notice of termination.

---

### Third-Party Fees

Your account custodians can charge trading fees for the purchase or sale of securities within your account. Also, when we invest in open-end, closed-end and exchange-traded mutual funds you will pay various *internal* fees. These internal fees are commonly referred to as a fund's *expense ratio* that includes investment management and operational fees. These fees are in addition to the management fee you pay us. This is one reason we typically utilize *low-cost index funds* when we choose to use mutual funds. As a purely fee-only firm, we do not receive any of these additional fees.

### Item 6 - Performance-Based Fees

---

#### Sharing of Capital Gains

Our fees are not charged based on a share of your portfolio's overall investment return. We feel this method of performance-based compensation presents potential conflicts of interest. In our opinion, it creates an incentive for an adviser to invest in assets that may carry a higher degree of risk. We simply avoid this incentive by not accepting performance-based fees.

### Item 7 - Types of Clients

---

#### Description

We typically serve individuals, couples, and trusts. As part of our service, we manage the typical spectrum of account types. These include taxable accounts, such as individual accounts, joint accounts, trust accounts as well as various types of tax-deferred or tax-free accounts.

While we specialize in serving individuals, couples and trusts, our service is applicable for a wide range of clients, such as pension and profit-sharing plans, charitable organizations as well as other business entities.

---

#### Account Minimums

While we do not impose a strict minimum size for new client relationships, we do feel it is our obligation to honestly judge our professional capacity to serve clients in a manner consistent with what we believe to be a *high-quality standard of care* for our current clients. For this reason, our informal relationship minimum is around \$500,000 in assets under our care.

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

---

### Our Portfolio Management Process

**Client Risk Assessment:** At the beginning of any new client relationship, and when appropriate along the way, we will together determine an appropriate level of risk for your portfolio. Our risk assessment process is based on an analysis of your current financial situation in as much detail as you will share with us.

For lack of a better-accepted definition, we consider risk to be the volatility of your portfolio. Factors that affect your portfolio's volatility include the overall volatility in financial markets, the asset allocation of your portfolio, the diversification we utilize, and the volatility specifically tied to the individual investments in your accounts.

The following largely describes our signature investment management:

**Investment Guidelines and Restrictions:** As part of our *Investment Management Agreement*, our *Investment Guidelines and Restriction* section must be agreed-upon before we will make any investments in your accounts. These guidelines state the risk level that you are willing to assume in your portfolio, in addition to the asset allocation thresholds and diversification requirements we will follow.

**Security Selection:** We use a flexible and disciplined approach to security selection that is founded on value-investing principles and independent research. We primarily invest in common stocks, preferred stocks, and exchange-traded index funds as well as individual fixed income securities and convertible securities of both domestic and foreign companies and governments.

We invest in companies with market capitalizations of all sizes, from micro-cap to large-cap. Though rare, there may be times when the lack of trading volume for a particular security prevents all client accounts from receiving the planned allocation of shares.

We may, under certain circumstances, feel additional risk management strategies are needed. During these times, we may utilize various hedging strategies, including the use of inverse index funds and put and call options.

**Valuation Criteria:** We tend to invest in securities whose valuations are on the lower end of historical ranges. The valuation criteria we use include, among other measures, price-to-earnings ratio, price-to-cash flow ratio, price-to-sales ratio, and price-to-book value ratio. Our valuation criteria are typically based on, but are not limited to, a combination of income statement and balance sheet analysis. The purpose of our valuation criteria is to estimate potential returns and downside risk.

**Diversification:** We will normally invest in a combination of common stocks, preferred stocks, individual bonds and equity and fixed income exchange-traded index funds. with typical position sizes that range between 1.5% to 5% of the maximum allowable equity asset allocation based on your *Investment Guidelines and Restrictions*. No individual equity position will be larger than 7% of your maximum equity asset allocation.

Within the equity asset allocation, we reserve the right to not own any stocks or to fully hedge your equity portfolio if we decide market conditions warrant such a defensive stance. In addition, we will only invest in sectors or industries that we determine to be undervalued with above-average upside potential and limited downside risk. There may be times when your equity portfolio is concentrated in only a few sectors of the market.

With your fixed income or bond asset allocation, we typically use mutual funds to gain wide diversification. When we do invest in individual bonds, we can invest up to 100% this portfolio

segment in U.S. government guaranteed securities and will limit our allocation to any one corporate issuer or municipality to no more than 25% of your fixed income or bond asset allocation, as measured at the time of the investment.

**Hedging Strategies:** We may use equity hedging strategies in our risk management process and when we determine there to be potential significant downside risks in the stock or bond market. As part of our equity hedging strategy, we may use equity market index put options and/or leveraged or un-leveraged inverse exchange-traded fund(s) that are designed to move in the opposite direction of a certain market index. These opposite directional changes are designed to counterbalance the changes in the value of your portfolio.

It is important to highlight, while our hedging strategies are designed to reduce risk in your portfolio, these strategies could potentially create portfolio losses in a rising market. This could occur if the individual stocks or mutual funds held in your portfolio perform worse than the market indices used for our hedging strategies. For this reason, we monitor as best we can our individual investments to manage this particular risk. However, no amount of monitoring on our part can eliminate the risk of loss in your portfolio and you should be prepared to bear this risk.

---

### Our Aggregation of Orders & Trading

When we decide to buy, sell, or adjust the position size of a particular stock or mutual fund we utilize portfolio management software that applies various rebalancing rules against an internally developed model portfolio. Using our portfolio rebalancing software, we approve, in a two-stage process, a proposed trade and an executed trade in your portfolio. However, when we execute similar trades for multiple client accounts at the same time, we may alternatively develop a proposed and executed trade allocation account list created outside of our portfolio management's rebalancing tool.

While rare, some trades for client accounts that qualify to use the Schwab's *Prime Broker* service may be executed with brokers other than Schwab. When this service is used, Schwab does charge a special fee for the trades executed with other brokers. We only use this service when we believe this is advantageous for you.

---

### Risk of Loss

All investment programs carry risks for investors. The following is a list of the various sources of investment risk that commonly exist:

**Interest-rate Risk:** Fluctuations in interest rates may cause the price of financial assets to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values or prices to decline.

**Market Risk:** The price of a security, bond, or mutual fund may decline in reaction to identifiable and sometimes unidentifiable events and market conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.

**Business Risk:** These risks are associated with a particular industry or a particular company within an industry. These risks are traditionally viewed as unrelated or uncorrelated with market-based risks described above.

**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 away at the rate of inflation.

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

**Reinvestment Risk:** This is the risk that future proceeds from the sale or maturity of an investment may have to be reinvested at a potentially lower rate of return (i.e., interest rate)

than existed at the time of the initial investment. This risk primarily relates to the management of fixed income securities.

**Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, securities are more liquid if there are many buyers and sellers, and the amount of those securities is large. For example, common stocks with many shares outstanding that experience heavy trading volume are generally more liquid than those with a relatively small number of shares outstanding that experience lighter trading.

**Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of lower profitability or losses when revenues decline because the company must meet the terms of its obligations. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or declining market value.

## Item 9 - Disciplinary Information

---

### Legal and Disciplinary

Our firm and its employees have not been involved in any legal or disciplinary events related to past or present clients involving items such as criminal or civil actions, administrative proceeding, and self-regulatory proceedings.

## Item 10 - Other Financial Industry Activities and Affiliations

---

### Activities and Affiliations

Our firm's members and employees do not participate in any other industry business activities. Additionally, the members and employees of our firm do not have arrangements that are material to our advisory business or our clients with any related person.

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

---

### Code of Ethics

Front Street's *Code of Ethics* is based on the principle that we have a fiduciary duty to place the interest of our clients ahead of our interests or the interest of our firm. Our *Code of Ethics* applies to all employees. Employees must avoid activities, interests, and relationships that might interfere with making decisions in the best interests of our clients.

Employees of our firm may not induce or cause a client to act, or not act, for their personal benefit, rather than for the benefit of the client. For example, an employee would violate the policy by causing a client to purchase a security he or she owned for the purpose of increasing the price of that security.

Our employees must also avoid taking inappropriate advantage of their position. The receipt of investment opportunities, perquisites or gifts from persons seeking business with us or with you, could call into question the exercise of the independent judgment of an employee. Employees may not, for example, use their knowledge of portfolio transactions to profit by the market effect of such transactions.

Lastly, our employees must conduct all personal securities transactions in full compliance with our *Code of Ethics* including its reporting requirements. Doubtful situations always should be resolved in favor of the clients. Technical compliance with our *Code of Ethics* provisions shall

not automatically insulate from scrutiny any securities transactions or actions that indicate a violation of our fiduciary duty to you.

---

### **Retirement Rollovers Potential for Conflict of Interest**

When you leave your employer, you typically have *four options* regarding your existing retirement plan (and you certainly may engage in a combination of these options):

- *Leave the money in the former employer's plan*
- *Rollover the money to your new employer's plan*
- *Rollover the money to an IRA*
- *Cash out the account*

If we recommend that you rollover your retirement plan assets into an account to be managed by us, it creates a conflict of interest. We might earn additional compensation as a result of the rollover. Of course, you are never under any obligation to rollover your retirement plan assets to an account managed by us, whether it is from an employer's plan or an existing IRA.

When we provide investment advice to you regarding your retirement plan account or IRA, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code. These are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act your best interest and not put our interests ahead of your. Under this special rule's provisions, we must:

- *Provide Prudent Advice:* Meet a professional standard of care when making investment recommendations
- *Provide Loyal Advice:* Never put our financial interests ahead of yours when making recommendations
- *No Misleading Statements:* Avoid misleading statements about conflicts of interest, fees, and investments
- *Best Interest:* Follow policies and procedures designed to ensure that we give advice that is in your best interest
- *Charge Reasonable Fees:* Charge no more than is reasonable for our services
- *Disclose Conflicts:* Give you basic information about conflicts of interest.

---

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

Our employees may buy or sell securities that are also held by our clients. However, employees may not trade their own securities ahead of our clients' trades. We have developed detailed *Written Policies and Procedures* regarding personal trading and employees must comply with its provisions.

The personal trading and investment activities of employees of investment advisory firms are the subject of various state and federal securities laws and regulations.

The Chief Compliance Officer (CCO) of Front Street Wealth Management is Jason Tank. He reviews all employee trades each quarter. His trades are reviewed by Jean Clous. The personal trading reviews ensure that the personal trading of employees does not affect the market and that clients of the firm receive preferential treatment.

When employees trade in their own accounts, conflicts of interest may arise between clients and employees and their immediate families. The conflicts may include *taking an investment opportunity from clients, using the advisory position or relationship to take advantage of available*

*investments and front-running, which may include advantageously trading before making a trade for a client*

Our employees are highly discouraged from trading in securities that are currently being traded for clients' accounts *until after all clients' trades for those securities have been executed*. However, if an employee desires to trade the same day in a security that has been traded on behalf of clients' accounts, *they must execute their personal trade at the same or worse price than the average price allocated to the clients' accounts*.

Each employee will provide a most recent copy of the custodial statement for each account that contains reportable securities (*note: open-end mutual funds or exchange-traded funds are not considered reportable securities*) and they have a direct or indirect beneficial interest in within 10 days of their employment date.

We require that each employee report, on a quarterly basis, personal transactions in any reportable in all their own accounts and accounts of any immediate family member. In addition, if their account(s) contain reportable securities, copies of their account statements will also be provided annually.

## Item 12 - Brokerage Practices

---

### Selecting Brokerage Firms

As an independent and fee-only firm, we do not have any affiliation with product sales or brokerage firms. Specific custodian recommendations are made to our clients based on their need for such services and our opinion of the quality of the services provided by the custodian. We recommend custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

We recommend *Charles Schwab* and *Folio Institutional* as the brokerage firms for all clients' accounts. We review the appropriateness of our recommendation on an annual basis. It's important to note that, as a purely fee-only firm, we do not receive any compensation from any custodians.

Both Charles Schwab and Folio Institutional do make available various complimentary services that benefit us in managing and administering your accounts. For example, both provide us with electronic access to your account data, the ability to collect our investment management fees and provide support with various administrative functions. Additionally, these custodians also make available to us ancillary services created to help us better manage our overall business, such as their publication of regulatory compliance matters that enable us to keep abreast of possible industry best practices.

---

### Best Execution

As a fiduciary to you, we work to provide the best possible execution of securities transactions for clients under the circumstances of the particular transaction.

We must execute securities transactions for our clients in such a manner that the total cost or proceeds in each transaction are the most favorable under the circumstances. Typically, to achieve the best execution, we may aggregate client trade orders as previously discussed.

We consider the full range and quality of a broker's services in recommending brokerage services, including, but not limited to the value of research provided as well as execution capability, commission rate, the ability to negotiate commissions, the ability to obtain volume discounts, financial responsibility, and responsiveness to us and our clients. The determinative

factor is not the lowest commission cost but whether the transaction represents the best qualitative execution for the managed account.

We will monitor the execution of trades and settlements of the selected brokerage firms on an ongoing basis. Any problems with trade executions or settlements will be noted in a written report and sent to our Chief Compliance Officer, Jason P. Tank, who maintains files on each brokerage account.

Annually, our Chief Compliance Officer will review the broker files and ask all employees with trading responsibilities to submit a written evaluation for each broker who has been used in the prior year to execute trades. Their evaluation will include a description of the broker's trade execution capabilities, responsiveness, reasons for using the broker, and other products or services provided by the broker's firm and an opinion as to whether the broker's services should be retained for the coming year.

Our Chief Compliance Officer will also be responsible for reviewing brokerage commission rates and costs on an annual basis to ensure that they are still competitive within the brokerage industry.

### **Soft Dollars**

We do not participate in any soft dollar programs in which trading commissions from clients' accounts are used by us to pay for equipment, research, or other services. Soft dollar programs can be described as directing trading activity to specific brokerage firms in exchange for an indirect form of compensation. The indirect nature of this form of compensation is the reason it is referred to as "soft" as opposed to "hard" dollars.

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

### **Periodic Reviews**

While clients' portfolios are reviewed many times each month by Jason Tank as part of our ongoing investment management process, we also adhere to a structured and consistent review process to help ensure that our clients' portfolios are being managed according to their *Investment Guidelines and Restrictions* and our current investment strategy.

With our review process, we monitor your portfolio's asset allocation relative to our agreed-upon guidelines and restrictions. Additionally, our clients' portfolio returns are reviewed to identify material deviations from the expected returns over various time periods.

### **Client Account Statements and Reports**

We produce a quarterly report that can be customized to fit your needs and desires. Our typical report will include a listing of your accounts and investments along with their market value, along with a broad overview to help you gain an understanding of the progress of your portfolio and a detailed *Statement of Management Fees* for your review. Every client is given password-protected online access to our website that offers more-frequently updated portfolio information and periodic investment commentary.

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

### **Referrals Received**

We have been fortunate to receive many client referrals over the years. Often, these referrals

come from current clients, friends, attorneys, accountants, and other similar sources. Our firm does not compensate referring parties for making these referrals.

---

### Referrals Made

As a fee-only firm, we do not accept referral fees or any form of remuneration from other professionals when a referral is made by us.

## Item 15 - Custody

---

### Account Statements

Your account custodian provides monthly account statements. They either send them to your address-of-record or notify you that your statements are available for review on their password-protected website.

For your protection, we do urge you to periodically compare Front Street's reports and website to your custodian's statements. Any discrepancies should immediately be brought to our attention. You can expect a clear and concise explanation that satisfies you completely.

## Item 16 - Investment Discretion

---

### Discretionary Authority for Trading

We accept the discretionary authority to manage your accounts. To enable us to execute trades in your accounts, we ask you to grant us trading authority for your accounts through the signing of a *limited power of attorney form*, provided by a qualified custodian/brokerage firm.

In our view, discretionary trading authority helps to facilitate and promptly implement the investment policy that you have approved in writing by signing both our *Investment Management Agreement* and corresponding *Investment Guidelines and Restrictions* addendum.

Our clients approve the custodian to be used and the commission rates paid to that custodian. We do not receive any portion of the transaction fees or commissions paid by you to the custodian on any trades.

For certain trading activity, we do request the authority from you to execute trades by any broker/dealer under a *prime broker arrangement* that we believe will provide you with the best execution for a particular trade. The transaction fee charged by the broker/dealer may be higher than the fee charged by your custodian for an identical trade. Once again, as a fee-only firm, we do not receive any remuneration for executing trades with broker/dealers under a *prime broker arrangement*.

## Item 17 - Voting Client Securities

---

### Proxy Votes

As it relates to proxy voting, given the size of our clients' collective holdings with these issuers, we feel we can exert minimal influence on management decisions and governance policies.

Therefore, when provided with proxies, *our default policy is to leave your shares unvoted*. This policy minimizes the amount of time spent (a) analyzing various shareholder proposals commonly seen on proxies, (b) voting your shares and (c) maintaining records of every vote we

cast on behalf of you and all our other clients. On balance, it is our view the time spent on proxy voting activities does not sufficiently benefit you as a client.

For administrative reasons, however, most clients choose to have us receive all proxies and issuer-related communications that may require a voting decision or other corporate action. This decision can be reversed at any point in the future, at your discretion.

We do recognize that voting proxies may be viewed by you as a best practice of shareholders. If this is your view, we encourage you to have us direct your account custodian to send you all proxies and issuer-related communications.

---

### **Shareholder Class Action Lawsuits**

We are not responsible for deciding if you should or should not participate in shareholder class action lawsuits. You are solely responsible for making that decision and for completing and submitting the required forms and any other documentation.

However, should you choose to participate in such a lawsuit, we do offer our help to facilitate the documentation process. Our help consists of providing you with security trading and certain other information for those securities that were purchased for you by us

In addition, when advice is requested by you, we will provide it to you. Our advice and courtesy claims administration services will be based primarily on our internal analysis of your expected settlement amount. As a rule of thumb, for estimated recoveries of less than \$100 per affected account we often defer the matter to you and your own efforts to pursue a claim.

## **Item 18 – Financial and Other Information**

---

### **Financial Condition**

We do not have any financial impairments that will preclude Front Street from meeting contractual commitments to you or to our other clients. Our firm's balance sheet is not required to be provided to you because we don't serve as a custodian for client funds or securities, and we do not require prepayment of fees of more than \$500 per client six months or more in advance.

---

### **Business Continuity & Succession Plan**

Among other reasons, to help ensure continued and uninterrupted service to you, we have developed a *Business Continuity Plan & Succession Plan* that provides detailed steps to mitigate and recover from the loss of office space and/or communications as well as mitigate the effect of either the short-term incapacitation or untimely death of Jason Tank.

Our *Business Continuity Plan* covers natural disasters such as snowstorms, hurricanes, tornados, and flooding. The plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, communications line outage, and internet outage. Electronic files are backed-up daily and utilize cloud-based storage services.

Alternate offices have been identified to support ongoing operations in the event our main office becomes unavailable. It is our intention to contact all clients within one day of a disaster that dictates moving our office to an alternate location.

---

### **Information Security Program**

We do maintain information security procedures to reduce the risk that your personal and confidential information may be breached. We will share details at your request.

---

### **Privacy Policy and Notice**

We strongly believe in ensuring the confidentiality and security of any personal information you entrust to us. The information that we collect in the normal course of our business includes physical and email addresses, Social Security and tax ID numbers, and driver's license numbers. In addition, we clearly also obtain from you varying levels of your personal financial information. We do not, have not and will not sell your personal information.

All current and former clients' information is handled in a confidential manner and our employees will provide information to third parties only after you provide written permission to do so. This includes information that you want us to share with your other advisors, such as, attorneys, accountants, or other investment professionals.

We do share your personal information with companies that you choose, with our recommendation or not, to perform custodial and trading services. We strongly suggest that you periodically change your passwords used for these custodian websites.

We maintain a secure office to ensure that our clients' information is not placed at unreasonable risk, including locked filing cabinets and password-protected computers.

We do not provide personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to personal information, including our customer relationship management service provider. Federal and state securities regulators may review our company records and personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this Privacy Notice to clients annually.

## Item 19 - Requirements for State-Registered Advisers

---

### Principals and Management Persons

#### Jason P. Tank, CFA, Principal and Managing Member

- Date of birth: June 7, 1972

#### Education Background:

- Michigan State University, BS in Mathematics, 1990 – 1994
- Earned the Associate of Society of Actuaries (ASA), 1999
- Earned the Chartered Financial Analyst (CFA) designation, 2000
- Earned the Certified Financial Planner (CFP) certificate, 2021

#### Business Experience:

- Prior to co-founding Front Street Wealth Management in 2003 Jason was an actuary with Allianz Life Insurance from 1994 until 1998 and ReliaStar Financial Corp from 1998 until 1999. After that, Jason joined Financial & Investment Management Group, Ltd. where he was a portfolio manager from 1999 until 2003.

Other Business Activities: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Relationship or Arrangement with Any Issuer of Securities: None

Jason Tank's contact information: (231) 947-3775 or [jason@frontstreet.com](mailto:jason@frontstreet.com)



## **Brochure Supplement**

*Part 2B of Form ADV as of July 20, 2022*

### Supervised Persons

Jason P. Tank

*This brochure provides information about the qualifications and business practices of Front Street Wealth Management. If you have any questions about the contents of this brochure, please contact us at (231) 947-3775 or [info@frontstreet.com](mailto:info@frontstreet.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. The terms “registered investment adviser” or references to being “registered” does not imply a certain level of skill or training. Additional information about Front Street Wealth Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)*

### **Front Street Wealth Management**

310 W. Front Street, Suite 406

Traverse City, Michigan 49684

(231) 947-3775

[info@frontstreet.com](mailto:info@frontstreet.com)

[FrontStreet.com](http://FrontStreet.com)

## Part 2B of Form ADV

---

### Education and Business Standards

Front Street Wealth Management requires that its advisers earn a bachelor's degree and complete further coursework or accumulate extensive work experience that demonstrates knowledge in the field of investment management and/or financial planning. Examples of acceptable coursework include: a CFA, a CFP®, or CPA.

---

### Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute – the largest global association of investment professionals.

To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charter holders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

### Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charter holders—often making the charter a prerequisite for employment. Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

### Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

For more than 30 years, CERTIFIED FINANCIAL PLANNER™ certification has been the standard of excellence for financial planners. CFP® professionals have met extensive training and experience requirements and commit to CFP Board's ethical standards that require them to put their clients' interests first. That's why partnering with a CFP® professional gives consumers confidence today and a more secure tomorrow.

CFP® professionals take a holistic, personalized approach to bring all the pieces of your financial life together. As part of the CFP® certification, CFP® professionals also have made a commitment to CFP Board to act as a fiduciary when providing financial advice to a client. This means they have agreed to put your best interests first, so they can provide you confidence today and a secure tomorrow.

CFP Board's *Code of Ethics and Standards of Conduct* reflects the commitment that all CFP® professionals make to high standards of competency and ethics. CFP Board's *Code and Standards* benefits and protects the public, provides standards for delivering financial planning, and advances financial planning as a distinct and valuable profession. Compliance with the *Code and Standards* is a requirement of CFP® certification that is critical to the integrity of the CFP® marks. Violations of the *Code and Standards* may subject a CFP® professional to discipline.

To learn more about the CFP certificate, visit [www.cfp.net](http://www.cfp.net).

---

### **Jason P. Tank, CFA, CFP Principal and Managing Member**

- Date of birth: June 7, 1972

#### Education Background:

- Michigan State University, BS in Mathematics, 1990 - 1994
- Earned the Associate of Society of Actuaries (ASA), 1999
- Earned the Chartered Financial Analyst (CFA) designation, 2000
- Earned the Certified Financial Planner (CFP) certificate, 2021

#### Business Experience:

- Prior to starting Front Street Wealth Management in 2003 Jason was an actuary with Allianz Life Insurance from 1994 until 1998 and ReliaStar Financial Corp from 1998 until 1999. After that, Jason joined Financial & Investment Management Group, Ltd. where he was a portfolio manager from 1999 until 2003.

Other Business Activities: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Jason Tank's contact information: (231) 947-3775 or [jason@frontstreet.com](mailto:jason@frontstreet.com)