

**RENAISSANCE INVESTMENT GROUP, LLC**

**Form ADV, Part 2**

**Firm Brochure**

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**This brochure provides information about the qualifications and business practices of Renaissance Investment Group, LLC. If you have any questions about the contents of this brochure, please contact us at (413) 445-2481. 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 Renaissance Investment Group, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Renaissance Investment Group, LLC is 153679.**

**Renaissance Investment Group, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## **Item 2: Material Changes**

### **Annual Update**

This item of the brochure is updated if material changes have occurred during the course of the Firm's fiscal year; or with the Firm's Annual Updating Amendment (ADV).

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

This section describes the material changes to Renaissance Investment Group, LLC's (RIG's) brochure since its last amendment.

The material changes since the last ADV amendment dated March 21, 2024, are as follows: (We update certain items and add information to keep you up to date about our business practices.)

Item 10 B. Other Financial Industry Affiliations: *Updated to reflect our Stratos affiliation.*

### **Full Brochure Available**

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Paula M. Hilchey at 413-445-2481.

Additional information about RIG is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with RIG who are registered, or are required to be registered, as investment adviser representatives of RIG.

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## **Item 4: Advisory Business**

### **A. The Firm and its Owners.**

Renaissance Investment Group, LLC (RIG) is a wholly owned subsidiary of SA Concepts, LLC. The ownership of SA Concepts, LLC resides with 15% held by Trevor M. Forbes, 15% by Christopher A. Silipigno and the remaining 70% held by Stratos Wealth Enterprises, LLC.

### **B. The Firm's Services.**

As discussed below in this Disclosure Brochure, RIG offers investment supervisory services, and financial counseling advice.

**1. Investment Supervisory Services.** RIG's investment supervisory services are defined as giving discretionary and non-discretionary continuous investment advice to its clients and making investment decisions for clients based on the individual needs of those clients. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, RIG develops a personal investment policy for each client and creates and manages a portfolio based on that policy. All discretionary and non-discretionary managed accounts are subject to the same fee scale, in accordance with RIG's standard advisory agreement.

RIG's non-discretionary investment services include reviewing recommendations with clients and implementing the recommendations upon client approval. Instances where the client directs RIG to invest in a particular security, the client provides RIG with written authorization. RIG may review the security to reasonably ensure it is consistent with the client's written investment goals, objectives and needs.

RIG provides investment advice primarily with respect to various equities (such as exchange-listed, securities traded over-the-counter, and foreign issuers), individual fixed income securities, corporate debt securities, commercial paper, certificates of deposit, municipal securities, United States government securities, and interests in partnerships investing in real estate and oil and gas interests. Although RIG's investment advice is typically limited to those investment categories, RIG may provide advice regarding other investment opportunities in response to a client request or where RIG determines that it would be in the interests of the client to pursue those other investment opportunities.

**2. Financial Counseling.** For those clients with investable assets in an amount equal to or greater than one million dollars under RIG's management and for whom RIG provides investment supervisory services, RIG may also provide financial counseling services. RIG's financial counseling services incorporate estate planning, investment planning, cash flow planning, income tax planning, retirement planning, and risk management, including property and casualty, and life insurance. RIG gathers required information through in-depth personal interviews with clients. The information gathered includes a client's current financial status, future goals and general attitudes toward risk. If requested by the client, RIG assists the client with the implementation of the financial plan while working with the client's attorney, accountant, and/or

insurance agent. RIG may also recommend (on a non-compensatory or any other reciprocal benefit basis) the services of other non-investment advisory professionals if asked by the client. The client is under no obligation to engage the services of any such recommended professional and retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from RIG.

### **C. Miscellaneous Information About the Firm’s Services.**

In connection with the provision of RIG’s services, we tailor our advisory services to each client’s individual needs in a client specific investment policy statement that allows the client to impose reasonable restrictions on RIG’s ability to invest in certain securities or types of securities.

RIG is authorized to rely on any and all information that is provided to RIG by the client or any of the client’s other professionals (such as the client’s attorney or accountant) and shall not be required to independently verify any such information. Each client is responsible to promptly notify RIG of any change in their financial situation or investment objectives, so that RIG is positioned to review, evaluate and possibly revise its previous recommendations and/or services.

### **D. WRAP Program**

RIG does not provide investment advisory services to clients through participation in a wrap fee program.

### **E. The Firm’s Assets Under Management.**

The firm’s investment supervisory services include both discretionary and non-discretionary asset management. As of December 31, 2023, RIG’s total amount of discretionary and non-discretionary assets under management was \$542,943,429 and \$15,305,066 respectively.

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

### **A. The Firm’s Fees and Compensation for Services.**

1. Investment Supervisory Services. The annual fee for investment supervisory services is charged as a percentage of assets under management, according to the schedule below:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee (%)</u></b>
First \$3,000,000	1.00%
Next \$4,000,000	0.70%
Over \$7,000,000	0.55%

For custodial accounts, RIG's annual fee is assessed quarterly in arrears, based on the market value of account assets as of the last business day of the previous calendar quarter, prorated for asset flows and payable or deductible from the client's account. For new accounts, the first management fee shall be prorated based on the number of days in the quarter. If an account terminates during a calendar quarter, a pro rata fee will be assessed based on the number of days in the quarter the account was under management.

Corporate Trustee Services. In situations where RIG is acting as investment adviser to a corporate trustee, there will be an additional fee assessed for the corporate trustee services. The overall fee will be negotiated. Both the investment management and corporate trustee fees will be deducted from the client's account by the corporate trustee.

**2. Financial Counseling.** RIG does not charge a separate fee for the provision of financial counseling services to its clients who have at least one million dollars of investable assets under RIG's management. RIG does not provide this service to any client unless they meet the one million dollar investable asset threshold, as described in Item 4.B.2 of this Disclosure Brochure.

## **B. General Information on Fees.**

**1. Negotiability of fees and account minimums.** Except in extraordinary circumstances, RIG's fees and account minimums are not negotiable.

**2. RIG's fees.** RIG's fees may be deducted from the client's account by the client's account custodian, or, in the alternative, RIG bills the client who then pays RIG's fee directly.

### **3. Other fees**

Clients will also incur charges in connection with advisory services RIG provides that are imposed directly by the custodian of the client's account, fees imposed by a service provider to assist with administrative functions related to filing proof of claim forms, as well as transaction charges imposed by broker-dealers executing securities transactions for the client's account, and fees and expenses imposed directly by mutual funds held in the client's account. The fees and expenses imposed by mutual funds are described in each fund's prospectus, and will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client will pay an initial or deferred sales charge. The client should review both the fees charged by the funds and the fees charged by RIG, to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

All other fees charged directly by the client's custodian, the broker-dealer, and mutual funds, who are not affiliated with RIG, is separate and distinct from the fees and expenses clients pay to RIG for its services. RIG does not receive a portion of these other fees and does not directly or indirectly receive a benefit from the imposition of these fees, other than as may be disclosed further in this brochure (see Brokerage Practices, Item 12 of this Disclosure Brochure).

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

RIG does not, nor does any of its employees, charge, or otherwise receive a benefit from, a performance-based fee.

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

### **A. The Firm's Clients.**

The firm's client base is comprised of individuals, high net worth individuals, banking or thrift institutions, pension and profit-sharing plans, charitable organizations and corporations and other businesses.

### **B. Requirements for Opening or Maintaining an Account.**

1. Minimum Account Size. Unless waived or negotiated in advance, RIG requires a minimum account size of \$500,000 for investment supervisory services clients.

2. Advisory Agreement. Each client is required to sign a servicing agreement with RIG that sets forth the terms and conditions of their relationship with RIG.

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

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

1. Methods of Analysis. The firm takes a top down and bottom-up approach to investing utilizing fundamental and technical methods of analysis in connection with its servicing client accounts. Although the firm's personnel are oriented toward fundamental analysis, they also use published technical and economic analysis factors in their investment decision-making process.

RIG's approach to investing involves evaluating the geopolitical and economic factors/events taking place globally and analyzing the impact on the economy of the United States. This includes all aspects of economic direction and policymaking including the likely direction of monetary and fiscal policy that drive markets – bonds, equities and currencies. We then incorporate the results of our analysis into the selection of appropriate assets and individual stocks and bonds. This top-down approach gives RIG a good sense as to the types of securities, industries and sectors we want our clients exposed to in furtherance of meeting our clients' investment objectives.

Once we have identified the appropriate industries, sectors, etc., we then identify specific companies that we are interested in purchasing and perform a bottom-up analysis. This involves analyzing the fundamentals of a company that includes the following key drivers:

- **Financial** An appreciation of the strength of a company's balance sheet. This includes evaluating Financial Leverage, Return on Capital, Working Capital Ratios and the efficiency of Assets. For Financial companies this will also include evaluating



the appropriate Capital Adequacy Ratios. Assessing the sensitivity of the financial statements to the key economic drivers is an important aspect of this approach.

- **Operating performance** Stock price movements relative to the main market and industry sector indices tend to be a function of relative earnings and dividend performance. These trends affect stock selection both on a medium term (12 – 18 months), and on a long-term basis. Periodically earnings surprises / disappointment can drive shorter term price movements. As a result, our research emphasizes longer run earnings and dividend direction relative to the market and sector average. In particular we seek evidence of directional change in a company's performance. This can be a buying opportunity or a selling signal for stocks that we own. The impact of international trends (relative economic growth patterns) / exchange rate movements can also be important to assessing the pattern of future earnings, and hence dividend growth potential. Opportunities are taken from time to time to pare holdings where share price outperformance appears to adequately discount future prospects.
- **Ratio Analysis** This includes assessing value of a stock based on its earnings multiple (P/E Ratio) relative to its industry peers and the market. The PEG (PER/Earnings growth) is also an important measure of value per unit of growth. This is normally calculated over a three-year average and will be viewed relative to a company's industry peers and the market. Dividend yield is a measure of interest but not normally a key factor in identifying value. Yield plus dividend growth potential can, however, be a powerful indicator of likely future relative performance. We will normally seek companies with a progressive dividend policy / prospects to form a significant part of a typical client portfolio. For those clients with specific income requirements, this may constitute a greater weighting depending on the ability to source sufficient income from bonds and cash.
- **Liquidity** Most clients will require a high degree of liquidity in the portfolio positions. Most of the stock and bond positions that we choose will have a high degree of liquidity and so we would expect that in normal market conditions that a typical portfolio could be liquidated with a minimum impact on the share price of individual positions over a four-week period. Where we seek exposure to an area of the market or in types of stock where this type of liquidity cannot be expected, then we will seek investment in a fund (such as an ETF) that tracks a specific section of the market. This can include industry sector, foreign equity and bond markets and may include higher yielding equities / bonds at certain stages of the market cycle.
- **Volatility** Our aim is to provide our clients with the maximum return that can be realistically expected from market conditions but with a volatility that is below that for the S&P 500 Index. In part this will be achieved through including bonds and cash alongside equities in a portfolio balance. The proportions between these will be a function of client preference and our expectations for likely returns and volatility between these asset classes. Periodically we may introduce low volatility investments (normally mutual funds) that have an expected volatility significantly lower than equities. This may be particularly important during periods of rising interest rates when bonds can exhibit exceptional levels of volatility as yields adjust.

## 2. Investment Strategy.

### A. Standard Investment Strategy

The firm utilizes a long-term purchase and hold strategy for client accounts. Typically, the hold period is at least 12 months. The investment strategy utilized by the firm involves a variety of risks. Stocks are subject to the risk of a general market decline as well as company specific issues such as competition, regulation, management decision and financial outlook. Bond prices would be at risk should interest rates rise or if there is a decline in the creditworthiness of the underlying asset.

### B. ESG Investment Strategy

ESG investing can be very personal to the individual investor. While Renaissance does maintain an ESG Focus List, we do not provide a single ESG portfolio for all clients who wish to invest in this way. For every client who indicates a preference for ESG investing, we ascertain their preferences through a series of discussions to identify what type of stocks/industries they do not want to invest in and why (negative screening) and the type of characteristics/industries they would ideally like to highlight (positive screening). It is an iterative and ongoing process.

We do construct an ESG Focus List to guide portfolio managers in choosing generally acceptable stocks. This list is, however, a guide and has to be adapted on a client-by-client basis. All stocks on this list are scored by third party vendors on standard ESG criteria. Renaissance does not have firm guidelines related to scoring, but instead utilizes this information to spur further research and discussion.

Once we have decided on an appropriate list of stocks for inclusion on the ESG Focus List and with an individual client, these stocks still have to be subjected to the same financial research as any other stock investment we may make to determine suitability based on growth expectations, valuation and, above all, financial fitness.

## 3. Risk of Loss.

Investing in securities involves risk of loss that each client should be prepared to bear. Although risk can never be eliminated, RIG seeks to identify certain types of risks and manage clients' accounts according to individual client risk thresholds. The major areas of risk that clients are facing when investing are as follows:

- **Loss of Capital.** Our research process and due diligence identifies areas of financial risk for the securities that we choose for client portfolios. Financial risk and leverage is a key part of this process. If we are concerned over specific economic issues that may produce a risk of loss then we will take action to mitigate this. For bond investments, our preference is for high quality Investment Grade corporates, municipalities and US Treasuries. As the interest rate risk increases then we reduce duration primarily by shortening the maturity profile of the bonds held unless there is a client specific reason. This could be laddering of a maturity requirement.

- **Liquidity Risk.** This is the trading risk in a security. For all portfolios, the ability to trade in a security is important. In this respect we limit the proportion of assets held in smaller cap stocks. Our preference in these areas would be to limit the liquidity risk by investing in a fund such as an ETF.
- **Income Risk.** Many of our clients require regular income. For these client's loss of income is a risk. Volatility of performance may be a secondary issue and as a result we may hold investments for these accounts for security of income payment rather than capital performance.

Master Limited Partnerships - Interests in publicly traded master limited partnerships present certain valuation challenges. The valuation of publicly traded master limited partnerships could be affected by changes in their taxable status.

### **Item 9: Disciplinary Information**

RIG does not have any disciplinary information to disclose in response to Item 9.

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

#### **A. Other Financial Industry Activities.**

RIG, including our management persons are not registered, nor do we have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, respectively.

In addition, RIG, including our management persons are not registered, nor do we have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

#### **B. Other Financial Industry Affiliations.**

RIG does not select or recommend other investment advisers to its clients.

Renaissance Investment Group, LLC (RIG) is a wholly owned subsidiary of SA Concepts, LLC. The ownership of SA Concepts, LLC resides with 15% held by Trevor M. Forbes, 15% by Christopher A. Silipigno and the remaining 70% held by Stratos Wealth Enterprises, LLC. As a result of this ownership structure, we are affiliated with the following:

1. Stratos Wealth Advisors, LLC (SWA), a retail investment firm offering advice primarily through IAR's who are not securities licensed;
2. Stratos Wealth Partners, Ltd. (SWP), a retail investment firm offering advice primarily through IARs who are securities licensed through LPL, Member FINRA/SIPC;
3. Stratos Investment Management, LLC (SIM), an asset management firm acting primarily as a subadvisor.

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

### **A. Description of the Firm's Code of Ethics.**

RIG has adopted a Code of Ethics (the "Code"), as required under SEC Rule 204A-1 of the Investment Advisers Act of 1940. The Code establishes a standard of business conduct for all of the firm's personnel that are based upon fundamental principles of openness, integrity, honesty and trust. RIG is a fiduciary and therefore has the responsibility to render professional, continuous, and unbiased investment advice. As a fiduciary, RIG must act at all times in its client's best interest and must avoid or disclose conflicts of interest. The Code is designed to emphasize and implement these fundamental principles within RIG's operations.

In order to adhere to this overarching fiduciary duty to our clients and the obligation of all personnel to uphold that fundamental duty, RIG had adopted the following general principles:

4. RIG personnel have a duty at all times to place the interests of our clients first;
5. All personal security transactions of RIG personnel shall be conducted in such a manner as to be consistent with the Code and to avoid any actual or potential conflict of interest or any abuse of their position of trust and responsibility;
6. RIG personnel shall not take inappropriate advantage of their positions;
7. Information concerning the identity of security holdings and financial circumstances of clients is to be confidential; and
8. Independence in the investment decision-making process is paramount.

Failure to comply with the Code of Ethics may result in disciplinary action, which may include termination of employment.

RIG's policy is to provide a copy of the Code of Ethics to any client or prospective client upon request.

### **B. Investing by the Firm and its Personnel.**

**1. The purchase or sale of the same securities as for the client.** RIG may purchase or sell one or more money market accounts for its own account as are purchased or sold for client accounts for the purpose of managing its own working capital. In addition, any person affiliated with RIG may directly or indirectly hold the same securities as RIG recommends to and held by clients. This activity may present a conflict of interest in the sense that RIG, or its personnel, may benefit financially from a transaction effected for a client account. We address this potential conflict of interest through the procedures that we have adopted and designed for this purpose, as described in Item 11.B.2 of this Disclosure Brochure.

**2. The purchase or sale of same securities at or about the same time as in a client's account.**

RIG, and/or any person related to RIG, may recommend securities to clients, or buy or sell securities for client accounts, at or about the same time that RIG or the person related to RIG

buys or sells the same securities for the account of RIG or RIG's related person. This presents a conflict of interest because RIG or the related person may benefit financially as a result of transactions in that same security that occur in the client account by obtaining a more favorable price, trading before a client transaction or pre-empt an investment opportunity that would have otherwise been afforded to the client. Similarly, the value of the security held in the client's account may be detrimentally impacted by transactions in that same security that occurs in RIG's account or the account of RIG's related person.

The firm addresses this potential conflict of interest through its internal compliance procedures. Initially, each employee is required to report all holdings annually and quarterly report to a compliance officer all securities transactions during the preceding quarter which she or he undertook in their personal account(s). Additionally, all personal securities transactions undertaken by the Chief Compliance Officer, are reviewed on a quarterly basis by the President of RIG. Next, the firm has imposed limitations on personnel to purchase or sell a security on the same day that a security is being purchased for a client account. To reasonably ensure compliance with the Code, confirmations (or statements) of all personal securities transactions are reviewed for potential conflicts. All employees annually certify in writing as to their receipt and understanding of and compliance with RIG's Code. Lastly, RIG's Code is designed to ensure that employees understand that they are required to act in accordance with all applicable Federal and State regulations governing federally registered investment advisers. Any individual not in compliance with the Code runs the risk of remedial action being taken by RIG that can result in a number of disciplinary actions, including termination.

## **Item 12: Brokerage Practices**

### **A. Factors the Firm Considers in Selecting a Broker-Dealer.**

Recommendation of Custodian(s). RIG has an arrangement with Fidelity Investments, National Financial Services LLC through which Fidelity provides RIG with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping, and related services that are intended to support advisers like RIG in conducting business and in serving the best interests of their clients; however, they may also benefit RIG. Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., commissions may be charged for individual equity and debt securities transactions). Fidelity's commission rates are generally considered discounted from customary retail commission rates. Fidelity's brokerage commissions may be at zero dollars on U.S. stocks and exchange traded funds. The zero-commission rate applies to accounts that are \$1 million and over in assets or are set up for paperless delivery of statements and confirmations (electronic "e-delivery"). However, the commissions and transactions fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

With the exception of individual bond trades, almost all trading is done with the custodial firm to avoid "trade away" fees.

RIG does not receive fees or commissions from any broker-dealer/custodian.

Evaluation Criteria. RIG continues to monitor and compare Fidelity Investment's (National Financial Services, LLC) trade executions based upon various criteria including shares within spread, price improvement, average execution speed and effective/quoted spread, with the industry standards.

1. Soft Dollars. Soft dollars are revenue programs offered by broker-dealers/custodians whereby an adviser enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. RIG does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian.

2. Directed brokerage for client referrals. RIG does not consider, in selecting Brokers to execute clients' transactions, whether RIG or any related person receives client referrals from either the Broker or any third-party.

3. Directed Brokerage. RIG does not recommend, request or require that a client direct it to execute transactions through a specified broker-dealer. Nonetheless, RIG may permit a client to request that RIG effect a portion of securities transaction for that client's account through a particular Broker. If the client directs brokerage, the client will negotiate terms and arrangements for the account with that broker-dealer, and RIG will not seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or incur greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In other words, directing brokerage may cost a client more money.

In accordance with RIG's objective to seek best execution on behalf of its clients' accounts, RIG will only accept client directed brokerage where the arrangement is subject to most favorable execution.

RIG will not engage in any principal transactions (i.e., trade of any security from or to RIG's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client account(s)).

## **B. Aggregation and Allocation.**

RIG's policy is to aggregate, or "block", trades where possible and when advantageous to clients to receive more favorable execution. The aggregation of all clients' orders who participate in the purchase or sale of the same security is pre-allocated based on the individual client's investment objectives, existing holdings, cash flow and availability and risk profile, etc. There are instances where the purchase of a new security recommendation is pre-allocated pro-rata based on the size of the client(s)' account(s), which again depends on each individual client's investment objectives, risk profile and existing exposure in similar securities. All executed orders are allocated pro-rata based on the pre-allocation (or proportionate to the original order placed with the Broker).

The blocking of trades permits the trading of securities composed of assets from multiple clients' accounts where transaction costs are shared equally and on a pro-rated basis between all accounts

included in the block. Block trading allows for a faster, more efficient, and equitable means of executing equity transactions at more favorable rates on behalf of clients' accounts.

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

#### **A. Account Reviews.**

Investment Advisory Oversight. Each of RIG's accounts is monitored on a continual basis by the account manager concerned and reviewed whenever significant economic events, changes in market conditions or important new developments concerning a security, affect an individual account. In addition, each client account is formally reviewed on an annual basis by a firm member or employee who does not have the primary relationship with or operational responsibility for the client account on a daily basis. The account review process considers investment management and whether the specific objectives of the client are being met as to income versus capital appreciation, the asset allocation of the portfolio, the diversification of its holdings and whether the assets held satisfy RIG's quality standards for investments. If warranted, or when client objectives change, each account manager takes the appropriate investment management action to reasonably ensure portfolio holdings are consistent with the goals and objectives of each account.

#### **B. Account Reports.**

All clients receive confirmations of all transactions from Brokers within days of the transaction. In addition, clients receive a statement of holdings from the custodian monthly. RIG does not issue any similar reports for portfolio management clients. In the event that RIG issues any reports for portfolio management clients, such reports are issued as an accommodation only and the client should rely upon the reports issued by the broker-dealer/custodian of the assets.

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

#### **A. Non-Clients providing an Economic Benefit to RIG.**

RIG does not receive any economic benefit (such as sales awards and prizes) for anyone who is not a client for the provision of advisory services to clients.

#### **B. RIG Compensation to Third Parties for Client Referrals.**

RIG has no contractual obligation to compensate any third party for client referrals.

### **Item 15: Custody**

All clients' assets are maintained with a qualified custodian. The qualified custodian is authorized by the client to deduct and direct payment of RIG's advisory fee directly from the client's custodial account. Each client receives account statements directly from the custodian on at least a quarterly basis. Each client should carefully review those statements.

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

RIG obtains written authority to determine the securities to be bought or sold, the amount of securities to be bought or sold, the broker or dealer to be used and the commission rates to be paid. Clients may (or customarily do) place the following limitations on RIG's discretionary authority: placing a restriction on a particular security or industry, or in the contrary, clients may ask RIG to hold or purchase a particular security. Any such limitations are presented to RIG in writing, and clients may change/amend those limitations, in writing, as the client requires.

The construction of client portfolios through the purchase and sale of securities is accomplished in an orderly manner. RIG reviews the client's financial resources and investment goals and objectives. Once these goals and objectives have been determined, a decision is made as to the best allocation mix of the client's assets. When this process is completed, RIG exercises its discretion to implement its decisions as to the most appropriate securities for the client's portfolio.

RIG's servicing contract, and the agreement between the client and the custodian/broker-dealer for the account, grant discretionary authority to RIG. The client's written agreement with the custodian also grants a limited power of attorney to RIG specific to transactions in the client's custodial account. A portion of RIG's client accounts are non-discretionary.

### **Item 17: Voting Client Securities**

Unless a client elects otherwise, RIG will assume responsibility for voting all proxies in the best interest of our client, without regard to the interest of RIG or other related parties. Such a material conflict of interest includes situations in which RIG, or a related person has a personal or business relationship or interest, that could cause RIG to vote in a manner inconsistent with a client's best economic interest. Any possible material conflicts of interest involving our clients, RIG and/or a related person is examined by Compliance prior to voting the proxy. The examination takes into consideration conflicting relationships with RIG, supervised personnel and affiliates, with the issuer of the security.

RIG has a contractual agreement with Broadridge Investor Communication Solutions Inc., to undertake the actual voting of proxies in accordance with recommendations provided to Broadridge by Egan Jones Proxy Services, in advance of the relevant company meeting. The Proxy Committee of RIG has adopted the Egan Jones Standard guidelines for standard accounts. Further, we have adopted the ESG voting guidelines for our ESG accounts. A record of each proxy vote made on behalf of RIG is maintained by Broadridge and is available to RIG on request.

Fiduciary Trust Company of Boston votes all proxies in accounts in which they serve as custodian and trustee.

A client may request a written copy of the Egan-Jones voting guidelines or information relating to how RIG voted any client's specific proxies, by contacting Paula M. Hilchey in writing at Renaissance Investment Group, LLC, 45 Walker Street, Lenox, MA 01240.



**Item 18: Financial Information**

RIG does not require the prepayment of any fees and RIG is not required to provide a balance sheet or any other financial information that is customarily required of those advisers that require clients to prepay \$1,200 or more of fees six months in advance.