



# **WILLOW GROVE ADVISORS**

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## Form ADV Part 2 A March 28, 2024

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This brochure provides information about the qualifications and business practices of Willow Grove Advisors, LLC. (CRD# 151993) If you have any questions about the contents of this brochure, please contact us at (510) 705-1693 or email [Keley@WillowGroveAdvisors.com](mailto:Keley@WillowGroveAdvisors.com).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority. Registration does not imply a certain level of skill or training.

Additional information about Willow Grove Advisors also is available on the SEC's website at <http://www.adviserinfo.sec.gov/>

## Item 2: Material Changes

Since our last update of Part 2 of Form ADV on 03-30-2023 the following items have been updated:

- Willow Grove Advisors' address has been updated to reflect current location.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Currently, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. If you have any questions about the information in this Brochure or would like to request a copy of the Brochure, please contact us at (510) 705-1693 or email us at [Keley@WillowGroveAdvisors.com](mailto:Keley@WillowGroveAdvisors.com).

Additional information about Willow Grove Advisors, LLC is also available via the SEC's web site <http://www.adviserinfo.sec.gov/>. The SEC's website also provides information about any persons affiliated with Willow Grove Advisors, LLC who are registered, or are required to be registered, as investment adviser representatives of Willow Grove Advisors, LLC.

## Item 3: Table of Contents

Item 1: Cover Page.....	i
Item 2: Material Changes.....	ii
Item 3: Table of Contents .....	iii
Item 4: Advisory Business .....	1
Item 5: Fees and Compensation .....	2
Item 6: Performance Based Fees and Side-by-Side Comparisons.....	3
Item 7: Types of Clients.....	3
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....	4
Item 9: Disciplinary Information .....	5
Item 10: Other Financial Industry Affiliations and Activities .....	5
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	5
Item 12: Brokerage Practices .....	6
Item 13: Review of Accounts .....	6
Item 14: Client Referrals and Other Compensation.....	7
Item 15: Custody.....	7
Item 16: Investment Discretion.....	7
Item 17: Voting Client Securities .....	8
Item 18: Financial Information .....	8

## Item 4: Advisory Business

Willow Grove Advisors, LLC (Willow Grove) is a federally Registered Investment Advisor whose principal owners are Keley R. Petersen and Jeff Petersen and has been in business since 2009.

Willow Grove provides investment advisory services to a broad range of individuals and high net worth individuals for a percentage of assets under management and provides these services on a discretionary basis. Investment advisory services are provided based on the individual needs of a client and stated objectives and guidelines of the account.

Willow Grove strictly provides fee-only investment advice. This means that we do not accept sales commissions for any products that we recommend to our clients. We will act as a fiduciary with a duty to prudently take care of your assets and at all times, we must act in the best interest of our clients.

Willow Grove is a fee based investment advisory firm only. The firm does not receive commissions for purchasing or selling variable annuities, stocks, bonds, mutual funds, limited partnerships, or other commission based securities products. Additionally, Willow Grove is not a licensed insurance agency or insurance producer entity and does not transact insurance business with its advisory clients.

Certain Willow Grove investment adviser representatives ("IARs"), however, may hold insurance licenses. In their capacity of holding insurance licenses, they may make recommendations to clients on fixed insurance and fixed annuity products that may complement an overall wealth management plan developed with the client. In those instances Willow Grove will refer clients to non-affiliated professional insurance agents, brokers or companies for any purchases. Any insurance products recommended by and with Willow Grove IARs, and purchased by advisory clients, will not generate commissions for Willow Grove nor its IARs. The firm does not participate in or receive any portion of the insurance commissions or any other remuneration (including any non-cash compensation). ***Please also note that a Willow Grove client is under no obligation to purchase any insurance products recommended by any Willow Grove IAR.***

Willow Grove Investment Management accounts are available to investors with \$500,000 of investable assets. For all new accounts, Willow Grove will evaluate securities initially held in the portfolio and will work with the client to create a portfolio transition plan which may sell all or periodically sell portions of such securities to the extent that such securities would not be included in Willow Grove's normal portfolio holdings for such account.

The client will be responsible for any tax liabilities that result from any transactions initially and during management of the account. Willow Grove seeks to commence management of an account as soon as practicable after review of the account documentation, acceptance of its appointment as Adviser and transfer of assets to the custodian. The time required to commence management may vary depending on the time required to complete these steps.

Our assets under management are calculated by adding all of the securities portfolios for which we provide continuous and regular supervisory or management services. As of January 01, 2024, Willow Grove manages \$227,493,852 for approximately 161 client relationships.

## Item 5: Fees and Compensation

### General Information on Fees and Services

#### Fee Schedule

##### Diversified Investment Management

For fully Diversified Investment Management accounts where Willow Grove has investment discretion over assets in the account, the fee schedule is as follows:

First \$1 Million	1.10%
Next \$2 Million	.85%
Next \$2 Million	.70%
Next \$5 Million	.55%
Next \$10 Million	.2%
Next \$20 Million	.07%
Over \$ 40 Million	<b>Negotiable</b>

These fees are negotiable for all accounts with a market value of \$40 million or greater. The fees stated herein do not apply to “Non-Managed Assets”, if any.

Fees will be automatically debited on a monthly basis from client accounts unless alternative arrangements have been made between the client and Willow Grove. Invoices detailing these fees will be sent to clients simultaneously. Clients will also be notified of the amount of their fee through statements provided by their custodian.

Employees of Willow Grove may be eligible for a discounted fee. Fees are payable monthly in arrears, based on the previous month-end fair market value of each account. The client must consent in advance to direct debiting of their investment account.

For securities where ready valuation information is not available (including but not limited to hedge funds, private equity, private placements, illiquid securities and some derivatives) pricing will be undertaken through good faith cooperation between Willow Grove Operations and the manager of the specific security to fairly approximate the security's current value. Willow Grove will also engage third-party pricing agents to price illiquid and hard-to-value securities holdings

We are compensated for our investment advisory services based on a percentage of assets under management. Fees percentages may differ among clients based on a number of factors, including the type and size of the advisory account and the number and range of supplemental advisory and client-related services to be provided. Assets in related accounts may be aggregated to establish the amount on which fees will be based. Our fee schedule shows the maximum percentage charged for each asset range. Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually

small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security (Please see Part 12 Brokerage Practices).

### **Hourly Fees**

On occasion, when clients request that we work on specific projects, we will charge an hourly fee ranging from \$200/hour to \$400/hour for the services.

### **Additional Fees Charged by Mutual Fund Companies and Separate Account Managers/Sub-Advisers**

In addition to our fees, each mutual fund, ETF, Limited Partnership, and Money Manager in which a client's assets may be invested, charges its own management fees and other expenses. Details these fees and expenses can be found in the relevant fund prospectus, Limited Partnership offering memorandum or Money Manager Form ADV Part 2. Copies of mutual fund and ETF prospectuses can be obtained directly from the company or through Willow Grove upon request. Willow Grove will provide copies of offering memoranda for Limited Partnerships and Form ADV Part 2 for money managers.

## **Item 6: Performance Based Fees and Side-by-Side Comparisons**

Willow Grove does not engage in the practice of charging performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

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

Willow Grove provides portfolio management services for individuals and high net worth individuals. Generally, the firm requires a minimum portfolio size of \$500,000, however, on occasion we may accept smaller accounts. Also, we may continue to service existing accounts that fall below the minimum.

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

Investment securities used by our firm include:

- Exchange-listed and over-the counter securities
- Foreign issues
- Warrants
- Corporate, municipal, and US government issued debt securities
- Mutual fund shares
- Options contracts on securities
- ETF's
- Interests in partnerships investing in:
  1. Real estate
  2. Venture capital
  3. Private equity
  4. Leveraged buyout funds
  5. Asset-backed structured securities
  6. Hedge funds
  7. Pooled investments

Some assets described herein may require a lengthy holding period or be subject to periodic redemption provisions, which may affect the availability and liquidity of funds.

Inherent to the risks of each of these securities is market valuation volatility. Each investment has its own set of risks which may include, but are not limited to economic risk, liquidity risk, market risk, interest rate risk, default risk, inflation risk, reinvestment risk, and legislative risk.

We employ both fundamental and technical methods of investment analysis. Sources of fundamental market and investment analysis include:

- Financial newspapers
- Research materials prepared by others
- Annual reports, prospectuses, filings with the SEC
- Company press releases
- Commercially available financial data
- Valuation and analytical software

Investment strategies typically will focus on the long-term investment horizon. However, investments are analyzed on an ongoing basis and may result in short-term holding periods. Please note that investing in securities involves risk of loss, and many variables, including, but not limited to market and economic fluctuations, may have a substantial negative effect on the value of your securities positions. Clients must be willing to assume these risks.

## Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Willow Grove Advisors or the integrity of its management team.

Willow Grove's management team has not been involved in any legal or disciplinary event and has no information applicable to this Item. Please visit [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov) at any time to view detailed registration information and any applicable disciplinary history for Willow Grove Advisors.

## Item 10: Other Financial Industry Affiliations and Activities

Willow Grove Advisors and our advisory affiliates are not engaged in other financial industry activities and have no other industry affiliations.

As noted above briefly in Item 4, certain Willow Grove IARs may also hold insurance licenses. In their capacity of holding an insurance license, he/she may make recommendations to Willow Grove advisory clients on fixed insurance and annuity products that may complement an overall wealth management plan developed with the client. In those instances where the client purchases fixed insurance products recommended by Willow Grove IARs, that IAR will not receive commissions for the sale of those insurance products. Please note that Willow Grove and its IARs, do not share in or receive any portion of any insurance commissions. ***Additionally, a Willow Grove advisory client is under no obligation to purchase insurance products recommended by a Willow Grove IAR.***

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

Willow Grove's Code of Ethics is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 as well as all applicable laws of the State of California. The Code is based upon the principle that Willow Grove and its employees owe a fiduciary duty to clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm, and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

The purpose of Willow Grove's Code of Ethics is to preclude activities that may lead to or give the appearance of conflicts of interest, insider trading, and other forms of prohibited or unethical business conduct. As such, Willow Grove and its employees are prohibited from engaging in fraudulent, deceptive, or manipulative



conduct. Willow Grove and its employees have an affirmative duty of utmost good faith to act solely in the best interest of its clients. Willow Grove and its employees do not participate in client transactions

*A copy of Willow Grove's Code of Ethics will be provided upon request.*

## Item 12: Brokerage Practices

### **Factors in Selecting Brokers and Determining Commissions:**

Willow Grove Advisors does not have any affiliation with product sales firms. Generally, our brokerage accounts are held in custody at Fidelity Investments and Charles Schwab. Specific custodian recommendations may be made to Clients based on their need for such services. Willow Grove recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

Willow Grove does not receive fees or commissions from any of these arrangements.

### **Trade Allocation and Aggregation of Orders:**

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

### **Payment of Custodian's Transaction Charges**

Transaction-related fees including but not limited to commissions charged by custodians are generally paid directly from the clients' accounts, unless otherwise specified, based on the agreement between the client and the custodian.

## Item 13: Review of Accounts

All accounts will be reviewed periodically, but not less than quarterly by Senior Advisors. The annual review will include an analysis of the asset allocation and portfolio securities in relationship to the client's stated investment policy.

Quarterly, Willow Grove provides clients with a consolidated summary of assets managed by Willow Grove which describes: Current performance data, taxable and non-taxable transactions, asset allocation, realized gains/losses, unrealized gains/losses, portfolio holdings, transactions, income & expenses, and strategy updates for alternative investments with current performance data, if available

## Item 14: Client Referrals and Other Compensation

Willow Grove has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees, and other similar sources. The firm does not compensate referring parties for these referrals.

Willow Grove does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## Item 15: Custody

Willow Grove deducts the advisory fee from the client's accounts with the client's specific pre-approval. Willow Grove does not have custody of our clients' assets.

Fidelity Investments and Charles Schwab custodies Willow Grove's accounts.

Clients receive monthly statements from the qualified custodian that holds and maintains client's investment assets. We urge our clients to carefully review such statements and compare such official custodial records to the account statements and Quarterly Performance Reports that we provide to our clients.

Please notify us immediately of any discrepancies.

## Item 16: Investment Discretion

Willow Grove generally has the authority to determine which securities are to be bought or sold and the amounts of the securities to be bought or sold. Willow Grove has engaged the services of Fidelity Brokerage Services and National Financial Services, LLC, together known as Fidelity Investments, and Charles Schwab for brokerage, clearing, and custodial services.

Willow Grove's discretionary authority may be subject to guidelines and limitations imposed by the client. Such limitations may relate to restrictions on investing in a particular company, industry, geography or security type, or asset class, among others. Willow Grove will endeavor to follow reasonable directions, guidelines, and limitations.

With Willow Grove's consent, clients may include certain assets in accounts for which Willow Grove provides no investment advisory services ("Non-Managed Assets"). Non-Managed Assets are not subject to Willow Grove's Investment Management fees.

## Item 17: Voting Client Securities

Willow Grove Advisors will not vote Proxies for securities held in client portfolios. For portfolios subject to ERISA, responsibility for proxy voting will be determined by the plan document. If an account is managed by a money manager/sub adviser, the sub adviser may retain voting authority for that account

## Item 18: Financial Information

Willow Grove has no financial commitment that impairs its ability to meet its contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.