

Salem Investment Counselors

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Form ADV Part II (Brochure)

March 25, 2026

This Brochure provides information about the qualifications and business practices of Salem Investment Counselors, Inc. (Salem). If you have any questions about the contents of this Brochure, please contact the firm's Chief Compliance Officer, K. Shea Abernethy, via telephone at (336) 768-7230 or email at compliance@salemcounsel.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.

Salem is a federally registered Investment Advisor - CRD#104855. Registration as an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information from which you determine whether to hire or retain an Advisor.

Additional information about Salem Investment Counselors is available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since the prior filing due **March 31, 2025**, Salem has made the following material changes:

- Item 1 – Other offices contact number for the Durham location:
 - Direct number for the Durham office: 984-219-2242
- Item 4 - Advisory Business has been updated to report:
 - December 31, 2025, calculation of assets under management is \$4,188,070,791
 - Addition of Lynwood Williams, III to the named shareholders of Salem
- Item 13 - Review of Client Accounts and Salem’s Investment Counselors:
 - The addition of Andrew Kalman to Salem as Investment Counselor
- Item 15 - Custody:
 - Salem now distinguishes and identifies “Custody of Assets” into two types
 - Deemed Custody
 - General Custody
- Item 17 - Proxy Voting:
 - Salem now files SEC Form N-PX annually to reflect its “Say on Pay” votes
 - Salem identifies its style of proxy voting as “Shareholder-Friendly”

Salem communicates in Item 2 – Material Changes, which represent items updated from previously provided Brochures. The Brochure contains information about Salem’s qualifications and business practices. Salem provides the Brochure to all new clients as well as current clients at least annually and or upon request without charge.

Pursuant to SEC Rules, Salem must provide clients with an updated Brochure or a Summary of Material Change letter to this and subsequent Brochures within 120 days of the close of Salem's fiscal year (December 31). Salem may also provide other ongoing disclosures regarding material changes as necessary.

Brochures or Summary of Material Change letters are sent to all clients when materially updated based on changes or new information at any time, without charge. The Salem Brochure is available to clients upon request by contacting K. Shea Abernethy, Salem's Chief Compliance Officer, at (336) 768-7230 or by emailing compliance@salemconsult.com.

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Item 4 – Advisory Business

Founded in 1979, Salem is a federally registered Investment Advisor that provides financial management expertise to individuals, foundations, corporations, and professional organizations throughout the United States. As of **December 31, 2025**, Salem had assets under management of **\$4,188,070,791**. All public, marketable securities are managed subject to Salem's discretion. Salem also assists clients with managing private investments (such as limited partnerships) on a non-discretionary basis.

Salem offers investment management services, including financial planning and asset management. Salem believes that investment advice is most effective if all aspects of the client's needs and circumstances are taken into account. This includes understanding the client's short- and long-term investment and financial goals, assessing the client's risk tolerance, and analyzing the client's financial situation with respect to taxation, insurance, and investment allocation.

After partnering with clients to understand their investment needs, Salem constructs and manages their investment portfolios. Salem utilizes a broad range of investment vehicles to meet a client's investment goals, including individual equities, fixed-income securities, exchange-traded funds, mutual funds, real estate investment trusts, master limited partnerships, and private equity funds. Client assets are invested in one or more of the above categories in accordance with the client's agreed asset allocation. Salem will respect and incorporate any client restrictions imposed on the investment account.

Salem is wholly owned by its six shareholders, each holding equal shares: David Rea, Dale Brown, Kenneth Jones, Joseph McCaffrey, George Keener, IV, and Lynwood Williams, III.

Item 5 – Fees and Compensation

Salem's normal fee for services is 1% of assets under management per year. Discounts and premiums to the fee schedule may be negotiated with each client. In addition, Salem may utilize a flat annual fee in lieu of the percentage of assets under management. Salem's fees are billed in arrears at the end of each calendar quarter. The fees for marketable securities are based on the account's market value, as determined by Salem's portfolio accounting system at the end of the calendar quarter. The portfolio accounting system receives pricing data on all marketable securities from the account custodians.

The fees for private investments are based on the most recent partner statement issued by the investment, and Salem then updates them in the portfolio accounting system.

Private investments for which no partner statement has been issued within the most recent twelve-month period will not be billed by Salem.

At the client's option, this fee may be paid directly from the account. The fee is debited from the client's account or paid by the client outside of the account, typically within two months of the end of the quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Clients may request a billing statement from Salem that shows the fee calculation methodology and the final amount of fees charged to the client.

In addition to the management fee charged by Salem, clients may incur other fees and expenses associated with account management. Salem's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by the client. Clients may incur charges imposed by custodians, brokers, and third-party investment advisors, including management fees, custodial fees, transfer fees, transaction fees, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, exchange-traded funds, master limited partnerships, and private equity managers may also charge internal management fees. The details of these fees may be found in each investment's prospectus or website. Such charges, fees, and commissions are exclusive of and in addition to Salem's fee, and Salem shall not receive any portion of these commissions, fees, or charges.

For pooled investment funds such as mutual funds and exchange-traded funds that charge annual expense fees, Salem seeks investment options that charge reasonable expenses and meet client investment needs. For investment accounts with margin enabled, Salem will bill only on the net amount of the account (i.e., the balance after subtracting the amount outstanding on the margin loan). Item 12 further describes the factors that Salem considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation.

Item 6 – Performance-Based Fees and Side-By-Side Management

Salem Investment Counselors does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Salem Investment Counselors provides portfolio management services to individuals, corporations, corporate retirement and profit-sharing plans, charitable institutions, foundations, irrevocable trusts, and estates.

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

Salem Investment Counselors designs portfolios to meet clients' return objectives and risk tolerances. Salem believes that equities should be the foundation of most investment portfolios. Salem does not believe that "timing" the stock market by anticipating periods of rising and falling stock prices can be done consistently. Salem selects equities for client investment that have one or more of the following characteristics:

- Established companies with above-average prospects for growth. These companies will have strong performance records, solid market positions, high margins, and return on equity, and reasonable financial strength.
- Small and medium-sized companies that may be out of favor or not closely followed by investors and are selling at prices that do not adequately reflect their long-term business potential.
- Companies in industries that are undergoing consolidation, where the likelihood of acquisition is above average.

Salem's investment philosophy for both taxable and tax-exempt fixed-income securities is to minimize risk for clients. Salem considers primarily high-quality issues in the short-to-intermediate maturity range that Salem is confident will meet the scheduled interest and principal payments.

In addition to core equity and fixed-income investing, Salem may utilize a broad range of investment vehicles to meet a client's investment goals, including exchange-traded funds, mutual funds, real estate investment trusts, master limited partnerships, and private equity. These asset types can complement or replace the core investment approach and may be used to augment Salem's core investment strategy or to meet a specific client need.

Salem may also use technical analysis (price movement analysis) to aid in determining prices that offer beneficial entry and exit transactions for securities in client accounts. From time to time, Salem will receive shares in initial public offerings and secondary offerings from various brokers with whom the company does business. These shares are generally very limited in number and may or may not represent "hot issues." The shares will be allocated among the advisors who request them on behalf of clients. The individual advisor will then distribute those shares in a fair and equitable manner to clients for whom such investments are suitable, in accordance with the firm's IPO/Secondary offerings policy.

Investing in any security involves the risk of loss, which clients should be prepared to bear. The price of a company's stock may fall for several reasons, including, but not limited to, problems with the company and general market/economic/political conditions. Movements in interest rates and general market/economic/political conditions may affect the day-to-day valuation of our fixed-income investments, resulting in a loss of value.

Item 9 – Disciplinary Information

Registered Investment Advisors must disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of Salem or the integrity of Salem's management. Salem has no information applicable to this item.

Item 10 – Other Financial Industry Activities and Affiliations

Salem employees must obtain proper approval to participate in outside business activities. No outside business activity shall present a distraction to their employment at Salem. Additionally, no employee may participate in any other investment-related business activity. Currently, the following employees are participating in the listed outside business activities.

- Dale M. Brown currently serves as a Trustee for several trust accounts managed by Salem, where no available family could serve as trustee. This activity accounts for less than 4% of the representative's available time.

Item 11 – Code of Ethics

Salem has adopted a Code of Ethics for all supervised persons of the firm, outlining its high standards of business conduct and fiduciary duties to clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons at Salem review and acknowledge the Code of Ethics annually. This Code is available to any client/prospective client at any time upon request. Salem has also adopted a Compliance Manual containing all of its policies. A copy of the manual is available upon request.

Salem and its employees may, for their personal accounts, buy or sell securities identical to those used and or recommended to clients. Employees may also participate in private equity offerings recommended to clients for whom such investments are suitable. These offerings are generally managed by third-party advisors and are not under the control of Salem or any of its employees. Given the conflicts of interest, Salem has established strict policies governing personal securities transactions to protect its clients' interests.

The Code of Ethics is designed to ensure that the personal securities transactions, activities, and interests of the employees of Salem will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. The Code requires pre-clearance of many transactions and restricts trading in close proximity to client trading activity.

Nonetheless, because the Code of Ethics permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from a client's market activity in a security held by an employee. Employee trading is monitored under the Code of Ethics to reasonably detect and prevent conflicts of interest between Salem and its clients. All personal securities transactions and holdings are reported to the Chief Compliance Officer for periodic review.

It is Salem's policy that the firm will not affect any principal securities transactions for client accounts. Salem will also not cross equity trades between client accounts. Salem occasionally will cross fixed-income securities between client accounts according to the following parameters: (1) the clients must be unrelated, (2) a third-party broker, typically the clients' custodian, independently sets the pricing levels for both the buyer and seller based on current market prices, and (3) the prices paid by both the buyer and seller are equal or better than the open market pricing.

Principal transactions are generally defined as transactions in which an advisor, acting as principal for its own account or for an affiliated broker-dealer, buys or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as a broker for both the advisory client and for another person on the other side of the transaction.

Item 12 – Brokerage Practices

Salem Investment Counselors utilizes independent, third-party qualified custodians to hold client assets and execute transactions involving marketable securities on behalf of clients. Salem does not require clients to use a specific custodian, but it will point out the potential advantages and disadvantages of various custodians. In selecting custodians that Salem is willing to work with on behalf of clients, Salem considers a wide range of factors, including:

- An individual or multiple clients desire to utilize a custodian.
- The combination of transaction execution services and asset custody services.
- The capability to execute, clear, and settle trades for clients.
- The capability to facilitate transfers and payments to and from client accounts.
- The breadth of available investment products available to be held in client accounts.
- The quality of service provided to the advisor in servicing client accounts.
- The competitiveness of the pricing for these services.
- The reputation, financial strength, security, and stability of the custodian.
- The quality and length of prior service provided to the advisor and clients.

Salem Investment Counselors uses two sources to execute client transactions. The first source is the brokerage services provided by the client's custodian. Salem's second source for executing client transactions is independent brokers who have established relationships with Salem. Depending upon the client's custodian, either of these options may be available for executing client transactions. The investment advisors at Salem have the discretion to direct securities transactions to either source. Many factors go into this decision, including, but not limited to, the commission charged, the quality of execution, and the ease of settling trades with the broker. Salem only maintains relationships with custodial and independent brokers who offer competitive brokerage rates.

Clients may also direct Salem to use a particular broker for transactions on their account, even if it is less than favorable. Salem will abide by this direction after informing clients that such a directive may result in less-than-favorable execution of their transaction.

Salem's custodial and independent brokers send research reports to some or all of Salem's investment advisors. The investment advisors at Salem use this research to help make investment selections for client accounts, and Salem directs trades to the broker that provides it. Salem does not receive any soft-dollar benefits from any of its brokers other than research. Salem does not have any agreements or understandings with brokers to direct client transactions to a particular broker or to pay commissions higher than those obtainable from other brokers in return for research products or other services. The company periodically reviews all trading and brokerage relationships to seek the best execution for its clients.

Whenever possible and appropriate, client trades may be aggregated to execute block trades. Each account will participate in a block order at an average price, and all transaction costs are shared on a pro-rata basis. Occasionally, a block trade will not be filled due to the use of a limit order or the type of stock (such as a small-cap stock with limited trading volume). In the event of an unfulfilled block trade, the trade will be allocated using an alphabetical or reverse-alphabetical policy. The advisor will allocate the shares in alphabetical order of client accounts. Upon the next occurrence of an unfulfilled block trade, the advisor will allocate the shares in reverse alphabetical order of client accounts. Salem believes that this practice will ensure that all client accounts are treated equally over time.

Salem's transactions in a client's account occasionally result in a trade error. In the event that a trade error occurs, Salem will seek to rectify the trade error immediately with the executing broker and/or custodian. If the trade error results in a financial loss to the client, Salem will cover the full loss amount, unless the custodian or executing broker covers the loss.

If the trade error results in a financial gain for the client and the custodian corrects the error, the custodian will retain de minimus gains and donate non-de minimus gains to the charity of their choice. If Salem corrects the error, Salem will allow the client to keep the gain in the client's account.

Item 13 – Review of Client Accounts and Salem’s Investment Counselors

The advisors at Salem routinely review client accounts. In general, the matters reviewed are pertinent to the account, including asset allocation, cash requirements, and account holdings. All accounts receive monthly or quarterly statements of all transactions and holdings from the account custodian. Salem may provide written reports to clients quarterly, semi-annually, or annually. These reports may occur in conjunction with an in-person meeting with the client. All advisors at Salem are available to talk or meet with clients at the client's discretion. The following individuals serve as advisors for Salem Investment Counselors:

David B. Rea

David received his J.D. degree from Wake Forest University School of Law in 1979, and in 1981, he earned his M.B.A. degree from Indiana University. He is a graduate of Wabash College in Crawfordsville, Indiana. David became a CPA in 1982 and was employed as a senior tax accountant at Deloitte, Haskins & Sells prior to joining Salem in 1984. In 1987, David was awarded the Chartered Financial Analyst designation. He has been active in the Clemmons and Winston-Salem communities and has served on numerous boards and community organizations.

Dale M. Brown

Dale is a graduate of the University of North Carolina School of Business and School of Law, where he was a member of Phi Beta Kappa and the Order of the Coif. He became a Certified Public Accountant in 1981 and a member of the North Carolina State Bar in 1979. Dale worked for Deloitte, Haskins, and Sells from September 1979 to December 1987, where he was a designated specialist in qualified retirement plans and estate planning. In January 1988, Dale joined Salem, where he specializes in fixed-income securities and portfolio management. He earned the Chartered Financial Analyst designation in 1990. Dale is a past member of the Board of Trustees of Wake Forest University Baptist Hospital.

Kenneth S. Jones

Ken received his MBA in 1980 from the University of Chicago, graduating *cum laude* with concentrations in finance and accounting. He received his undergraduate degree from Duke University in 1978, graduating *magna cum laude* with honors in economics. He joined Salem in 2000 after twenty years of practicing accounting with a concentration in tax and financial planning. Ken was awarded the Certified Public Accountant designation in 1982. In 1995, he was awarded the Personal Financial Specialist designation by the American Institute of Certified

Public Accountants, and in 2003, he earned the Chartered Financial Analyst designation. Ken has been active in the community, including being chairman of several church finance committees.

George "Kip" Keener

Kip is a 2002 graduate of the Wake Forest School of Law and a member of the North Carolina Bar. Kip received his undergraduate degrees from Hampden-Sydney College in 1999, graduating *summa cum laude* with honors in Political Science and Psychology. Since joining Salem, Kip has helped develop financial models for equity valuation and asset allocation models for client accounts. Kip is the firm's Chief Operations Officer, overseeing all firm operations.

J.F. Goins III

Ted graduated from the University of North Carolina at Chapel Hill in 1988 with a double major in Economics and History. Since 1991, he has worked for several regional brokerage firms as an analyst, institutional salesman, and client manager. His primary emphasis has been on small-cap equity analysis. Ted is also an active volunteer and board participant with several local non-profit organizations.

Joe McCaffrey

Joe graduated from Harvard University in 2002 and earned his MBA from Duke University's Fuqua School of Business in 2010. From 2005 to 2015, Joe served as Managing Director of Research and Insights at the Advisory Board Company, a healthcare consultancy based in Washington, D.C., where he provided customized investment guidance to hospitals and healthcare systems worldwide. Joe's areas of expertise include strategic investment planning, capital prioritization, operating margin preservation, and growth and market share performance. Joe joined Salem in 2015, where he specializes in portfolio management and equity analysis and is Salem's Chief Investment Officer. Joe holds the following professional designations: Chartered Financial Analyst (CFA) and Certified Financial Planner (CFP).

Lyn Williams

Lyn received his undergraduate degree from North Carolina State University in 2002 and 2004 earned a Master's degree in Trust and Investment Management from Campbell University. In 2009, Lyn received his MBA from Wake Forest University. From 2004 to 2016, Lyn was

employed with Wells Fargo and its predecessor, Wachovia Bank, providing wealth management services to high-net-worth individuals and families. In 2011, Lyn earned the Certified Trust and Financial Advisor Designation. Lyn joined Salem in 2016, specializing in portfolio management and equity analysis. He is active in the Winston-Salem community, serving on several boards and community organizations.

J. Joyner Edmundson, Jr.

Joyner graduated from the University of North Carolina at Chapel Hill with honors in economics in 1992 and a master of Accounting in 1993. He earned an MBA with distinction from Wake Forest University in 1998. Before joining Salem, Joyner was a portfolio manager at Abbot Downing, a Wells Fargo business, for 11 years, providing wealth management services to ultra-high-net-worth families. Joyner has over 20 years of investment experience, including positions in portfolio management, fixed income, investment banking, and public accounting. He became a Certified Public Accountant in 1994, earning the Chartered Financial Analyst designation in 1999 and the Certified Financial Planner designation in 2024. Joyner is an active community volunteer.

Matthew S. Simmons

Matt received his MBA from Wake Forest University in 1999, where he was presented with the Babcock Award for academics, integrity, and leadership. He earned his undergraduate degree in accounting from North Carolina State University in 1993. Before joining Salem, Matt spent 13 years as an investment manager at Truist Wealth, providing clients with customized investment management and personalized financial advice. He became a Certified Public Accountant in 1996 and earned the Chartered Financial Analyst designation in 2002.

Cooper A. Taylor

Cooper graduated from the University of Richmond in 2012 and then played in the NFL for four years after being drafted by the New York Giants. After retiring from professional football, he received his MBA from Indiana University's Kelley School of Business in 2018. Before joining Salem, Cooper worked at the University of Michigan Investment Office, which oversees the university's \$18 billion endowment on the private equity and venture capital portfolio, the top-performing asset classes during that period. Based in Durham, he is actively involved with the local NFLPA chapter and community service organizations. Cooper earned the Chartered Financial Analyst (CFA) designation in 2024.

K. Shea Abernethy

Shea holds a Bachelor of Science in Accounting from High Point University. Shea began his career in 2004, and before joining Salem, he was the Founder and Managing Partner of Avid Wealth Management, a Registered Investment Advisory firm providing clients with customized investment management and comprehensive financial planning. Other prior roles include Chief Investment Officer for a North Carolina-chartered trust company and Trust Officer at Wells Fargo, providing wealth management and trust services to high-net-worth individuals. Shea delivers personalized financial advice and specializes in model portfolio construction, asset allocation, retirement/financial planning, and business retirement plans. Shea has earned the following professional designations: (AIFA) Accredited Investment Fiduciary Analyst, (EA) Enrolled Agent with the Internal Revenue Service, (CSCP) Certified Securities Compliance Professional, (CES) Certified Estate/Trust Specialist [Inactive], (CTFA) Certified Trust/Financial Advisor [Inactive]. In addition to serving clients, Shea is the firm's Chief Compliance Officer.

Andrew Kalman

Andrew graduated from Harvard University in 2004 and earned his MBA from Duke University's Fuqua School of Business in 2017. He obtained the Chartered Financial Analyst designation in 2011 and is a member of the CFA Society of Washington, DC. Prior to joining Salem in 2026, he was a Senior Investment Director at Cambridge Associates, where he advised nonprofit institutions on investing their endowment portfolios. Upon graduating from Fuqua, he worked as an Associate Portfolio Manager at Dimensional Fund Advisors. Before entering business school, Andrew was a Managing Director at Vigilant Capital, a wealth management firm located in Maine and New Hampshire.

Item 14 – Client Referrals and Other Compensation

Salem does not have any arrangements with third parties under which it receives an economic benefit for providing advisory services to a client, or that provide compensation to a third party for client referrals.

Item 15 – Custody

Salem seeks to avoid general custody of client assets. However, some clients request services that Salem interprets as general custody. Those services include bill pay and client requests for an advisor to serve as trustee and/or executor. Those accounts identified as having general custody are covered by Salem's custody policy. This policy identifies specific accounts that classify Salem as having general custody over client assets. Salem has engaged Ashland Partners

& Co., LLP, a PCAOB-inspected CPA firm that conducts annual surprise audits of the identified general custody accounts.

Under current regulations, Salem interprets client accounts in which clients request that Salem transact with third-party payees on their behalf as constituting deemed custody of client assets. Salem meets this request by facilitating client instruction under custodial forms known as Standing Letters of Authority (SLOA). The SLOA is pre-approved by clients for specific third-party payees, which allows Salem to facilitate client-directed disbursements via checks, ACH/wire transfers, and inter-account custodian journal transfers.

Salem utilizes independent third-party qualified custodians for all client brokerage accounts and does not provide proprietary statement reporting of client accounts. All Salem clients receive either paper statements or electronic statement notifications from qualified custodians. Clients also receive transaction confirmations (trade confirms) for securities transacted via paper or electronic notification. All client statements include an asset holdings list, asset prices, and a transaction listing for each account statement period. Clients must request electronic-only account-related documents by opting out of paper for electronic notification delivery.

As part of our services, Salem offers clients the option to have investment advisory fees directly debited from their accounts. For clients who select this option, Salem instructs the custodian to debit the fees in accordance with our normal billing practice, as described in detail in Item 5.

Item 16 – Investment Discretion

Salem receives discretionary authority from the client at the outset of an advisory relationship, as set forth in the Investment Advisor agreement signed by the client and Salem. This authority includes the ability to do the following without contacting the client:

- 1) Determine the security to buy or sell
- 2) Determine the amount of the security to buy or sell; and /or
- 3) Determine the broker to be used and the commission rates to be paid

For pooled investments (such as mutual funds and exchange-traded funds) that charge annual expenses, Salem seeks fund options that charge reasonable expenses and meet client investment needs. In all cases, however, such discretion is to be exercised in a manner consistent with the investment objectives of the particular client account.

When selecting securities for a client account, the advisors at Salem observe any limitations or restrictions the client has placed on the account. Salem will facilitate private investments for interested clients. Although Salem does not have discretion over these types of assets, it does provide transactional, monitoring, and review services for clients regarding these investments.

Item 17 – Voting Client Securities

As a part of its discretionary authority, Salem manages and votes on client account proxy matters on the client's behalf. Salem seeks to vote all proxies with a "Shareholder-Friendly" style. A "Shareholder-Friendly" style of proxy voting seeks to maximize shareholder value by aligning management incentives with long-term investors through transparency, accountability, and active shareholder engagement.

The Chief Compliance Officer reviews and votes all proxies in accordance with the adopted voting style and the client's perceived best interests. In cases where Salem discovers a conflict of interest between a client and Salem (or an affiliated individual), Salem will seek to vote in the client's best interest or abstain from voting altogether. Clients who wish to vote their own proxies must request in writing to their advisor or to Salem's Chief Compliance Officer that Salem be removed from voting their account's proxies.

Salem, as of August 2025, is required to report annually to the SEC via Form N-PX all proxy votes regarding "say on pay." Clients may request a copy of Salem's proxy voting record for a given period via a written request to the advisor or the Chief Compliance Officer.

Item 18 – Financial Information

Registered Investment Advisors must provide clients with certain financial information or disclosures about their financial condition and status. Salem has no financial impairments or commitments that impact its ability to meet contractual and fiduciary obligations to its clients. Salem has not been the subject of bankruptcy proceedings.

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