

## **PensionBee Inc.**

### **Wrap Fee Program Brochure**

This wrap fee program brochure provides information about the qualifications and business practices of PensionBee Inc. If you have any questions about the contents of this brochure, please contact us at (718) 502 9433 or by email at: [info@pensionbee.com](mailto:info@pensionbee.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about PensionBee Inc. is also available on the SEC's website at:

[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

PensionBee Inc.'s CRD number is: 331741.

#### **Contact information**

Address: 85 Broad Street, New York, NY 10004.

Phone number: (718) 502 9433.

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Email: [info@pensionbee.com](mailto:info@pensionbee.com)

Registration as an investment adviser does not imply a certain level of skill or training.

Version Date: July 1, 2025

## Item 2: Material Changes

Updates to reflect amended fees applicable to certain plans and additional disclosure of compensation to non-advisory personnel for customer referrals.

Miscellaneous additional edits for consistency and clarity.

## Item 3: Table of Contents

<b>Item 1: Cover Page</b>	<b>1</b>
<b>Item 2: Material Changes</b>	<b>2</b>
<b>Item 3: Table of Contents</b>	<b>3</b>
<b>Item 4: Services, Fees and Compensation</b>	<b>4</b>
<b>Item 5: Account Requirements and Types of Customers</b>	<b>7</b>
<b>Item 6: Portfolio Manager Selection and Evaluation</b>	<b>8</b>
<b>Item 7: Customer Information Provided to Portfolio Managers</b>	<b>13</b>
<b>Item 8: Customer Contact with Portfolio Managers</b>	<b>14</b>
<b>Item 9: Additional Information</b>	<b>15</b>
<b>Item 10: Requirements For State Registered Advisers</b>	<b>19</b>

## Item 4: Services, Fees and Compensation

### A. Description of Services

PensionBee Inc. ("PensionBee") offers online adviser portfolio management services via a wrap fee program to retail customers rolling over or transferring defined contribution retirement accounts (e.g. 401(k)s) into a new individual retirement account ("IRA") with PensionBee as sponsor and sole portfolio manager.

PensionBee manages customer portfolios, investment strategies and investments through an online interface. Customer accounts are not continuously reviewed or monitored on an ongoing basis by PensionBee, save for annual automated allocation revisions and regular realignments within model portfolios we offer.

PensionBee offer both discretionary advisory services (where we make the decision regarding the purchase or sale of investments) as well as non-discretionary services (where the retail customer makes the ultimate decision). PensionBee offer limited types of investments, namely, model portfolio exchange traded funds ("ETFs") provided by a single third party. PensionBee do not offer proprietary products.

PensionBee offers a fixed wrap fee calculated for each IRA with PensionBee at a rate that will not exceed the capped annual fee rate as set out below:

Capped Annual Fee Rate	Relevant Assets for Calculating Fee
0.85%	All assets under management within a customer's IRA with PensionBee

The fixed wrap fee rate applied to any individual IRA with PensionBee will not exceed the rate set out above but may be lower than the rate specified above depending upon the PensionBee Portfolio the IRA is invested in and upon the account balance of the IRA.

PensionBee receives a portion of the wrap fee for the provision of its services. PensionBee's fees are withdrawn on a monthly basis directly from each customer's account by the account custodian. Customers authorize this fee and its deduction when they sign up to an account with PensionBee.

PensionBee's fees are paid in arrears. PensionBee uses the value of the account as of the last calendar day of the relevant calendar month billing period to determine the market value of the assets upon which the fee is based. When opening an account or closing an account, if the first or last monthly period is less than a full monthly billing period a prorated fee will be applied.

A customer may terminate their account with PensionBee without penalty, for a full refund of PensionBee's fees, within seven (7) business days of the customer receiving the Disclosure Statement (as defined in a customer's investment advisory contract with PensionBee) without penalty or fee. Thereafter, a customer may terminate their investment advisory contract with PensionBee immediately upon written notice. Other than where you terminate in the initial seven (7) business days of receiving the Disclosure Statement, the account custodian will charge an account closing fee,

currently set at \$50 per customer account closure, which will be deducted automatically from the account balance transferred to customers.

In addition to offering services to retail customers, PensionBee also offers employers a permitted “Safe Harbor” for automatic rollovers in accordance with the Internal Revenue Code of 1986.

## **B. Contribution Cost Factors**

PensionBee’s wrap fee program may cost the customer more or less than purchasing such services separately. There are several factors that bear upon the relative cost of our wrap fee program compared to other services, including the trading activity in a customer’s account, the adviser’s ability to aggregate trades, and the cost of the services if provided separately (which in turn depends on the prices and specific services offered by different providers).

## **C. Additional Fees**

Our wrap fee program includes the ETF management fee, custody fee and advisory fee. Additionally, the customer would pay an administrative account closing fee to our custodian (currently set at \$50 per customer account closure). There are certain other circumstances where the account custodian may charge incidental fees for non-standard requests outside of the scope of PensionBee’s wrap fee program. As a wrap fee combines certain transaction fees, our wrap fee is higher than if customers paid transaction fees separately. PensionBee’s customers will pay fees and costs whether their account makes or loses money on investments and whether or not there are transactions on the relevant customer’s account. Fees and costs will reduce any amount of money a customer makes on their account investments over time. Customers should make sure they understand what fees and costs they are paying.

Customers should be aware that PensionBee has an incentive to limit trading activities for customer accounts since the firm absorbs certain of those transaction costs.

## **D. Compensation of Customer Participation**

SSGA Funds Management, Inc. is the exclusive ETF model provider to PensionBee. PensionBee will receive reimbursement payments from State Street Global Advisors Funds Distributors LLC (“SSGA FD”) for certain costs incurred by PensionBee in marketing the ETFs included in the models, including the distribution of marketing materials for certain of the ETFs. The reimbursement payments from SSGA FD may only be used to offset certain specified marketing expenses of PensionBee for the marketing of the ETFs included in the models offered by PensionBee, including marketing materials describing the promoted ETFs.

Other than as described above in this Item 4, neither PensionBee, nor any representatives of PensionBee, receive any additional compensation beyond the fees for the participation of customers in the wrap fee program. However, compensation received by PensionBee by way of fees paid by customers may be more than what would have been received if customers paid separately for investment advice, brokerage, and other services. Therefore, PensionBee has a financial incentive to recommend the wrap fee program to customers. To address this conflict, PensionBee will always act

in the best interest of its customers consistent with its fiduciary duty under ERISA (see further below in Item 6.C under Written Acknowledgement of Fiduciary Status) and as an investment adviser.

## Item 5: Account Requirements and Types of Customers

PensionBee offers online adviser portfolio management services via a wrap fee program to retail customers rolling over or transferring defined contribution retirement accounts (e.g. 401(k)s) into a new IRA).

There is no minimum account size for customers to participate in the PensionBee wrap fee program.

In addition to offering services to retail customers, PensionBee also offers employers a permitted “Safe Harbor” for automatic rollovers in accordance with the Internal Revenue Code of 1986.

## Item 6: Portfolio Manager Selection and Evaluation

### A. Selecting / Reviewing Portfolio Managers

PensionBee will not select outside portfolio managers for management of this wrap fee program. PensionBee is the sponsor of this wrap fee program and will be the sole portfolio manager for this wrap fee program.

SSGA Funds Management, Inc. is the exclusive ETF model provider to this wrap fee program. An ETF model portfolio consists of two or more ETFs.

### B. Related Persons

PensionBee and its personnel serve as sole investment adviser for all wrap fee program accounts. This is a conflict of interest in that no outside adviser assesses PensionBee's management of this wrap fee program. PensionBee addresses this conflict by acting in its customers' best interest consistent with its fiduciary duty under ERISA (see further below under Written Acknowledgement of Fiduciary Status) and as sponsor and portfolio manager of the wrap fee program.

### C. Advisory Business

PensionBee offers investment advisory services to retail customers rolling over or transferring defined contribution retirement accounts (e.g. 401(k)s) into an IRA. PensionBee's portfolio management service is provided in a wrap fee program where PensionBee reviews your portfolio, investment strategy, and investments through an online interface. PensionBee does not currently offer any services other than on a wrap fee program basis. PensionBee is the sole portfolio manager and sponsor of this wrap fee program.

#### For retail customers directly accessing PensionBee services:

PensionBee offers model portfolios provided by a single third party, on an exclusive basis, which invest in ETFs. PensionBee does not offer proprietary products. As portfolio manager for this wrap fee program, PensionBee oversees the selection of the model portfolios that customers can choose from. Automated investment solutions are customized according to each customer's age with an assumed target retirement age of 65 years prior to which a customer has not anticipated need for early withdrawal of funds invested in the account. Investment solutions can also be customized where a customer has advised PensionBee of a particular risk appetite or sustainable investment focus.

PensionBee will request discretionary authority from customers when they first sign up to become PensionBee customers in order to permit PensionBee to select securities and execute transactions for the customer. PensionBee offers both discretionary advisory services as well as non-discretionary services. PensionBee offers a default model portfolio determined by a customer's age, with an assumed target retirement age of 65 years prior to which a customer has not anticipated need for early withdrawal of funds invested in the account. A customer's account will be invested into that default model portfolio unless a customer makes an election to invest in an alternative model portfolio offered via the PensionBee wrap fee program (where the customer makes the ultimate decision)



where the customer has advised PensionBee of a particular risk appetite or sustainable investment focus. PensionBee oversees the methodology used to select model portfolios but does not review or monitor each customer's account on an ongoing basis save for annual automated allocation revisions and regular realignments within the model portfolios on the PensionBee platform. Portfolio realignments will generally occur automatically and without regard for current market conditions. Customers are encouraged to review their account and consider whether the PensionBee advisory service and their current portfolio aligns with their objectives or whether an alternative PensionBee investment portfolio better aligns with their risk appetite or objectives.

See section 4.C (Additional Fees) for a description of what is included or not included in the fee paid to PensionBee for the wrap fee program.

For customers with accounts provided by PensionBee as a "Safe Harbor" for automatic rollovers in accordance with the Internal Revenue Code of 1986:

A customer's account will initially be invested into ETFs available via the PensionBee wrap fee program which satisfy the requirements of the "Safe Harbor" for automatic rollovers in accordance with the Internal Revenue Code of 1986; which may include, without limitation, any investment product sponsored by PensionBee or an affiliate of PensionBee. A customer may subsequently make an election to invest in an alternative model portfolio offered via the PensionBee wrap fee program (where the customer makes the ultimate decision). If a customer selects a non-"Safe Harbor" investment option, they will be subject to the same terms and conditions as retail customers directly accessing PensionBee's services.

## **Services Limited to Specific Types of Investments**

PensionBee services offered directly to retail customers under the wrap fee program are limited exclusively to the provision of model portfolios made up of ETFs provided by a single third party. For customers accessing PensionBee services via the "Safe Harbor" for automatic rollovers, ETFs that comply with the requirements of the Internal Revenue Code of 1986 for these purposes. See further Item 4.D6 (Compensation of Customer Participation) and Item 6.A (Portfolio Manager Selection and Evaluation).

## **Written Acknowledgement of Fiduciary Status**

PensionBee will provide limited fiduciary services as an "investment advisor" in accordance with Section 3(21) of the Employee Retirement Income Security Act of 1974, as amended, and will comply with the Department of Labor's Amended PTE 2020-02 to address potential conflicts of interests and prevent any non-exempt prohibited transactions.

When PensionBee provides investment advice to a customer regarding their individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. We also have a fiduciary duty under the Investment Advisers Act of 1940 with respect to all customer accounts. The way we make money potentially creates some conflicts with customers' interests, so we operate under a special rule that requires us to act in our customers' best interest and not put our interest ahead of our customers' interests. Under this special rule's provisions, we must:

PensionBee Inc. is an investment adviser, registered with the Securities and Exchange Commission. We do not provide in-person advice. PensionBee Inc (Delaware Registration Number SR20241105406 ) is located on 85 Broad Street, New York, New York, 10004.

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of our customers' interest when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in our customers' best interest;
- Charge no more than is reasonable for our services; and
- Give our customers basic information about conflicts of interest.

## **Customer Tailored Services and Customer Imposed Restrictions**

PensionBee offers the same suite of services to all of its customers once their account is invested. Specific customer investment strategies and their implementation are dependent upon the customer's age, risk appetite or other objectives. Customers are permitted to impose restrictions in accordance with their sustainability objectives or beliefs by selecting or excluding specific ETFs offered on the PensionBee wrap fee program from their model portfolio selection for their PensionBee account and advising PensionBee of these selected / excluded ETFs.

## **Wrap Fee Programs**

PensionBee sponsors and acts as sole portfolio manager for this wrap fee program. PensionBee does not currently offer any products or services other than on a wrap fee program basis. See Item 4 (Services, Fees and Compensation) above for details on the fee paid to PensionBee pursuant to the wrap fee program.

## **Performance-Based Fees and Side-By-Side Management**

PensionBee's fees are charged on the balance of the customer's account and does not accept separate performance-based fees or other fees based on a share of capital gains or on capital appreciation of the assets of a customer.

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

### **Methods of Analysis**

PensionBee's methods of analysis include modern portfolio theory.

Modern portfolio theory is a theory of investment that attempts to maximize expected returns for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various assets.

### **Investment Strategies**

PensionBee uses / recommends long term investing.

*Investing in securities involves a risk of loss that any a customer should be prepared to bear.*

## Material Risks Involved

### Methods of Analysis

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### Investment Strategies

Long term investing is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose customers to various types of risk that will typically surface at various intervals during the time the customer owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

*Investing in securities involves a risk of loss that a customer should be prepared to bear.*

### Risks of Specific Securities Utilized

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Because ETFs use "authorized participants" (APs) as agents to facilitate creations or redemptions (primary market), there is a risk that an AP decides to no longer participate for a particular ETF; however, that risk is mitigated by the fact that other APs can step in to fill the vacancy of the withdrawing AP (an ETF typically has multiple APs) and ETF transactions predominantly take place in the secondary market without need for an AP. Like other liquid securities, ETF pricing changes throughout the trading day and there can be no guarantee that an ETF is purchased at the optimal time in terms of market movements. Moreover, due to market fluctuations, ETF brokerage costs, differing demand and characteristics of underlying securities, and other factors, the price of an ETF can be lower than the aggregate market price of its cash and component individual securities (net asset value – NAV). An ETF is subject to the same market risks as those of its underlying individual securities, and also has internal expenses that can lower investment returns.

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

### Voting Customer Securities (Proxy Voting)

PensionBee will not ask for, nor accept, voting authority for securities (i.e. the ETFs) held in any of its customer's account in this PensionBee wrap fee program. Customers will receive proxies in relation

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to such securities directly from the issuer of the security or the account custodian to the same extent these are available as if the customer held the securities outside the wrap fee program. Customers should direct all proxy questions to the issuer of the security.

## **Item 7: Customer Information Provided to Portfolio Managers**

PensionBee is the sole portfolio manager for this wrap fee program. Customer details will not be provided to any third party portfolio manager or provider of model portfolios.

## Item 8: Customer Contact with Portfolio Managers

PensionBee is the sole portfolio manager for this wrap fee program and there will be no third party portfolio managers. Customers will not be able to contact third party providers of model portfolios.

PensionBee makes support personnel who are knowledgeable about customer accounts and their administration reasonably available to customers.

## **Item 9: Additional Information**

### **A. Disciplinary Action and Other Financial Industry Activities**

#### **Criminal or Civil Actions**

There are no criminal or civil actions to report.

#### **Administrative Proceedings**

There are no administrative proceedings to report.

#### **Self-Regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

Neither PensionBee nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

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

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

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

Matthew Ronald Cavanagh is a lawyer. PensionBee's customers will not be offered advice or services from this outside business activity. No conflicts of interest exist.

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

PensionBee does not select third party investment advisers or managers.

### **B. Code of Ethics, Customer Referrals, and Financial Information**

#### **Code of Ethics**

PensionBee has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of

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Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. PensionBee's Code of Ethics is available free upon request to any customer or prospective customer.

## **Recommendations Involving Material Financial Interests**

PensionBee does not recommend that customers buy or sell any security in which PensionBee or a related person has a material financial interest.

## **Investing Personal Money in the Same Securities as Customers**

PensionBee will not recommend to customers single stock securities in which the firm or its representatives also invest.

PensionBee's model portfolios invest in widely available ETFs which are accessible by PensionBee's personnel.

## **Trading Securities At/Around the Same Time as Customers' Securities**

See "Investing Personal Money in the Same Securities as Customers" response above.

## **Frequency and Nature of Periodic Reviews**

Customer accounts at PensionBee are not reviewed or monitored on an ongoing basis by PensionBee save for annual automated allocation revisions and regular realignments within model portfolios offered by PensionBee as part of this wrap fee program. Customers are encouraged to review their account and consider whether the PensionBee advisory service and their current portfolio aligns with their objectives or whether an alternative PensionBee investment portfolio better aligns with their risk appetite or objectives.

## **Factors That Will Trigger a Non-Periodic Review of Customer Accounts**

Customer accounts do not undergo non-periodic review by PensionBee, although allocations may change based on material market, economic, or political events and/or changes to a customer's profile in accordance with PensionBee's automated portfolio management.

## **Content and Frequency of Regular Reports Provided to Customers**

Customers will receive at least monthly a written report that details the customer's account including assets held and asset value, which report will come from the account's custodian.

## **Economic Benefits Provided by Third Parties for Advice Rendered to Customers**

SSGA Funds Management, Inc. is the exclusive ETF model provider to PensionBee. PensionBee will receive reimbursement payments from State Street Global Advisors Funds Distributors LLC ("SSGA



FD") for certain costs incurred by PensionBee in marketing the ETFs included in the models, including the distribution of marketing materials for certain of the ETFs. The reimbursement payments from SSGA FD may only be used to offset certain specified marketing expenses of PensionBee for the marketing of the ETFs included in the models, including marketing materials describing the promoted ETFs.

### **Compensation to Non – Advisory Personnel for Customer Referrals**

PensionBee does not directly or indirectly compensate any person who is not advisory personnel for customer referrals, other than industry standard, arms-length online and offline marketing initiatives (e.g. billboards, television, paid search, online social media).

SS&C Market Services, LLC and SS&C Retirement Solutions, LLC are paid for their services in connection with employers using PensionBee services as a “Safe Harbor” for automatic rollovers pursuant to the Internal Revenue Code of 1986.

Asure Customer & IP HoldCo LLC are paid for their services in promoting PensionBee IRA and rollover services to their clients, which payments are made by reference to the volume and value of their customers who become clients of PensionBee.

See further details of the above referenced arrangements below under Item 9.B (Other Financial Industry Activities and Affiliations).

### **Balance Sheet**

PensionBee neither requires nor solicits prepayment of more than \$1,200.

### **Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Customers**

PensionBee does not have any financial condition that would impair its ability to meet contractual commitments to customers.

### **Bankruptcy Petitions in Previous Ten Years**

PensionBee has not been the subject of a bankruptcy petition.

### **Other Financial Industry Activities and Affiliations**

SSGA Funds Management, Inc. is an investment adviser registered with the US Securities and Exchange Commission and our exclusive ETF model provider. See further details of this arrangement under Item 4.D (Compensation of Customer Participation) ) and Item 6.A (Portfolio Manager Selection and Evaluation).

SS&C Market Services, LLC and SS&C Retirement Solutions, LLC, have entered into an agreement with PensionBee in connection with the use of PensionBee services by employers as a “Safe Harbor” for automatic rollovers pursuant to the Internal Revenue Code of 1986.



Asure Customer & IP HoldCo LLC has entered into an agreement with PensionBee in connection with the promotion to its customers of PensionBee IRA and rollover services.

## **Item 10: Requirements For State Registered Advisers**

Please see the “Recommendations Involving Material Financial Interests” and “Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests” sections above.