

# WMG

FINANCIAL ADVISORS

## WMG Financial Advisors, LLC Wrap Fee Program Brochure

*This wrap fee program brochure provides information about the qualifications and business practices of WMG Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (865) 290-4000 or by email at: [edwan@wmgfa.com](mailto:edwan@wmgfa.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 WMG Financial Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). WMG Financial Advisors, LLC's CRD number is: 285824.*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of WMG Financial Advisors, LLC on January 29, 2020 are described below. Material changes relate to WMG Financial Advisors, LLC's policies, practices or conflicts of interests.

- The firm's Chief Compliance Officer is Elizabeth DeWan.
- The firm has updated Item 9 to list Michael Innes as an insurance agent.

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## Item 4: Services Fees and Compensation

WMG Financial Advisors, LLC (hereinafter “WMG”) offers the following services to advisory clients:

### A. Description of Services

WMG participates in and sponsors a wrap fee program, which allows WMG to manage client accounts for a single fee that includes both portfolio management services and brokerage costs. The fee schedule is set forth below:

Total Assets Under Management	Maximum Annual Fee
All Assets	2.00%

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit II of the client contract. WMG uses the last day of previous quarter for purposes of determining the market value of the assets upon which the advisory fee is based.

Advisory fees are withdrawn directly from the client’s accounts with client written authorization. Fees are paid quarterly in advance. Refunds are given on a prorated basis, based on the number of days remaining in the billing period on the effective date of termination. The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the billing period up to and including the effective date of termination. (\*The daily rate is calculated by dividing the annual fee by 365).

Clients may terminate the contract without penalty, for full refund, within five business days of signing the contract. Thereafter, clients may terminate the contract with thirty days’ written notice.

### B. Contribution Cost Factors

The program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the program, including the trading activity in the client’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**

Clients who participate in the wrap fee program will not have to pay for transaction or trading fees except for transactions conducted through our prime brokerage arrangement described below. However, clients are still responsible for all other account fees, such as annual IRA fees to the custodian, transition fees if the account is moved to another broker, or mutual fund fees.

#### **Prime Brokerage**

- This is an arrangement between WMG, the executing broker and TD Ameritrade, Inc. (TDA) the custodian of the client's account. There is an enrollment process and required paperwork to be exchanged between all parties prior to any trades executed. Trading and settlement of Prime Brokerage trades is typically done on an omnibus or block basis. There is a TDA Prime Brokerage fee per trade per account that WMG will pay. Any mark up on any transaction will be the responsibility of the client.
- Trade away transactions are done and settled separately for each end client. No block or omnibus trading is permitted. Each trade is conducted by WMG at the executing broker in an account set up there for each end client. There is a TDA Prime Brokerage fee per trade per account that WMG will pay. Any mark up on any transaction will be the responsibility of the client.
- All prime brokerage or trade away transactions are reviewed by WMG home office prior to submission. The representative for the transaction must properly document the reasons for the transactions and obtain approval prior to submission.

#### **Mutual Fund Fees**

When executing the purchase of mutual funds for clients, the firm's policy is to purchase the least expensive mutual fund share class available at our custodian, currently TDA. When client mutual funds transfer in from other firms, WMG will review these funds and convert them to the lowest cost share class currently available at our custodian.

WMG will strive to place clients in mutual funds that do not assess 12b-1 fees to the fund holders. In the event this is not possible, client is hereby notified that WMG does not share in any 12b-1 fees.

## **D. Compensation of Client Participation**

Neither WMG, nor any representatives of WMG receive any additional compensation beyond advisory fees for the participation of client's in the wrap fee program. However, compensation received may be more than what would have been received if client paid separately for investment advice, brokerage, and other services. Therefore, WMG may have a financial incentive to recommend the wrap fee program to clients.

## **Item 5: Account Requirements and Types of Clients**

WMG generally provides its wrap fee program services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Retirement and Profit-Sharing Plans
- ❖ Corporations or Business

Entities There is no account minimum.

## **Item 6: Portfolio Manager Selection and Evaluation**

### **A. Selecting/Reviewing Portfolio Managers**

WMG will not select any outside portfolio managers for management of this wrap fee program. WMG will be the sole portfolio manager for this wrap fee program.

#### ***Standards Used to Calculate Portfolio Manager Performance***

WMG will use industry standards to calculate portfolio manager performance.

#### ***Review of Performance Information***

WMG reviews the performance information to determine and verify its accuracy and compliance with presentation standards. The performance information is reviewed quarterly and is reviewed by WMG.

## **B. Related Persons**

WMG and its personnel serve as the portfolio managers for all wrap fee program accounts. This is a conflict of interest in that no outside adviser assesses WMG's management of the wrap fee program. However, WMG addresses this conflict by acting in its clients' best interest consistent with its fiduciary duty as sponsor and portfolio manager of the wrap fee program.

## **C. Advisory Business**

WMG offers portfolio management services to its wrap fee program participants as discussed in Section 4 above.

### ***Wrap Fee Portfolio Management***

WMG offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. WMG creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management includes, but is not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

WMG evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. WMG will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

### **Unified Managed Account Program**

We also offer discretionary investment management services in a managed account program through an Overlay Manager (the "UMA Program"). This UMA Program consists of model portfolios comprised of individual equity securities, mutual funds and/or exchange-traded funds ("ETFs") to represent different possible investment strategies for managing your account. Each of these investment strategies are intended to meet a specific goal. At all times we will continue to be your financial



advisor, with the fiduciary responsibility to you. You will not have a direct contractual relationship or be in contact with the Overlay Manager, or any other Third-Party Service Provider – these are all service providers to us which we employ on your behalf.

Prior to investing in the UMA Program, you will execute a discretionary investment management agreement with us setting forth the terms and conditions of our management of your investments within the UMA Program. Depending on the management services you select, you will grant us discretionary authority to manage your account through selection of an overlay manager (“Overlay Manager”) and, optionally, a third-party strategist (“Strategist”) and/or third-party managers (“Managers”; collectively, “Third-Party Service Providers”). If utilized for your account(s), we will separately provide you with the firm brochure (Part 2 of Form ADV) for the applicable Third-Party Service Provider(s) which includes information about their services, model portfolios, and investment strategies. It is our responsibility to monitor the performance of these Third-Party Service Providers will maintain the authority to replace any Strategist and/ or Manager associated with your account(s) when we deem doing so is in your best interest.

In addition, you will authorize the custodian to follow our instructions as well as instructions given by Overlay Manager to effect transactions, deliver securities, deduct fees and take other actions with respect to your account(s).

The timing of trades in your account(s) will primarily depend upon the model portfolio or changes in the model portfolio and, generally, will not take into consideration how long you may have held the position indicated by the model portfolio – unless the optional tax overlay management services are elected. Tax Overlay Management is available only to U.S. account holders. By default, accounts are managed without Tax Overlay Management services unless specifically elected by you.

#### Tax Overlay Management Services

Tax overlay management services are available as an option for accounts utilizing the UMA Program through the Overlay Manager. If you elect tax overlay management services, the portion of your fee

paid as the management fee on your account will increase. The Overlay Manager will develop a tax strategy for your account based on the information and instructions provided by us on your behalf. Tax overlay management services in an investment account offer benefits and limitations, as described below. The tax strategy developed for you by the Overlay Manager is provided solely in connection with your account and the Overlay Manager does not provide general tax planning services. If you do elect the tax overlay management services option, please consider the following:

- The Overlay Manager will implement tax overlay management services based on the information and instructions provided by us for your account(s).
- The Overlay Manager does not provide general tax advice, tax return preparation or tax planning services.
- The Overlay Manager will seek to reduce the overall tax burden of the account while seeking to maintain the risk and return characteristics of the model portfolios received from Strategists and/or Managers.
- When providing tax overlay management services to the account, short-term gains are avoided where possible, but long-term gains are not limited unless you have requested a mandate to limit realized long-term gains.

The Overlay Manager will provide tax overlay management services with the assumption that the Overlay Manager will continue to provide services to the account for an entire tax year. The termination or removal of the tax overlay management services before the completion of an entire tax year may result in adverse tax consequences, including without limitation realization of short-term capital gains.

Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Portfolio management accounts participating in the wrap fee program will not have to pay for transaction or trading fees. WMG will charge clients one fee, and pay transaction fees using the advisory fee collected from the client. Certain other fees are not included in the wrap fee and are paid for separately by the client. These include, but are not limited to, margin costs, charges imposed directly by a mutual fund or exchange traded fund, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that WMG has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs. To address this conflict, WMG will always act in the best interest of its clients consistent with its fiduciary duty as an investment adviser.

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

WMG does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

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

WMG generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds. WMG may use other securities as well to help diversify a portfolio when applicable.

### ***Client Tailored Services and Client Imposed Restrictions***

WMG will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by WMG on behalf of the client. WMG will not use "model portfolios" but rather a specific set of recommendations for each client based on their personal restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent WMG from properly servicing the client account, or if the restrictions would require WMG to deviate from its standard suite of services, WMG reserves the right to end the relationship.

### ***Wrap Fee Programs***

WMG sponsors and acts as portfolio manager for this wrap fee program. WMG manages the investments in the wrap fee program, but does not manage those wrap fee accounts any differently than non-wrap fee accounts. The fees paid to the wrap account program will be given to WMG as a management fee.

### ***Amounts Under Management***

WMG has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$ 243,719,471	\$ 99,660,088	December 2020

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

WMG's methods of analysis include charting analysis, fundamental analysis, technical analysis, cyclical analysis, and modern portfolio theory.

*Charting analysis* involves the use of patterns in performance charts. WMG uses

this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

*Fundamental analysis* involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

*Technical analysis* involves the analysis of past market data; primarily price and volume.

*Cyclical analysis* involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

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

WMG uses long term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### ***Material Risks Involved***

**Charting analysis** strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

*Fundamental analysis* concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

*Technical analysis* attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

*Cyclical analysis* assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy

are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles these investors are trying to exploit.

**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.

**Options** writing or trading involves a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value and the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### ***Risks of Specific Securities Utilized***

WMG generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**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. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes

in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Unit Investment Trusts (“UITs”)** are bundled collections of over investments, designed to provide individuals the opportunity to invest in a diversified portfolio of securities with a low initial investment requirement. A UIT is either a regulated investment company (“RIC”) or a grantor trust. [A RIC is a company in which the investors are joint owners, while a grantor trust grants investors proportional ownership in the UIT’s underlying securities.] UITs will, generally speaking, inherit the risks of the underlying securities, and may not be appropriate for investors seeking capital preservation. Unlike mutual funds, UITs are not traded; rather the UIT manager purchases investments and holds them until maturity. UITs carry significant interest rate risk and have liquidity risks that mutual funds do not, plus more complex UITs are also subject to a number of risks that include increased volatility and greater potential for loss.

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

### ***Voting Client Proxies***

WMG will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

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

All client information material to managing the portfolio (including basic information, risk tolerance, sophistication level, and income level) is provided to the portfolio manager. The portfolio manager will also have access to that information as

it changes and is updated.

## **Item 8: Client Contact with Portfolio Managers**

WMG places no restrictions on client ability to contact its portfolio managers. WMG's representative, Dieter W Bergner can be contacted during regular business hours and contact information is on the cover page of Dieter W Bergner's Form ADV Part 2B brochure supplement.

## **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 Proceedings***

There are no self-regulatory organization proceedings to report.

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

As registered representatives of ProEquities Inc., Dieter William Bergner, Mark Ashford, Charles Walter Sells, LuAnn Craft Jarnagin, Roger Dale Davis, Rae Denise Haulk-Davis, Dennis K White, Jason R Witcher, Jack Palmer, and Ben Barnett accept compensation for the sale of securities.

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

Neither WMG nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor.



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

### **Broker-Dealer**

Dieter William Bergner, Mark Ashford, Charles Walter Sells, LuAnn Craft Jarnagin, Roger Dale Davis, Rae Denise Haulk-Davis, Dennis K White, Jason R Witcher, Jack Palmer, and Ben Barnett are registered representatives of ProEquities, Inc (“PEI”), member FINRA/SIPC. They will offer clients advice or product from these activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary responsibilities of a registered investment advisor. WMG serves as a branch location for PEI and provides office space to PEI. PEI holds a promissory note from the owner of WMG, Dieter William Bergner, and receives a percentage of the revenues generated by WMG (either as advisory fees or commissions) as repayment of this note. Some WMG clients also have accounts at PEI which are managed by the same representative. WMG always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of WMG in such individuals’ capacities as registered representatives.

Additionally, John Wayne Perdue, Jr. is a registered representative of PEI; however, he does not act in a sales capacity and does not offer products or services to advisory clients from this activity.

### **Insurance Agent**

Dieter William Bergner, Mark Ashford, Charles Walter Sells, LuAnn Craft Jarnagin, Michael Alan Burnette, Roger Dale Davis, Rae Denise Haulk-Davis, Dennis K White, Jason R Witcher, Jack Palmer, Ben Barnett and Michael Innes are independent licensed insurance agents, and from time to time, will offer clients advice or products from those activities. Those activities are provided through WMG Financial Services, which also shares office space and common ownership with WMG Financial Advisors. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary responsibilities of a registered investment advisor. WMG always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of WMG in connection with such individuals’ capacities as licensed insurance agents.

### **Other Outside Business Activities**

- John Wayne Perdue Jr has been granted power of attorney for his mother.
- LuAnn Craft Jarnagin has been granted power of attorney for her father and her mother.
- LuAnn Craft Jarnagin works as a consultant where she provides human resource consulting and training services.
- Roger Dale Davis is a partner of Rock Foundation Properties, LLC.
- Roger Dale Davis is a partner of Davis Wealth Partners.
- Rae Denise Haulk-Davis is a partner of Davis Wealth Partners.
- Benjamin S Barnett is a minority owner of West Madison Auto.
- Jackson W Palmer is a Certified Public Accountant (CPA).
- Jason R Witcher is a Certified Public Accountant (CPA).
- Jason R Witcher is a reserve police officer (sergeant) at Brandon Police Department.
- Jason R Witcher is a ruling elder and finance chairman at Lakeland Presbyterian Church.
- Jason R Witcher is a member manager at WL Investments LLC, Witcher Properties, LLC, Cypress Capital Group, APEX Enterprises LLC, MS Opportunity Zone Fund 1, LLC, and Heritage Land and Timber LLC.
- Benjamin S Barnett is an executor of the Estate of Donald E Barnett.
- Charles Walter Sells is a Board of Member at Wolftever Fishing Club.

From time to time, representatives of WMG may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. WMG always acts in the best interest of the client and clients always have the right to decide whether or not to utilize the services of any representative of WMG in such individual's outside capacities.

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

WMG does not utilize nor select other advisors or third party managers for its wrap fee program. All assets are managed by WMG management.

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

### ***Code of Ethics***

WMG 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 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. Our Code of Ethics is available free upon request to any client or prospective client.

### ***Recommendations Involving Material Financial Interests***

WMG does not recommend that clients buy or sell any security in which a related person to WMG or WMG has a material financial interest.

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

From time to time, representatives of WMG may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of WMG to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. WMG will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

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

From time to time, representatives of WMG may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of WMG to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, WMG will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### ***Frequency and Nature of Periodic Reviews and Who Makes Those Reviews***

Client accounts are reviewed at least annually only by the compliance department. The compliance department is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at WMG are assigned to this reviewer.

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

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

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

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

### ***Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)***

WMG participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. WMG receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, WMG participates in TD Ameritrade's institutional customer program and WMG may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between WMG's participation in the program and the investment advice it gives to its Clients, although WMG receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving WMG participants; access to

block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to WMG by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by WMG's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit WMG but may not benefit its Client accounts. These products or services may assist WMG in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help WMG manage and further develop its business enterprise. The benefits received by WMG or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

As part of its fiduciary duties to clients, WMG endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by WMG or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the WMG's choice of TD Ameritrade for custody and brokerage services.

WMG also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include, **MoneyGuide Pro and Orion**.

TD Ameritrade provides the Additional Services to WMG in its sole discretion and at its own expense, and WMG does not pay any fees to TD Ameritrade for the Additional Services. WMG and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

WMG's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to WMG, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, WMG's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with WMG, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, WMG may have an

incentive to recommend to its Clients that the assets under management by WMG be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. WMG's receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including to seek best execution of trades for Client accounts.

WMG also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include MoneyGuide Pro and Advyzon.

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Generally, in addition to a broker's ability to provide "best execution," we may also consider the value of "research" or additional brokerage products and services a broker-dealer has provided or may be willing to provide. This is known as paying for those services or products with "soft dollars." Because many of the services or products could be considered to provide a benefit to the firm, and because the "soft dollars" used to acquire them are client assets, the firm could be considered to have a conflict of interest in allocating client brokerage business: it could receive valuable benefits by selecting a particular broker or dealer to execute client transactions and the transaction compensation charged by that broker or dealer might not be the lowest compensation the firm might otherwise be able to negotiate. In addition, the firm could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to

generate brokerage compensation with which to acquire products and services.

The firm's use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a "safe harbor" for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), the firm will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, we generally determine, considering all the factors described below, that the compensation to be paid to TD Ameritrade is reasonable in relation to the value of all the brokerage and research products and services provided by TD Ameritrade. In making this determination, we typically consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in our performance of our overall responsibilities to all of our clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.

***Compensation to Non – Advisory Personnel for Client Referrals***

WMG does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

***Balance Sheet***

WMG does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

***Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients***

Neither WMG nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

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

WMG has not been the subject of a bankruptcy petition in the last ten years.