

Uniform Application for Investment Adviser Registration

OMB APPROVAL

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Name of Investment Adviser: Conservative Wealth Management, LLC				
Address: (Number and Street) 7565 Mulholland Drive	(City) Los Angeles	(State) CA	(Zip Code) 90046	Area Code: Telephone number: (323) 876-3300

This part of Form ADV gives information about the investment adviser and its business for the use of clients.
 The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, and D, are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form
 are not required to respond unless the form displays a currently valid OMB control number.

1. **A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.
(See instructions below.)

Applicant:

<input checked="" type="checkbox"/>	(1)	Provides investment supervisory services	80 %
<input type="checkbox"/>	(2)	Manages investment advisory accounts not involving investment supervisory services	0 %
<input checked="" type="checkbox"/>	(3)	Furnishes investment advice through consultations not included in either service described above	5 %
<input type="checkbox"/>	(4)	Issues periodicals about securities by subscription	0 %
<input type="checkbox"/>	(5)	Issues special reports about securities not included in any service described above	0 %
<input type="checkbox"/>	(6)	Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	0 %
<input checked="" type="checkbox"/>	(7)	On more than an occasional basis, furnishes advice to clients on matters not involving securities	15 %
<input type="checkbox"/>	(8)	Provides a timing service	0 %
<input type="checkbox"/>	(9)	Furnishes advice about securities in any manner not described above	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term?

Yes	No
<input checked="" type="checkbox"/>	<input type="checkbox"/>

C. Applicant offers investment advisory services for: (check all that apply)

<input checked="" type="checkbox"/>	(1)	A percentage of assets under management	<input type="checkbox"/>	(4)	Subscription fees
<input checked="" type="checkbox"/>	(2)	Hourly charges	<input type="checkbox"/>	(5)	Commissions
<input type="checkbox"/>	(3)	Fixed Fees (not including subscription fees)	<input type="checkbox"/>	(6)	Other

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of clients** - Applicant generally provides investment advice to: (check those that apply)

<input checked="" type="checkbox"/>	A.	Individuals	<input checked="" type="checkbox"/>	E.	Trusts, estates, or charitable organizations
<input type="checkbox"/>	B.	Banks or thrift institutions	<input checked="" type="checkbox"/>	F.	Corporations or business entities other than those listed above
<input type="checkbox"/>	C.	Investment companies	<input type="checkbox"/>	G.	Other (describe on Schedule F)
<input checked="" type="checkbox"/>	D.	Pension and profit sharing plans			

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input checked="" type="checkbox"/> (1) securities |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input checked="" type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input checked="" type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input checked="" type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input checked="" type="checkbox"/> (1) real estate |
| G. Investment company securities: | <input checked="" type="checkbox"/> (2) oil and gas interests |
| <input checked="" type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes ☐ No ☒

(If yes, describe these standards on Schedule F.)

6. Education and Business Background

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading advisor or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes ☐ No ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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Conservative Wealth Management, LLC

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No
☐ ☒

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

REVIEWS- Managed accounts are reviewed daily. Financial planning accounts are reviewed annually. The calendar is the triggering factor. Accounts at other money managers are reviewed when the applicant receives their statements- usually quarterly.

REVIEWERS: Philip DeMuth reviews all client accounts. He does so on a portfolio analysis basis.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

The applicant prepares and sends quarterly reports to clients. Clients get statements from their broker/dealers. mutual funds and other money managers, as appropriate.

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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12. Investment or Brokerage Discretion.

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- | | | |
|--|--------------------------|-------------------------------------|
| | Yes | No |
| (1) securities to be bought or sold? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) amount of the securities to be bought or sold? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (3) broker or dealer to be used? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) commission rates paid? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? Yes ☒ No ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|---|--|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? Yes ☐ No ☒

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Conservative Wealth Management, LLC

SEC File Number:

801- 66651

Date:

03/15/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Conservative Wealth Management, LLC		IRS Empl. Ident. No.: 56-2544272
Item of Form (identify)	Answer	

Item 1.D	<p><i>Advisory Services and Fees</i></p> <p>Conservative Wealth Management, LLC (hereinafter “CWM” or the “Firm”) is a limited liability company, formed under the laws of the State of California, and registered with the Securities and Exchange Commission as a registered investment adviser. CWM offers investment advisory services to individuals, pensions and profit sharing plans, trusts, estates, charitable organizations, corporations or other organizations. This Schedule F narrative provides clients with information regarding CWM and the qualifications, business practices, and nature of advisory services that should be considered before becoming an advisory client of the Firm.</p> <p>Please contact Philip DeMuth, Managing Director and Chief Compliance Officer, if you have any questions about this Schedule F narrative. Additional information about CWM is available on the Internet at “www.adviserinfo.sec.gov”. You can search this site by a unique identifying number, known as a CRD number. The CRD number for CWM is 138925.</p> <p>Individuals associated with CWM will provide its investment advisory services. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on behalf of the Firm. Such individuals are known as Investment Adviser Representatives (IARs).</p> <p><i>Portfolio Management Services</i></p> <p>CWM provides non-discretionary portfolio management services where the investment advice provided is custom tailored to meet the individualized needs and investment objectives of the client. Clients are typically invested for either long-term capital appreciation, or for current income, or for some combination of these approaches. For capital appreciation, clients are usually invested in low-expense mutual funds for broad diversification among and within asset classes, which may include domestic large capitalization stocks, domestic value stocks, domestic small/microcap stocks, foreign developed markets value and/or small cap stocks, emerging market stocks, real estate investment trusts, commodities, as well as domestic and unhedged foreign bonds. Additionally, a portion of the portfolio may be invested in individual stocks that are believed to provide further diversification benefits. For current income, clients are usually invested in bond mutual funds as well as individual real estate investment trusts and high dividend stocks. Other income instruments may also be employed, as appears warranted, including leveraged closed-end funds, foreign bond funds, covered-call funds, preferred stocks, etc.</p> <p>Subject to any written guidelines, which the client may provide, the Firm may be granted the discretion and authority to manage the account by the client. Accordingly, CWM is authorized to perform various functions, at the client’s expense, without further approval from the client. Such functions include the determination of securities to be purchased/sold and the amount of securities to be purchased/sold. Alternatively, accounts may also be established on a non-discretionary basis, in which case all transactions are presented for client approval prior to their execution. Once the portfolio is constructed,</p>
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Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Conservative Wealth Management, LLC

SEC File Number:

801- 66651

Date:

03/15/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Conservative Wealth Management, LLC		IRS Empl. Ident. No.: 56-2544272
Item of Form (identify)	Answer	

Item 1.D (Continued)	<p>CWM provides continuous supervision of the portfolio as changes in market conditions and client circumstances may require.</p> <p>On an annualized basis, CWM's fee for continuous portfolio management services range from 0% to 1% of the assets under management, depending on the amount of assets to be managed and the complexity of the portfolio. In limited circumstances, CWM may provide services on a per hour basis. The final fee will be based on the complexity of the client's financial situation and the portfolio(s) to be managed. The annual fees for portfolio management services are typically billed at the end of the quarter based on the average market value of the assets during the previous quarter. The fee-paying arrangements for hourly charges will be determined on a case-by-case basis and will be detailed in the signed agreement for services. The client will be invoiced directly for the fees, and fees will be assessed pro rata in the event the management agreement is executed at any time other than the first day of a calendar quarter.</p> <p><i>Advisory Consulting Services</i></p> <p>CWM will provide advisory consulting services, which will usually consist of the evaluation of various investment options associated with client funds, typically taxable or tax-exempt bond proceeds, operating funds, and program revenues. The services and recommendations provided will be advisory in nature, and based upon an analysis of the clients individual needs. Although the Advisory Consulting Services will often times be provided to clients that have engaged the Firm for portfolio management services, the Firm may offer this service to any other client in need of such services.</p> <p>Advisory Consulting services are provided on a hourly fee basis in accordance with the following fee schedule:</p> <ul style="list-style-type: none">▪ Hourly Fees: CWM's hourly fees may be up to \$500 and are also payable upon completion of the contracted services. <p>When the scope of the advisory consulting services has been agreed upon, a determination will be made as to the type and amount of the applicable fee. The final fee, subject to negotiation, is directly dependent upon the facts and circumstances of the client's financial situation and the complexity of the advisory program service(s) requested. The fees charged for services provided will be detailed in the signed agreement with the Firm. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, CWM will notify the client and may request that the client pay an additional fee.</p> <p>Either party may terminate the agreement by providing written notice to the other party within five (5) days of entering into the agreement. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.</p>
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Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Conservative Wealth Management, LLCSEC File Number:
801- 66651Date:
03/15/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Conservative Wealth Management, LLC		IRS Empl. Ident. No.: 56-2544272
Item of Form (identify)	Answer	

Item 1.D (Continued)	<p><i>Selection, Recommendation, Due Diligence, Performance Reporting Of Third Party Advisory Services</i></p> <p>In order to assist the client in the selection of a Third Party Advisory Service, CWM will typically gather information from the clients about the client's financial situation, investment objectives, and reasonable restrictions the client wants imposed on the management of the account. CWM will not offer advice on any specific securities or other investments in connection with this service.</p> <p>CWM will periodically review reports provided to the clients, but no less often than on an annual basis. The Investment Advisory Representatives of CWM will contact the client periodically, as agreed to with the clients, in order to review the client's financial situation and objectives; communicate information to the Third Party Advisory Service managing the account as warranted; and, assist the clients in understanding and evaluating the services provided by the Third Party Advisory Service. Clients will be expected to notify CWM of any changes in their financial situation, investment objectives, or account restrictions. Clients may also contact directly the Third Party CWM managing the account or sponsoring the program.</p> <p>CWM receives compensation pursuant to its agreements with these Third Party Advisory Programs for introducing clients to these Third Party Advisory Programs and for certain ongoing services provided to clients. This compensation, which is disclosed to the client in a separate disclosure document provided by the Third Party Advisory Program, is typically equal to a percentage of the investment advisory fee charged by that Third Party Advisory Program or a fixed fee. The advisory fee paid to CWM from the Third Party CWM shall be negotiable in certain circumstances, but shall never exceed the amount in CWM's published fee statement.</p> <p>CWM currently maintains a Third Party Advisory Relationship with kaChing Group Inc. ("kaChing"). kaChing provides the website interface to clients, trading platform and technical facilities to transfer CWM's trading instructions to Interactive Brokers LLC, Member FINRA, NYSE, SIPC. CWM offers the following portfolios to clients through its relationship with kaChing: The Tangent 20 Portfolio is appropriate for investors who can tolerate a maximum historical 12-month loss equal to approximately 20 percent of their portfolio's value, as estimated from the CWM's reconstruction of stock and bond market history from 1926-2009. Losses could potentially be far greater. The Tangent 25 Portfolio is appropriate for investors who can tolerate a maximum historical 12-month loss equal to approximately 25 percent of their portfolio's value, as estimated from the CWM's reconstruction of stock and bond market history from 1926-2009. Losses could potentially be far greater. The Tangent 33 Portfolio is appropriate for investors who can tolerate a maximum historical 12-month loss equal to approximately 33 percent of their portfolio's value, as estimated from CWM's reconstruction of stock and bond market history from 1926-2009. Losses could potentially be far greater. Clients investing in any of the Tangent Portfolios are required to read <u>The Little Book of Bulletproof Investing</u>, by Ben Stein and Phil DeMuth (John Wiley & Sons, 2010) for more information on the</p>
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**Schedule F of
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Applicant:
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SEC File Number:

801- 66651

Date:

03/15/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Conservative Wealth Management, LLC		IRS Empl. Ident. No.: 56-2544272
Item of Form (identify)	Answer	

Item 1.D
(Continued)

investment strategy.

General Information on Advisory Services and Fees

Advisory recommendations are based on the client's financial situation at the time the services are provided and are based on financial information disclosed by the client to CWM. Clients are advised that certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. As the client's financial situation, goals, objectives, or needs change, the client must notify CWM promptly.

CWM shall never have custody of any client funds or securities, as the services of a qualified and independent custodian will be used for these asset management services.

The fees charged are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of the funds of an advisory client (15 U.S.C. §80b-5(a)(1)).

Advice offered by CWM may involve investments in money market funds. Clients are hereby advised that all fees paid to CWM for investment advisory services are separate and distinct from the fees and expenses charged by money market funds (described in each fund's prospectus) to their shareholders. These fees may include, but are not limited to, a management fee, upfront sales charges, and other fund expenses. Further, there may be transaction charges involved with purchasing or selling of securities. CWM does not share in any portion of the brokerage fees/transaction charges imposed by the custodian holding the client funds or securities. The client should review all fees charged by all mutual funds, CWM, and others to fully understand the total amount of fees to be paid by the client.

Item 6.

Education and Business Background**Philip DeMuth**

Year of Birth: 1950

Formal Education After High School:

- University of California at Santa Barbara, BA in Speech Communications, 1972.
- University of California at Santa Barbara, MA in Speech Communications, 1973.
- Fielding Institute, PhD in Clinical Psychology, 1977.

Business Background Preceding Five Years:

- Conservative Wealth Management, LLC, Managing Director and Chief Compliance Officer, 2003 – Present.
- Self Employed Writer, 1995 – Present.

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
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Date:
03/15/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Conservative Wealth Management, LLC		IRS Empl. Ident. No.: 56-2544272
Item of Form (identify)	Answer	

Item 7.A	<p><i>Other Business Activities</i></p> <p>CWM's Investment Adviser Representative and Managing Director, Mr. DeMuth, is engaged in a profession other than providing financial planning services and investment advice. He is a self-employed writer, which takes approximately half of his time as an investment adviser.</p>
Item 9.E	<p><i>Participation or Interest in Client Transactions</i></p> <p>CWM or individuals associated with the Firm may buy or sell – for their personal account(s) - investment products identical to those recommended to clients. It is the expressed policy of CWM that no person employed by the Firm may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.</p> <p><i>Code of Ethics</i></p> <p>As these situations may represent a conflict of interest, CWM has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <ul style="list-style-type: none"> ▪ CWM emphasizes the unrestricted right of the client to specify investment objectives, guidelines, and/or conditions on the overall management of their account. CWM's standard investment process begins with reviewing applicable state statutes, investment policy, and permitted investment language provided by the client. ▪ Associated persons or their immediate family members shall not buy or sell securities for their personal portfolio(s) where their decision is derived in whole or in part, by reason of the associated person's employment, unless the information is also available to the investing public on reasonable inquiry. No associated person of the Firm shall prefer his or her own interest to that of the advisory client. ▪ CWM and its associated persons generally may not purchase and sell securities being considered for, or held by client accounts without pre-clearance of the Firm's Compliance Officer. Moreover, investment personnel may be subject to a blackout period from trading in such securities. ▪ CWM and its employees generally may not participate in private placements or initial public offerings (IPOs) without pre-clearance from the Firm's Compliance Officer. ▪ The Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. ▪ Records will be maintained of all securities bought or sold by the Firm, associated persons of the Firm, and related entities. Mr. DeMuth will review these records on a regular basis. ▪ Any individual not in observance of the above may be subject to termination.

Complete amended pages in full, circle amended items and file with execution page (page 1).

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Item of Form (identify)	Answer	

Item 9E (Continued)	In accordance with Section 204-A of the Investment Advisers Act of 1940, CWM also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by CWM or any person associated with the Firm.
Item 10	<i>Conditions for Managing Accounts</i> CWM does not require any conditions for starting, managing, or maintaining clients' accounts, although the typical minimum relationship is at least one million dollars.
Item 12.B	<i>Suggestion of Brokers</i> With client's consent, Adviser may execute and/or suggest the execution of transactions through Fidelity Institutional Wealth Services ("FIWS") through Fidelity Brokerage Services LLC, ("FBS") an unaffiliated service provider. Factors which CWM considers in recommending FBS (or any other broker-dealer/custodian) to clients include its respective financial strength, reputation, execution, pricing, reporting, research, and service. Clients wishing to implement CWM's advice are free to select any broker they wish, and are so informed. Those wishing CWM to recommend a broker will get a recommendation based on the broker's costs, skills, reputation, dependability and compatibility with the client. Clients are advised that they may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to the applicant is not a factor in determining the selection of broker/dealers or the reasonableness of their commissions. CWM may execute or recommend that clients execute their securities transactions through various firms including, but not limited to broker-dealers such as FBS, as mentioned previously. FBS and other firms may charge commissions (ticket charges) for executing CWM's transactions. CWM does not receive any part of these separate charges which are assessed directly to clients. FBS does not have a role with respect to CWM's investment advisory accounts. It is also important to note that FBS does not maintain a supervisory relationship with respect to CWM or its representatives nor are they in any way affiliated with it. CWM is independently owned and operated. CWM may recommend/require that clients establish accounts with FBS or other firms to maintain custody of clients' assets and effect trades for their accounts. Such firms may provide CWM with access to their institutional trading and custody services, which are typically not available to their retail investors. For CWM's clients' accounts maintained in their custody, FBS and other firms do not charge separately for custody but are compensated by account holders through commissions or other transaction-related fees or securities trades that are executed through their firms or that settle into their respective accounts. FBS and other firms may also make available to CWM other products and services that may benefit CWM but which may not benefit its clients. These types of services will help CWM in managing and administering client accounts. These include software and other technology that provide access to client account data (i.e. trade

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Conservative Wealth Management, LLC

SEC File Number:

801- 66651

Date:

03/15/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Conservative Wealth Management, LLC		IRS Empl. Ident. No.: 56-2544272
Item of Form (identify)	Answer	

Item 12.B (Continued)	<p>confirmations and account statements); facilitate trade executions; provide research, pricing information, and other market data; facilitate in the payment of CWM's fees from its clients' accounts; and assist with back-office functions, record-keeping, and client reporting. Many of these services may be used to service all or a substantial number of CWM's accounts.</p> <p>CWM does not maintain custody of client assets. In all managed account cases, the custodian sends quarterly statements to CWM's clients showing all disbursements for the custodian account including the amount of the advisory fees. Clients provide written authorization permitting CWM to be paid directly for their accounts held by the custodian or trustee. In other cases, clients are sent an invoice for the amount of their advisory fee due to CWM and send CWM a check for the same.</p>
Item 13A	<p><u>Additional Compensation</u></p> <p>CWM may receive research and execution related services from the parties mentioned in Item 12(B) of Schedule F to assist CWM in managing its accounts. These services and products would include financial publications, pricing information and other products or services. Such research and execution related services are offered to all investment advisers who utilize these firms. However, the commissions charged by these parties may be higher than those charged by a broker who does not provide the aforementioned research and execution related services.</p> <p>It should also be mentioned that FBS has agreed to a one-time payment of \$10,000 to Black Diamond to assist CWM with its online portfolio management performance capabilities. As such, CWM may have an incentive to recommend the use of FBS over other firms.</p> <p>CWM may also refer clients to third party money managers and receive a portion of the advisory fee charged to the client by money managers within their programs. The amount of CWM's portion of the fee will be disclosed to clients at the time of the referral.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).