

Firm Brochure

(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of FMG. If you have any questions about the contents of this brochure, please contact us at: 513-984-6696, or by email at: INFO@FMGONLINE.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. Being registered with the SEC alone does not imply any level of skill or training. Please see industry specific certifications listed in the brochure supplement (part 2B).

Additional information about FMG is available on the SEC's website at www.adviserinfo.sec.gov

March 5, 2012

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

During 2011, there have been no material changes to our Disclosure Brochure and Brochure Supplement.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 513-984-6696 or by email at: INFO@FMGONLINE.COM.

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Advisory Business

Firm Description

The Financial Management Group, Inc., (FMG) is an independent, **fee-only** Securities & Exchange Commission (SEC) Registered Investment Advisor. Since 1989, we have helped clients deal with their financial concerns, and provided them with answers about how to reach their lifetime goals. Our approach combines comprehensive financial planning with investment advisory services in order to fulfill all your financial management needs.

Since FMG is strictly fee-only, this means the firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. No commissions or finder's fees in any form are accepted.

Investment advice is an integral part of financial planning and is tailored to the specific needs of all clients. FMG does not act as a custodian of client assets. The client always maintains asset control. FMG places trades for clients under a limited power of attorney.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client as recommended by FMG or as-needed by the client. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which financial management services may be beneficial to the client.

Principal Owners

Brett Wilder is a 100% stockholder.

Types of Advisory Services

FMG provides investment supervisory services, also known as asset management services; manages investment advisory accounts not involving investment supervisory services; furnishes investment advice through consultations. Frequently, FMG furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, insurance reviews, comprehensive college planning and selection services, and multigenerational estate planning strategies.

FMG manages approximately \$189,213,653 in assets for approximately 250 clients.

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$132,103,800	\$57,109,853	December 30, 2011

Tailored Relationships

The goals and objectives for each client are documented in each client's individual Financial Management Review document, that is updated annually for wealth management clients. Portfolio asset allocation policy statements are created that reflect the stated goals and objectives, and consider the individual client risk tolerance and age. Clients may impose restrictions on divesting or investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

Types of Agreements

FMG provides three different levels of services to clients as described below: Financial Planning, Investment Management and Comprehensive Wealth Management Services.

Financial Planning Agreement

FMG provides comprehensive financial planning services to evaluate investment, tax, estate planning, asset protection, insurance, retirement planning, business planning, financial alternatives, cash flows, employer benefits, and other financial aspects of clients' goals and objectives, and recommendations on how to reach their goals. The first twelve month financial planning fee is based on the client's combined current income and investment assets as follows:

Typical Financial Planning Fee Schedule

If combined income and net worth are:

Less than \$500,000	\$5,000
Between \$500,000 and \$1,000,000	\$7,500
Over \$1,000,000	\$10,000

The initial financial planning fee is payable 50% upon signature of the plan agreement and 50% after 6 months and contingent on the client's satisfaction.

FMG agrees to provide financial planning services during the initial twelve months at no additional fee. Subsequent to the completion of the first twelve month period, the client at their sole discretion may elect to engage FMG for an additional twelve month period, or another level of ongoing service offered by FMG. The annual fee for this election is typically 100% of the client's original fee, payable quarterly. The new agreement is a separate agreement and the signing of the original agreement does not obligate the client in any way to engage FMG for any succeeding years. The client acknowledges that the FMG strongly recommends, at a minimum, an annual review and updates to assure the planning process is kept current and any changes necessary to ongoing planning are made in a timely manner.

FMG assures the client's satisfaction with the final presentation of the plan. If FMG is unable to revise the plan to the client's satisfaction, the advisor agrees to refund the total of all planning fees paid, for agreeing to return the original plan to the advisor upon obtaining the refund.

Alternatively, FMG may work with clients on an hourly basis on specific issues, where the client does not engage FMG for a complete written plan. The fee is a maximum \$250/hour plus out of pocket expenses and can be applied towards a complete plan fee if the client requests a complete plan within ninety days of the hourly agreement.

In certain instances, depending upon the client's needs and the services to be performed by FMG, a special financial planning agreement may be entered into different from the fee schedules set forth above. This fee would be based upon individual negotiations with the particular client with negotiated fees ranging from a \$5,000 minimum fee to a maximum \$50,000 fee. The negotiated fees may be prepaid, at the election of the client, or paid as services are provided. However, the total negotiated fee will not be required to be prepaid more than six months in advance. FMG agrees to refund the total amount of all fees paid if the client is not satisfied with the services performed.

Investment Management Service Agreement

Clients may enter into an agreement to receive Investment Management services on a discretionary basis. The following services will be provided under this agreement:

- Safe custody of investment assets with monthly account statements.
- Investment risk tolerance assessment, portfolio asset allocation design and implementation
- Investment portfolio monitoring and rebalancing.
- Semi-annual consolidated investment reporting, including performance results.
- Net Worth and Cash flow financial statements prepared and reviewed annually (if data is provided).

Fee Schedule:

1.25% per annum x the \$ Value of the Investment Assets under FMG Supervision, with *Minimum Annual Fee: \$1,200*

Fees are assessed semi-annually in advance. The first advisor fee billing and any refunds due to terminations are pro-rated by month.

A \$75/hour Administrative setup fee may be charged to establish accounts and consolidate assets. Additional fees may be assessed to client for extraneous expensed incurred. (Overnight delivery, long-distance phone/fax calls, & research).

Assets are invested primarily in low cost, institutional and no-load mutual funds and exchange-traded funds. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount

brokerages such as Charles Schwab may charge a transaction fee for the purchase of some institutional class mutual funds. FMG does not receive any compensation, in any form, from fund companies.

Investments may also include: equities (stocks), corporate debt securities, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), U. S. government securities, options contracts, and interests in partnerships.

Initial public offerings (IPOs) are not available through FMG

Comprehensive Wealth Management Advisory Agreement

Comprehensive Wealth Management Advisory services combine FMG's proactive investment management and integrated financial planning services. Most clients choose to have FMG manage all aspects of the client's financial affairs, even helping with concerns of their parents and children. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work for the Comprehensive Wealth Management Agreement includes: cash flow management; insurance review; investment management (including performance reporting); education planning; retirement planning; estate planning; and tax preparation, as well as the implementation of recommendations within each area.

Fee Schedule

First \$500,000 of investment Assets	1.25%
\$500,000 to \$999,000 of Investment Assets	1.00%
\$1,000,000 to \$1,499,999 of Investment Assets	0.90%
\$1,500,000 to \$1,999,999 of Investment Assets	0.80%
\$2,000,000 to \$2,499,999 of Investment Assets	0.70%
Over \$2,500,000 in Investment Assets	0.60%

Minimum Quarterly Fee - \$1,250

Although the Wealth Management Advisory service is an ongoing agreement with proactive and constant adjustments, the length of service to the client is at the client's discretion. The client or FMG may terminate an Agreement by written notice to the other party at any point and for any reason without penalty. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value at the time of termination will be used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination

Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying FMG in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, FMG will refund any unearned portion of the advance payment.

FMG may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, FMG will refund any unearned portion of the advance payment.

Fees and Compensation

Description

FMG bases its fees on a percentage of assets under management, hourly charges, or a fixed financial planning fee.

Financial plans are priced according to the degree of complexity associated with the client's situation, especially when investment management services are not the most significant part of the relationship.

Fees are negotiable in circumstances when multiple client relationships are based from the same multi-generational family.

Fee Billing

Wealth Management Advisory Fees are billed quarterly based on a set month of each calendar quarter. This means that one-third of clients are billed the first month of each quarter (Jan-Apr-Jul-Oct) and are invoiced as the quarter begins. Another one-third of clients are billed in the second month of each calendar quarter (Feb-May-Aug-Nov) and are invoiced in the middle of each quarter. The final one-third of clients are billed the third month of each calendar quarter (Mar-Jun-Sep-Dec) and are invoiced toward the end of each quarter. The last day of the prior month's portfolio value is used for fee calculation purposes. Clients may choose to request a change in what month they are invoiced for any reason by writing or calling FMG. Payment in full is expected within 30 days of invoice presentation. Fees are usually deducted proportionally across client investment accounts with few exceptions. The client must consent in advance to direct debiting of their investment account.

Fees for financial plans are billed 50% in advance, with the balance due after 6 months and upon the client's satisfaction of the financial planning process.

Other Fees

Custodians such as Charles Schwab may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

FMG, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. This management fee is called an expense ratio and is disclosed in the fund's prospectus or by reviewing the fund's profile on any popular finance website. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted. These fees are in addition to the fees paid by you to FMG. FMG places high emphasis on using low internal cost investments for client portfolios.

Past Due Accounts and Termination of Agreement

FMG reserves the right to stop work on any account that is more than 90 days overdue. In addition, FMG reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in FMG's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

Performance-Based Fees

Sharing of Capital Gains

All financial planning and investment management fees are NOT based on a share of the capital gains or capital appreciation of managed securities.

FMG does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for an adviser to recommend an investment that may carry a higher degree of risk to the client.

Types of Clients

Description

FMG generally provides investment advice to individual families, successful business owners and corporate executives. FMG's ideal client is one that we term the **quiet millionaire®**, and has either reached that destination or is on the journey to becoming one. Typically, quiet millionaires are good wealth accumulators, live

rewarding lives unpretentiously within their means, and tend to give back some of their financial success in order to help others have more meaningful lives.

Client relationships vary in scope and length of service. As of the date of this filing, our average client tenure is over 8 years.

Account Minimums

In order to serve our clients in the most effective manner, FMG looks to work with clients having a minimum amount of accumulated assets for certain levels of service.

The Comprehensive Financial Planning Agreement does not require a minimum investment amount, but does require a minimum \$5,000 annual fee.

For the Investment management only agreement, the minimum account size of \$100,000 of assets under management is suggested with an annual minimum fee of \$1,200.00.

For the Integrated Wealth Management Service, the minimum account size of \$400,000 of assets under management is suggested with an annual minimum fee of \$5,000.00.

When an account falls below these minimums, the minimum annual fee as stated above will apply. Depending upon circumstances, FMG will make suggestions to shift to a more appropriate service offering to ensure adequate value is being added for the fee charged.

FMG has the discretion to waive the account minimum or fee when the client and the advisor anticipate adding additional funds to the accounts within a reasonable time to meet stated minimums. Other exceptions will apply to employees of FMG and their relatives, or relatives of existing clients.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods include fundamental, technical, and cyclical analysis. Most investment analysis emphasis is on macroeconomic factors on a worldwide basis.

The main sources of information include economic data provided by the Federal Reserve System, Bureau of Labor Statistics, and other government databases.

Other sources of information that FMG may use include J.P. Morgan quarterly guide to the markets, Bloomberg, Morningstar mutual fund information, Charles Schwab & Company's Equity Ratings service, and other credible and objective resources from publications and the World Wide Web.

Investment Strategies

The primary investment strategy used on client accounts is strategic and tactical asset allocation utilizing a core and satellite approach. This means that we use primarily passively-managed index and exchange-traded funds as the core investments, and then complement with actively-managed funds where there are greater opportunities to provide risk reduction through additional diversification and active security selection. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during ongoing discussions and responses on frequent risk tolerance assessments. The client may revise and update these objectives at any time. Each client approves a strategic portfolio asset allocation plan that FMG uses as an investment policy statement.

Risk of Loss

All investment programs have certain risks that are borne by the investor, including risk of loss. Our investment approach constantly looks to keep the risk of loss in mind. All investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Diversification is the cornerstone of FMG's investment philosophy with the goal to minimize the diversifiable business risk.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid as the marketplace of buyers and sellers is larger, and this is typical in more standardized assets. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Disciplinary Information

Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients. FMG takes great care to conduct extensive legal, disciplinary and personal background checks on all current and future employees.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

FMG is registered with the SEC as an independent investment advisor, and has no affiliation with any securities broker dealers.

Affiliations

FMG is affiliated and a registered corporate member of the National Association of Personal Financial Advisors (NAPFA). NAPFA members adhere to the highest level of fiduciary standards and the fee-only model seeks to minimize any conflicts of interest and objectivity.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

The employees of FMG have committed to a Code of Ethics that is available for review by clients and prospective clients. FMG and its personnel owe a duty of loyalty, fairness and good faith towards clients, and the obligation to adhere not

only to the specific provisions of the Code but to the general principles that guide the Code.

The Code covers a range of topics including: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, reporting ethical violations, distribution of the Code, review and enforcement processes. FMG will provide a copy of the Code to any client or prospective client upon request.

Insider Trading

One portion of FMG's code of ethics policy addresses the concerns of using non-public information discussed with clients for profit. It is the policy of FMG that employees are NOT to trade stocks of companies where the firm has a client relationship with a high level executive who may potentially provide us with inside information. A list of applicable stocks is maintained and updated as potential insiders engage the firm. A review of all employee transactions are compared with this list on a quarterly basis for all Schwab and non-Schwab investment accounts.

Personal Trading

The Chief Compliance Officer of FMG is Robert Siegmann, who is responsible for reviewing all employee personal trades each quarter. His personal trades are monitored and reviewed by Chrissie Smith, director of operations. The personal trading reviews ensure that employees adhere to FMG trading policies and that clients of the firm are not negatively affected in any way. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

Participation or Interest in Client Transactions

FMG and its employees not only are permitted to buy or sell securities that are also held by clients, but are encouraged to invest in the same manner and mutual funds that are recommended to clients. Employees are not permitted to purchase any non-mutual fund securities for their own accounts ahead of client trades to avoid any conflicts that may arise. Employees comply with the provisions of the FMG *Compliance Manual*.

Brokerage Practices

Selecting Brokerage Firms

FMG may recommend that clients establish brokerage accounts with the Schwab Institutional® division of Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although FMG may recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. FMG

is independently owned and operated and not affiliated with Schwab, and does not receive fees or commissions from any of these arrangements.

FMG is not committed to Schwab for any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment

Best Execution

FMG reviews the execution of trades, trading fees charged by Schwab and their competitors, and any other custodian related costs on an annual basis and is documented in the *FMG Compliance Manual*. FMG does not receive any portion of the trading fees.

Soft Dollars

Schwab provides FMG access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge

Schwab also makes other products and services available that benefit FMG in terms of online software and technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) provide research, pricing and other market data; (iii) facilitate payment of Advisor's fees from its clients' accounts; and (iv) assist with back-office functions, trade execution, recordkeeping and client reporting.

Schwab also offers other services intended to help FMG manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) educational publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange, discount and/or pay third-party vendors for these types of services rendered to FMG.

The selection of Charles Schwab & Company as a custodian for clients is not materially affected by these services provided.

Order Aggregation

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

Review of Accounts

Review of Comprehensive Financial Plans

Client financial plans are comprehensive and personalized by design. Clients engaged using the comprehensive wealth management services will receive written updates to their financial plan at least annually in person. Many clients with complex financial planning matters will receive more frequent updates and telephone and email updates and recommended financial planning strategies. Reviews involve updating all aspects of client's personal net worth and cash flow, employment and benefits, tax reduction strategies, comprehensive college selection and funding planning, insurance coverage and multigenerational estate planning. Financial plans are reviewed by all client advisors as listed in part 2B of this document.

Review of Client Investment Accounts

Investment account reviews are performed quarterly by FMG's investment advisor staff consisting of: *Jonathan Andre, Investment Advisor; David Wilder, Chief Investment Officer; and Robert Siegmann, Chief Operating Officer.* Investment advisors perform reviews of all investment advisory accounts no less than quarterly. Accounts are reviewed for consistency with the firm's current investment strategy, the global economic conditions, and client stated goals and objectives. Account reviews are performed more frequently when market conditions dictate.

Review Triggers

Investment accounts are reviewed no less than quarterly on a planned review schedule. Reviews may also be triggered by changes in an account holder's personal, tax, or financial status. Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in macroeconomic factors and country specific events.

Regular Investment Reports

Investment account reviewers are members of the firm's Investment Committee. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Brokerage statements are generated no less than quarterly, and are sent directly from the account custodian. These reports list the account positions, activity in the account over the covered period, and other related information. Clients are also sent confirmations following each brokerage account transaction either by mail or email based on client preference.

FMG will provide consolidated investment reports of all managed assets, including performance results, and may include updates to our internal economic forecast

and any changes to investment strategy. Financial planning and Wealth management clients will receive quarterly investment updates on all managed investment accounts. Investment Management only clients will receive semi-annual investment updates.

Client Referrals

Incoming Referrals

FMG has been fortunate to receive many client referrals over the years from satisfied clients, estate planning attorneys, accountants, and family and friends of employees. The firm does not compensate any party for these referrals or introductions.

Outgoing Referrals

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

Custody

Account Statements

All assets are held at qualified custodians, meaning the custodian is responsible to provide account statements directly to clients at their address of record at least quarterly. Clients are urged to carefully compare the account statements received directly from their custodians to the performance report statements provided by FMG.

Advisory Fees

Most clients prefer to pay advisory fees direct from their managed investment accounts with Charles Schwab, allowing investment reports to reflect current positions and growth, net after fees. After providing account reviews and reports to clients on quarterly or semi-annual schedules, FMG waits 3-5 business days to provide Schwab a methodology and breakdown of client fees submitted for payment. Schwab monitors the fee amounts and discloses the amounts to client both online and on monthly statements. By deducting client fees from a qualified custodian, this does not constitute custody of client funds.

Bank Account Access

Clients are frequently provided net worth statements that contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. FMG is not permitted to maintain access to these accounts due to bill payment features allowing potential unauthorized withdraw of

funds. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

Investment Discretion

Discretionary Authority for Trading

FMG accepts discretionary authority to manage investment accounts on behalf of clients. FMG has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. When requested by new or existing clients, FMG will provide written recommendations to the client prior to each trade to obtain approval if a blanket trading authorization has not been given.

The client initially approves the custodian (i.e. Charles Schwab Institutional) to be used and the individual trading fees paid to the custodian for certain institutional trades. FMG does not receive any portion of the transaction fees or commissions paid by the client to the custodian.

Discretionary trading authority facilitates placing trades in accounts on behalf of clients so that FMG can promptly implement and rebalance the asset allocation strategy previously approved in writing.

Clients may suggest or place restrictions on selling or buying certain securities held in accounts for personal, political, or sentimental reasons. This is common with large concentrated company or inherited stock positions.

Procedures Prior to Investment Discretion

A signed limited power of attorney (LPOA) on file with each custodian provides trading authorization for implementing recommendations on behalf of clients. This LPOA is typically contained in the initial account opening language and is a condition of opening the account.

Prior to FMG selling or buying any securities on behalf of new clients, a risk tolerance assessment and discussion are held to design a personalized portfolio asset allocation plan. The asset allocation plan represents the strategic, or long term, portfolio weightings and act as the basis for most profit taking and portfolio rebalancing decisions.

Voting Client Securities

Proxy Votes

Even when FMG has the written authority to act on or make proxy voting instructions, it is the policy of FMG to NOT vote proxies for client securities. Unless otherwise instructed by FMG, clients are expected to vote their own proxies. The custodian holding the security will provide pertinent details of each proxy to clients by mail or email.

When assistance on voting proxies is requested, FMG will provide recommendations to the client. In the rare case when a conflict of interest may arise, it will be disclosed to the client.

Financial Information

Financial Condition

FMG does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. Additionally, FMG is not required to provide a financial balance sheet because FMG does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

Business Continuity Plan

General

FMG has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snow storms, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, fire, biological event, Internet outage, and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Workspace

Alternate workspaces are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location. In the event of a disaster when telephone and email communications are unavailable, but the internet is functional, alternate contact information will be posted on our company website with two days.

Information Security Program

Information Security

FMG maintains and updates annually an information security policy and program to reduce the risk that client personal and confidential information may be breached. FMG employees are trained to protect the integrity of physical and electronic client information.

Privacy Notice

FMG is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect may include information about personal finances, client health information to the extent needed for the financial planning process, and information from consumer reporting agencies, e.g., credit reports. We use this information to help client's specifically state their goals, comprehensively plan to meet those goals, and adjust each client's financial plan along the way.

With client permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom the client has established a relationship. Clients may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. Based on the initial account opening process, a limited amount of information is shared with Charles Schwab in order to legally maintain a securities account and execute securities transactions.

We maintain a secure office to ensure that client information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to client information, including financial service companies, consultants, and auditors. However, properly identified federal and state securities regulators may review our company records and personal records of clients as permitted by law.

Personally identifiable information will be maintained for all active clients, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify each client in advance if our privacy policy is expected to change. We are also required by law to deliver a *Privacy Notice* annually to clients, in writing.

Brochure Supplement (Part 2B of Form ADV)

Education and Business Standards

FMG requires that advisors who render investment and financial planning advised are required to have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: CFP®, CFA, MBA, ChFC, JD, CTFA, EA or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

Professional Certifications

Employees have earned certifications and credentials listed below:

Certified Financial Planner (CFP®): Certified Financial Planners™ are licensed by the CFP Board to use the CFP mark by meeting these requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.
- 30 hours of related continuing education every 2 years.

Certified Public Accountant (CPA): A Certified Public Accountant is an individual who has passed the uniform CPA examination administered by the American Institute Of Certified Public Accountants, and who has received state certification to practice accounting by meeting the following requirements:

- Bachelor's degree with a minimum of 24 hours of accounting courses. Additionally, there must be at least 18 hours of related classes such as business law and management.
- Two years of general accounting experience under the direction of an actively licensed CPA.
- Pass the four sections of the comprehensive uniform CPA examination.
- Pass the American Institute of CPAs professional ethics exam with a score of 90 percent.
- Abide by the uniform code of ethics and complete 120 hours of Continuing Professional Education every three years.

Certified Trust Financial Advisor (CTFA): The Certified Trust Financial Advisor recognizes a standard of knowledge and competence for the trust and wealth advisory field. Professionals holding the CTFA designation obtain excellent knowledge in the areas of fiduciary and trust activities, financial planning, tax law

and planning, investment management, and ethics. A CTFA designee has met the following requirements:

- Minimum of 5 years experience in wealth management and a bachelor's degree from an accredited college or university, or
- A letter of recommendation from the advisor's manager attesting to the advisor's qualifications and ethical character.
- Candidate must sign and adhere to ICB's Professional Code of Ethics statement.
- Complete 45 credit hours of continuing education courses every three years in specified knowledge areas.

Accredited Investment Fiduciary® (AIF): The Accredited Investment Fiduciary® professional designation is the industry's first and only designation that demonstrates knowledge and competency in the area of fiduciary responsibility and communicates a commitment to standards of investment fiduciary excellence.

- Holders of the AIF® mark have successfully completed a specialized program on investment fiduciary standards and subsequently passed a comprehensive examination.
- Demonstrate the focus on all the components of a comprehensive investment process, related fiduciary standards of care, and commitment to excellence
- Represents a thorough knowledge of and ability to apply the fiduciary Practices
- Designees must sign and agree to abide by a code of ethics and complete a continuing education requirement annually.

BRETT P. WILDER, CFP®



Educational Background:

- Date of birth: November 1939
- Temple University Graduate School of Economics, Philadelphia, PA; B.A., Economics, Ursinus College, Collegeville, PA. Specialized training includes: University of Pennsylvania Wharton School, Pension Fund & Portfolio Management; College for Financial Planning; American Institute of Banking.

Business Experience:

- Financial Management Group (1989 – Present)

No Disciplinary Information on record.

No Other Outside Business Activities.

Supervision:

Brett Wilder is owner of FMG and holds the position of Chief Executive Officer and Senior Advisor. He is supervised and monitored by the Securities and Exchange Commission (SEC) and the CFP® Board of Standards. He reviews David Wilder, Robert Lemmons and Robert Siegmann's work through frequent office interactions, email reviews, and participating in client meetings.

DAVID WILDER, CFP®, CTFA, MST



Educational Background:

- Date of birth: May 1967
- Villanova University, 1989, Bachelor of Science in Accounting,
- Villanova University, 2001, Master of Science in Taxation
 - College for Financial Planning and the Cannon Financial Institute

Business Experience:

- Financial Management Group (2000 - Present)
- The Vanguard Group (1990-2000)

No Disciplinary Information on record.

Other Business Activities:

Dave serves as an elected volunteer on the board of Cincinnati Association for the Blind.

Supervision:

Dave Wilder holds the position of Chief Investment Officer and Senior Advisor, and is supervised by Brett Wilder, CEO. He reviews Jonathan Andre's work through frequent office interactions as well as remote interactions.

Brett Wilder's contact information:

513-984-6696 Brett@fmgonline.com

ROBERT LEMMONS, CFP®, CPA, AIF™



Educational Background:

- Date of birth: February 1969
- Northern Kentucky University, 1990, Bachelor of Science in Business,
- College for Financial Planning

Business Experience:

- Financial Management Group (2010 - Present)
- Wealth Dimensions Group (2000-2010)
- Kunitmura, Mitchell & Co. CPA's (1996-2000)

- Barnes, Dennig & Co., CPA's (1990-1996)

No Disciplinary Information on record.

No Other Outside Business Activities.

Supervision:

Rob Lemmons holds the position of Director of Financial Planning and Senior Advisor and is supervised by Brett Wilder, CEO. He reviews the work of Kristin Wiechert, a financial planning administrator, through personal meetings and email discussions.

Brett Wilder's contact information:

513-984-6696 Brett@fmgonline.com

ROBERT SIEGMANN, Series 65



Educational Background:

- Date of birth: September 1976
- Xavier University, (ETA 2012), MBA
- Xavier University, 2008, BSBA in Finance
- University of Cincinnati, 2003, Associate of Arts
- FINRA Series 65 Investment Advisor Representative

Business Experience:

- Financial Management Group (1994 - Present)
- M.L. Roberts & Co. CPA (1993-1995)

No Disciplinary Information on record.

No Other Outside Business Activities.

Supervision:

Rob Siegmann holds the position of Chief Operating Officer and Senior Advisor and is supervised by Brett Wilder, CEO. He reviews the work of Chrissie Smith, Director of Operations, through personal meetings, office interactions, and review of procedures.

Brett Wilder's contact information:

513-984-6696 Brett@fmgonline.com

JONATHAN ANDRE, CFP®



Educational Background:

- Date of birth: November 1981

- Xavier University, 2004, BSBA in Finance

Business Experience:

- Financial Management Group (2002 - Present)

No Disciplinary Information on record.

No Other Outside Business Activities.

Supervision:

Jon Andre holds the position of Investment Advisor and is supervised by David Wilder, CIO.

David Wilder's contact information:

513-984-6696 Dave@fmgonline.com