

Item 1 – Cover Page

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This brochure provides information about the qualifications and business practices of CWM, LLC. If you have any questions about the contents of this brochure; please contact Chris McMillan, Chief Compliance Officer of CWM, LLC at 402-614-2230. 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 CWM, LLC is also available on the Internet at www.adviserinfo.sec.gov. You can view CWM, LLC's information on this website by searching for CWM, LLC. You may search for information by using CWM, LLC's name or by using CWM, LLC's CRD number. The CRD number for CWM, LLC is 155344.

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

Item 2 – Material Changes

This item does not apply to CWM, LLC at this time and a summary of material changes is not provided because this is the first edition of CWM, LLC's Form ADV Part 2 disclosure brochure.

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Item 4 – Advisory Business

CWM, LLC (referred to as “CWM” throughout this document) is an investment advisor registered with the U.S. Securities and Exchange Commission. CWM is a newly formed limited liability company (“LLC”)

formed under the laws of the state of Nebraska. The LLC was formed in November 2010. CWM has been registered as an investment advisor since January 2011.

Principal Owners

CWM is owned by Carson Wealth Management Group, Inc. The sole owner of Carson Wealth Management Group, Inc. is Ronald L. Carson.

General Descriptions of Primary Advisory Services

The following are general descriptions of CWM's primary services.

Investment Company Management Services –

CWM provides investment research to CWMG under an investment research agreement on a quarterly basis. This research is non-discretionary and is only implemented by the recipient in the event the advisor agrees with said research and wants to implement the relevant technique or strategy in the appropriate situation.

CWM, LLC is currently a part of LPL Financial's Hybrid Program. For more information on this program, or for additional information on CWM's relationship with LPL Financial, please consult your advisor.

Asset Management Services – CWM also offers an asset management service for direct clients, including but not limited to high net worth families, foundations, endowments and other institutional investors. This service involves providing a client with ongoing supervision over a client's designated accounts. A specific investment strategy is crafted to focus upon the specific client's goals and objectives. This means that CWM will monitor a client's designated accounts and make trading decisions in the client's designated account. This is performed in accordance with the client's individual needs, objectives and risk tolerance.

CWM will have discretionary authority over a client's designated accounts for the limited purpose of CWM buying and sell securities in the account without communicating with the client prior to each buy or sell decision.

Asset management services may be provided through accounts at a custodian selected by CWM or a custodian selected by the client (contingent upon the approval of CWM). Currently, CWM uses the following custodians: Charles Schwab Institutional Services, TD Ameritrade Institutional Services, and LPL Financial Services. The client must designate CWM as its investment advisor on the account. The client's qualified custodian will maintain actual custody of all client funds and securities.

Broker/dealers have different account fees, execution charges and execution capabilities. Clients using the custodian selected by CWM may pay higher account-related fees and execution charges than if CWM had selected another custodian. This may occur because it is CMW's opinion that the selection of a custodian is based not solely on cost, but on a combination of cost, expected level of asset safety, client confidentiality and quality of communication and reporting to both the client and CWM.

Referral of Unaffiliated Third-Party Investment Advisors - From time to time, CWM also will refer financial professionals to third-party investment advisors. Such financial professionals will be licensed as investment advisor representatives and may also be registered securities representatives of broker/dealers. Likewise, from time to time, CWM refers third-party investment advisory firms to financial professionals for the purpose of the financial professional recommending or selecting the investment advisory firms' offerings to their underlying clients. Therefore the financial professionals serve as introducing investment advisors to the third-party investment advisors. Third-party investment advisory firms will offer investment management strategies and platforms that allow the investment advisor to manage client assets on an individualized basis. Clients of an introducing advisor and unaffiliated, third-

party investments advisors will not be clients of CWM and will not enter into an agreement with CWM. CWM does not provide individualized investment advice or other advisory services to introducing advisor clients referred to an unaffiliated, third-party investment advisor.

While not common, CWM may also recommend third-party investment advisory firms directly to retail investors. In these situations, CWM only recommends the third-party investment advisor. CWM doesn't provide ongoing advice and will not enter into an advisory contract with the investor. If the investor decides to hire a third-party investment advisor, it will be the third party investment advisor's responsibility to assist the client with identifying the client's risk tolerance and investment objectives. Retail clients will enter into an agreement directly with the unaffiliated third-party investment. When recommending retail investors, CWM will ensure the third-party investment is registered or exempt from registration in the investor's home state.

Clients must contact the third-party investment advisor regarding questions about their account(s) managed by the third-party investment advisor. Third-party investment advisors may take discretionary authority to determine the securities to be purchased and sold for the client. Neither CWM nor its associated persons will have any trading authority with respect to client's managed account with the third-party investment advisor(s).

Specialization

CWM specializes in the following areas:

- Investment Management specializing in selection of mutual funds, Exchange Traded Funds (ETFs), Closed-End Funds. Equities, fixed income, options, cash equivalent and other investments may also be used in accounts managed by CWM. CWM typically prefers to invest in securities that offer daily liquidity.
- An Investment Management process that seeks to create a balance between reward potential and risk over the target investment time frame. This typically involves using a mix of the securities described immediately above.
- An Investment management approach that employs quantitative analysis, technical analysis, fundamental analysis, and other disciplines, which are considered together to make decisions.
- Investment management focusing on multiple time frames, i.e. long-term strategies, intermediate-term strategies and short-term strategies. Depending on the specific situation, this may involve having CWM employ a variety of risk-management strategies, including short-term trading, stop orders, protective put options, short selling, use of inverse securities (which are expected to move in the opposite direction of a market segment or market index) and holding above-normal cash balances. CWM feels that the variety of risk-management tools it has at its disposal, and its dedication to considering them as needed, is one of CWM's differentiating features in the investment advisory marketplace.

Types of Investments

Based upon the request of an entity or individual who is an asset management client, or the investment objectives and policies of a Fund which is an investment company management client, CWM is willing to offer advice on all types of securities, provided that CWM believes it can offer a reasonable opinion based on its investment experience and acumen. The following are some of the general categories of securities CWM can advise.

- Exchange-listed securities
- Securities traded over-the-counter
- Exchange Traded Funds (ETFs)
- Foreign issues
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit

- Municipal securities
- Asset Allocation among investments offered within Variable Annuities (but not the evaluation of any non-investment management aspects of annuities or other insurance products)
- Mutual fund shares
- United States government securities
- Options contracts on securities and commodities
- Futures contracts on tangibles and intangibles
- Interests in partnerships investing in real estate, and oil and gas interests
- Managed futures

When providing Asset Management Services, it is not CWM's typical investment strategy to attempt to time the market (which we define as moving from a fully invested position to a 100% cash position) but we may increase cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior.

Advisory Services for Individual Needs of Clients

CWM's asset management services are always provided based on the specific needs of the individual who is a client or the requirements of the Fund which is a client. The client is given the ability to impose restrictions including specific investment selections and sectors.

Client Assets Managed by CWM

As of August 22nd, 2011, CWM manages \$869,150,860 in assets for 1643 accounts. This entire sum is managed on a discretionary basis.

Item 5 – Fees and Compensation

This section provides details regarding the fees and compensation arrangements of each of CWM's services.

Asset Management Services - Fees for asset management services are individually negotiated but shall not exceed 3.00%. Fees may be based on a fee schedule similar to the fee schedule listed below. The fee schedule below is a generic fee schedule and is not specific to every client. The actual fee charged to each client is negotiable based on factors such as the client's financial situation and circumstances, the amount of assets under management, and the complexity of the services provided. The exact fee for services will be agreed upon and listed in the asset management agreement prior to services being provided.

Asset Management Fees – Fees are individually negotiated and are based on the aggregate asset value under advisement. In the event the client determines to engage CWM, CWM shall charge an annual investment management fee based upon a percentage of the market value of the assets being managed by CWM. The investment management fee can be up to 3.00% of assets under management.

Tiered or blended schedule

A tiered or blended schedule looks at the account value and compares it to a set fee schedule. Based upon the value of the account at the end of the billing period, the fee schedule identifies specific portions

of the account value to be charged at different fee rates. The total value of the account is compared against this schedule and, based on the account size, the different fee rates are blended to determine the total quarterly account fee for that period.

Tiered Billing Fee Schedule

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$2,000,000	1.80%
\$2,000,000 - \$5,000,000	1.55%
\$5,000,000 - \$25,000,000	1.00%
\$25,000,000 - \$50,000,000	0.90%
\$50,000,000 plus	0.80%

A tiered or blended schedule looks at the account value and compares it to a set fee schedule. Based upon the value of the account at the end of the billing period, the fee schedule identifies specific portions of the account value to be charged at different fee rates. The total value of the account is compared against this schedule and, based on the account size, the different fee rates are blended to determine the total quarterly account fee for that period. As an example, for a \$5 million dollar managed account, the first \$2 million is billed 1.8% and the next \$3 million is billed at 1.55%. This is in opposition to the traditional method of billing the entire \$5 million at one rate of 1.8%.

It should be noted that fees for CWM services may be higher or lower than fees charged by other financial professionals offering similar services.

The annual fee is divided and billed quarterly in advance at the start of the calendar quarter based on the value of the account on the last business day of the previous quarter. The initial fee will be pro-rated based on the number of days the account is opened during the initial period. Fees are generally deducted directly from the client's account. Clients must provide the custodian with written authorization to have fees deducted from the account and paid to CWM. The custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account.

Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to the client. CWM will not receive any portion of such commissions or fees from the custodian or client. In addition, clients may incur certain charges imposed by third parties other than CWM in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. For more information on CWM's brokerage practices, please see Item 12 – Brokerage Practices.

Management fees charged by CWM are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Clients hiring CWM for Asset Management Services must execute an agreement for services. Either party may terminate the agreement for services at any time. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty and no fees shall

be due. If services are terminated after the initial five day period, the final fee will be pro-rated based on the amount of days services were provided during the current quarter period. If the daily proration results in an amount to be rebated to the client, the client will be promptly refunded. Termination shall be effective from the time CWM receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final payment of advisory fees. There will be no penalty charge upon termination. In the event CWM terminates the relationship, the agreement will be terminated on the thirtieth (30th) day after written notification is delivered to the client or such time as may be mutually agreed upon, also subject to the settlement of transactions in progress and the final payment of advisory fees.

Referral of Unaffiliated Third-Party Investment Advisors - CWM is compensated for its referral activities to third-party investment advisors in the form of marketing or referral fees paid by the third-party investment advisor directly to CWM. The exact compensation arrangement will vary depending on the arrangement with the investment advisor firm. However, CWM is usually paid a marketing or referral fee based on a portion of the management fees charged by the third-party investment advisor to clients of financial professionals originally introduced to the third-party investment advisor by CWM.

Third-party investment advisory firms typically charge no more than 2.5% annually on their assets under management. The portion of the management fee paid to CWM may reach as high as 50% of the overall fee received by the third-party investment advisor. Fees paid to CWM may be in the form of a sliding fee schedule that increases as the amount of assets originally referred by CWM to the investment advisor (through third-party financial professionals) increases. For example, CWM could receive a higher percentage of the overall fee from the third-party investment advisor as assets to the third-party investment advisor increase.

CWM may also receive fixed or set fees from third-party investment advisors for CWM's marketing and referral services. In these situations, the fixed or set fee is not necessarily tied to the level of assets managed by the third-party investment advisor.

When CWM refers a retail investor to a third-party investment advisor, CWM will provide proper disclosure of the arrangement to the retail investor. Disclosure will be made at the time of solicitation and will include a description of CWM's arrangement with the third-party investment advisor and a description of the compensation arrangement. CWM will also provide to the retail investor a copy of the third-party investment advisor's Form ADV disclosure brochure.

Third-party investment advisory managed programs generally have account minimum requirements that will vary from investment advisor to investment advisor. Account minimums are generally higher on fixed income accounts than equity based accounts. A complete description of the third-party investment advisor's services, fee schedules and account minimums will be disclosed in the third-party investment advisor's Form ADV Disclosure Brochure which will be provided to retail investors at the time CWM solicits the third-party investment advisor firm's services. Client reports will depend upon the third-party investment advisor.

CWM has a conflict of interest by marketing and referring only those third-party investment advisors that have agreed to pay a portion of their management advisory fee or a fixed fee to CWM. There may be other third-party managed programs, offerings and platforms that may be suitable for financial professionals' clients and retail investors that may be more or less costly.

Advisory Fee Offset

In the event that we or our supervised persons receive compensation other than our advisory fees as described above, we will not adjust our advisory fees to offset those other fees.

Additional Compensation

Certain individuals who are associated with us, if properly registered and licensed to do so, may also receive compensation (i.e. commissions) related to the sale of securities or other investment products.

Transaction-based compensation (“Additional Compensation”) such as this is separate and distinct from the other fees we may receive in connection with our investment advisory services as described above.

Conflicts of Interest

The receipt or potential for the receipt of Additional Compensation may give our supervised persons an incentive to recommend investment products based on the Additional Compensation received, rather than on your specific needs. However, our objective as a firm, which is shared by our supervised persons, is to place nothing before your best interests.

How we address these conflicts. First and foremost, we address the conflicts inherent in Additional Compensation by disclosing them to you in this Brochure as well as your representative’s Brochure Supplement. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures (“WSPs”) that was designed to address, among other things, conflicts of interest such as Additional Compensation. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process and our WSPs.

Our Chief Compliance Officer has the authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

Clients always have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with CWM.

Several of the investment advisory representatives (IAR’s) from CWM will receive commissions from the sale of other investment products such as variable annuities and mutual funds and such non-investment related products as Life Insurance. Such commissions provide an individual with incentive to recommend these investment products based on the compensation they will receive from selling them as opposed to the client’s needs.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to CWM’s brochure because CWM does not charge or accept performance-based fees which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within an investor’s account.

Item 7 – Types of Clients

CWM offers its investment company management services to investment advisors of mutual funds registered under the Investment Advisers Act of 1940. CWM offers its asset management services to individuals, trusts, estates, charitable organizations, corporations and other business entities.

As previously stated CWM can act as a referring party when marketing the services of third-party investment advisors though it does not currently engage in this activity. In this capacity, CWM almost always refers only financial professionals to a third-party investment advisor. Such financial professionals are licensed as investment advisor representatives and may also be registered securities representatives of a broker/dealer. In rare cases, CWM may refer a retail investor to a third-party investment advisor. Such retail investors may be individuals, trusts, estates, charitable organizations, corporations and other business entities.

Minimum Investment Amounts Required

CWM imposes a minimum investment in the amount of \$500,000 for its asset management services. Exceptions to this minimum investment amount may be waived at CWM's discretion. All clients must execute a formal, written contract when signing up for the asset management or investment company management services.

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

A. Advisor uses the following methods of analysis in formulating investment advice.

Technical Analysis (a.k.a. "Charting"). The set of techniques in which charts and graphs are used to plot price movements, volume, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists or market technicians, believe that past trends in these indicators can be used to extrapolate future trends, and that conditions of undervaluation and overvaluation can be identified.

Cyclical. A form of fundamental analysis involving the process of making investment decisions based on the different stages an industry is at during a given point in time. The type of position taken will depend on firm specific characteristics, as well as where the industry is at in its life cycle.

Fundamental. A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies, industries, sectors or the economy). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

B. Advisor uses the following investment strategies when managing client assets and/or providing investment advice.

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Trading. Investments sold within 30 days.

Short sales. A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account. In most cases, exposure to the "short" side of the market will be pursued by buying "bear market funds," put options or "inverse ETFs." Two of the key differences between these approaches and actually shorting a stock are that shorting involves the potential for unlimited loss (buying a security does not), and shorting requires the investor to borrow stock from a brokerage firm, the supply of which may or may not be available on an ongoing basis. Using mutual funds and ETFs to effect a short exposure entails internal costs to those securities, similar to any other mutual fund or ETF. Such internal costs are not in effect when shorting securities.

Option transactions including purchase and sale of put and call options. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). These are minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a “buy and hold” strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client’s goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Overview Of CWM’s Investment Strategy

CWM’s strategic investment approach is, broadly speaking, a collaboration between the strategies developed by CWM’s Chief Investment Officer Rob Isbitts, and those developed by Ron Carson and Carson Wealth Management. The two creators’ philosophies are similar in many ways, and CWM was created to allow investors to access the combined experience and risk-management focus of Rob Isbitts and Carson Wealth. CWM incorporates five separate investment strategies into “Advance and Protect.”

Each strategy differs from each other strategy in terms of the target investment time horizon, tolerance for volatility, and relative potential for long-term return. None of the strategies have “investment income” as a primary objective, as CWM believes that a total return approach with disciplined risk-management allows many investors to effectively pursue their investment objectives. Income-oriented securities will, however, be included in CWM strategies if CWM believes they fit the objectives of the strategy. Additional strategies or enhancements to existing strategies are constantly considered, as CWM strives to be both flexible in its investment approach and adaptive to major changes in the investment landscape.

The “Advance & Protect” Investment Discipline:

A global tactical total return strategy that seeks to secure gains in advancing markets and protect capital in sideways to negative markets.

The 4 Step Advance and Protect Investment Process:

1. Create portfolios based on asset and sector classes believed to be in a long-term uptrend.
2. Pick best way to invest in the asset class using non-proprietary investment vehicles or strategy.
3. Utilize multiple analytical tools to assist in buy/sell decision making process, and to determine weightings among the portfolio themes/positions.
4. Track and monitor investment behavioral trends such as legal insider trading activity and mutual fund and ETF inflows/outflows to enhance the investment entry and exit decision process.

Key Macro Investment Decision Drivers

As part of its investment process, CWM uses a group of proprietary evaluation methods developed by both Rob Isbitts and Ron Carson.

The CWM Fundamental Factor Scorecard is a quarterly measure of economic and market health. The scorecard is broken down to three areas, the category, the condition and the score. The category is the

specific economic area that CWM is monitoring. The condition states whether the category is a positive, neutral, or negative factor in the overall health of the economy and market. The score is given to each category depending on the condition. The score given to each category and overall can be both positive and negative. The overall or current score is the sum of each category. On a relative basis, the score gives insight as to whether the economic health is improving or deteriorating. To assist with the relative nature of the scorecard, 3 past quarterly scores are given.

Strategy Summaries

The five primary strategies that make up the Advance and Protect discipline are:

Advance and Protect Core Strategy: the original portfolio strategy developed by Ron Carson and Carson Wealth, involves a wide range of styles and strategies with a focus on low-volatility total return over both short-term and long-term time frames.

Tactical ETF Strategy: a higher volatility strategy intended to complement one of CWM's core portfolios, primarily through frequent buying and selling of Exchange Traded Funds (ETFs). This follows the same general thematic approach of the Advance and Protect Core Strategy, but with less use of the short side of the market to hedge. This strategy is expected to have a much more aggressive investment approach than the Core strategy. The cash position may be very high at times when CWM believes that the short-term reward-risk tradeoff offered by the global markets is not favorable. This strategy is expected to experience much higher turnover than the other CWM strategies, and thus is likely to be far less tax-efficient.

Hybrid Strategy:

Hybrid is a conservative, absolute return style. To pursue this objective, CWM buys individual mutual funds and ETFs which employ an array of strategies, each of which is expected to move somewhat independently of the broad stock and bond markets. Some of these funds will use short-selling techniques. The primary styles used with Hybrid portfolios are Arbitrage, Equity Surrogates (such as High Yield Bonds, Convertible Securities and REITs), Long-Short (including Market Neutral, Long-Short, Long-Biased and Dedicated Short Strategies), Multi-Strategy Funds and Alternative Fixed Income (such as Currency Funds and Inverse Bond Funds).

Concentrated Equity Strategy:

Concentrated Equity is an approach to stock market investing that pursues long-term growth of capital by using a limited number of holdings (typically 30 or less). CWM's Concentrated Equity strategy invests in a combination of mutual funds that each employ a Concentrated Equity style. Short-index securities (dedicated short mutual funds or inverse ETFs) may also be purchased in this strategy to reduce portfolio volatility in times of perceived high market risk. Concentrated Equity generally produces a long-biased portfolio allocation.

Global Equity Strategy:

Global Cycle is an equity-oriented style that takes a very long-term, thematic view of the global economy and financial markets (5-10 years). Emerald's Global Cycle Strategy seeks to capitalize on long-term themes identified by CWM. The various themes may be U.S.-focused, Non-U.S.-focused, or a combination (i.e. "Global"). The portfolio will typically contain at least 40% of its exposure to investments outside the U.S. The themes are captured primarily through ETFs and Mutual Funds. Short-index securities (mutual funds or short ETFs) may also be included in this strategy to reduce portfolio volatility in times of perceived high market risk.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, CWM is unable to represent, guarantee, or even imply that its services and methods of analysis or other unaffiliated, third-party investment advisors can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through CWM's investment management programs or other unaffiliated third-party investment advisors.

- *Market Risk:* Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- *Equity (Stock) Market Risk:* Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- *Company Risk:* When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- *ETF and Mutual Fund Risk:* When the client is invested in a an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- *Management Risk:* Your investment with my firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produced the expected returns, the value of the investment will decrease.

- *Foreign Investment Risk:* Foreign investing involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards. Investing in emerging markets imposes risks different from, or greater than, risks of investing in foreign developed countries.
- *Foreign Currency Risk:* Currency market risk results from the price movement of foreign currency values in response to shifting market supply and demand. Interest rate risk arises whenever a country changes its stated interest rate target associated with its currency. Country risk arises because virtually every country has interfered with international transactions in its currency. Interference has taken the form of regulation of the local exchange market, restrictions on foreign investment by residents or limits on inflows of investment funds from abroad. Restrictions on the exchange market or on international transactions are intended to affect the level or movement of the exchange rate. This risk could include the country issuing a new currency, effectively making the "old" currency worthless.
- *Interest Rate Risk:* Debt securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt security may fall when interest rates rise. Securities with longer maturities may be more sensitive to interest rate changes. Certain corporate bonds and mortgage-backed securities may be significantly affected by changes in interest rates. Some mortgage-backed securities may have a structure that makes their reaction to interest rates and other factors difficult to predict, making their value highly volatile. Because zero coupon securities do not make interest payments, they are considered more volatile than bonds making periodic payments. When interest rates rise, zero coupon securities fall more sharply than interest paying bonds. However, zero coupon securities rise more rapidly in value when interest rates drop.
- *Options (Derivatives Risk):* Even a small investment in options may give rise to leverage risk, and can have a significant impact on the accounts' performance. Derivatives are subject to credit risk and liquidity risk.

Item 9 – Disciplinary Information

This item is not applicable to Advisor's brochure because there are no legal or disciplinary events listed at Item 9 of the Form ADV Part 2 instructions that are material to a client's or prospective client's evaluation of CWM's business or the integrity of CWM's management.

Item 10 – Other Financial Industry Activities and Affiliations

Affiliation with Carson Wealth Management Group, Inc.

CWM is owned and operated by Carson Wealth Management Group, Inc. The sole owner of Carson Wealth Management Group, Inc. is Ron Carson. Bradley Grubb is the Chief Operating Officer of Carson Wealth Management Group.

Some employees of Carson Wealth Management Group, Inc. (including Ron Carson) are registered securities representatives and investment advisor representatives of LPL Financial, a registered broker/dealer (member FINRA/SIPC) and an SEC registered investment advisory firm. It should be noted that Mr. Grubb is not currently registered to sell securities or provide investment advice through LPL Financial. His capacity with Carson Wealth Management Group, Inc. is strictly administrative and business development.

Employees of Carson Wealth Management Group, Inc. in their separate capacities as LPL Financial registered securities representatives and investment advisor representatives may recommend to their retail clients the purchase of investment companies managed by investment advisors for which CWM has entered into a referral or marketing agreement. Employees of Carson Wealth Management Group, Inc. in their separate capacities as LPL Financial registered securities representatives and investment advisor representatives may also recommend to their retail clients platforms sponsored by investment advisors for which CWM acts as a referring party or provides marketing services.

CWM and Carson Wealth Management Group, Inc. are not affiliated with LPL Financial.

Co-Management Activities

CWM, through the Co-Managed account program offers to LPL Financial investment advisor representatives, the ability to access the Advance and Protect investment strategy in order to implement it in their clients' accounts. CWM charges a set fee, which is taken from the investment advisor representative (client's) overall fee to the client.

Affiliation with PEAK Productions

CWM is also under common ownership with PEAK ADVISOR ALLIANCE ("PEAK"). PEAK provides coaching, consulting, training, and software services to financial advisors. PEAK services focus on client acquisition and business growth solutions. PEAK is not an investment advisor, broker/dealer or other type of financial services company. However, PEAK works exclusively with individuals that work within the financial services industry.

CWM has an arrangement with PEAK whereby CWM serves as sponsor of PEAK events (i.e. workshops, seminars, etc.). PEAK receives a fixed fee from CWM for its sponsorship. As a sponsor, CWM may make available to investment advisors with which it has a referral or marketing agreement the opportunity to market its services and investments at PEAK events. Further, CWM will refer to financial professionals that use PEAK services the platforms, investment strategies and products provided by such investment advisors.

Other Arrangements

CWM is not and does not have a related company that is a (1) broker/dealer*, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) pension consultant, (9) real estate broker or dealer, (10) sponsor or syndicator of limited partnerships or (11) insurance company or agency.

Although CWM does not currently have a related person that is an investment advisor or investment company. CWM may also enter into marketing arrangements with third-party, unaffiliated investment advisors some of which may serve as an investment advisor to investment companies. See Items 4, 5, and 14 for details.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

CWM has established a Code of Ethics that will apply to all of its supervised persons. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of clients at all times. This fiduciary duty is considered the core underlying principle for the advisor's Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures. CWM requires all of its supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times.

Upon employment or affiliation and when changes occur, all supervised persons will sign an acknowledgement that they have read, understand and agree to comply with the advisor's Code of Ethics. CWM has the responsibility to make sure that the interests of all clients are placed ahead of CWM's or its supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. CWM and its supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients.

This disclosure is provided to give as a summary of CWM's Code of Ethics. However, if someone wishes to review CWM's Code of Ethics in its entirety, a copy will be provided promptly upon request.

Affiliate and Employee Personal Securities Transactions Disclosure

You should know that CWM's personnel will buy or sell securities that are also recommended to clients. In order to minimize this conflict of interest, securities that CWM recommends and purchases for clients are generally widely held and publicly traded. In addition, in accordance with its fiduciary duty to clients, CWM always places client interests ahead of the investment interests of itself or those of its own personnel. Consequently, CWM will not typically purchase or sell any security prior to implementing any transaction for a client's advisory account, thus preventing its (CWM's) personnel from benefitting from client transactions. In those rare situations where such purchases cannot be avoided, CWM will only engage in such trades outside of a proscribed period of time generally no sooner than two days prior to the client's trade. These hold periods do not apply to mutual funds.

Item 12 – Brokerage Practices

Asset Management Services - For clients that wish to utilize CWM's Asset Management Services, a custodian recommended by CWM will generally be used.

At least annually, CWM will review alternative custodians in the marketplace for comparison to the currently used broker/dealer-qualified custodian, evaluating criteria such as overall expertise, cost competitiveness, and financial condition. Quality of execution for custodians will be reviewed through trade journal evaluations. CWM also receives benefits that may not be received if CWM did not use the services of such broker/dealers to implement the investment advice provided. These benefits include, but are not necessarily limited to: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk; the ability to have investment advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; receipt of compliance publications; and access to mutual funds that generally require significantly higher minimum initial investments or are generally only available to institutional investors. No single criteria will validate nor invalidate a custodian or service provided used, but rather, all criteria taken together will be used in evaluating the currently utilized custodian.

While CWM does recommend broker/dealers, clients are free to select any broker/dealer, mutual fund company, or variable annuity sponsor to serve as client's qualified custodian under the condition that all arrangements must be approved and agreed to by CWM. When a client directs the use of a particular broker/dealer or other qualified custodian, CWM may not be able to obtain the best prices and execution for the transaction. Clients who direct the use of a particular broker/dealer or qualified custodian may receive less favorable prices than would otherwise be the case if clients had not designated a particular broker/dealer or qualified custodian. Further, directed trades may be placed by CWM after effecting non-directed trades.

CWM does not currently have soft-dollar agreements with any broker dealers and thus, has not received any such benefits.

Investment Allocation and Trade Aggregation Policy

The overriding principle governing CWM's allocation and aggregation process is the fair and equitable treatment of all clients in the allocation of investment opportunities and in the aggregation of client orders and resulting allocation of securities or transaction proceeds.

CWM has various model strategies that are used in the management of its separate accounts. The CWM trading department prioritizes the release of trading orders with respect to its advised separate accounts as follows:

1. Discretionary accounts that have no restrictions that require manual trade adjustments (such as deviations from the model for cash requirements or that hold non-model securities, etc.);
2. Accounts with restrictions that require manual intervention to process trades;
3. Accounts with directed brokerage arrangements;
4. Non-discretionary accounts that require pre-approval of trades.

Due to the sequence of placing trades for accounts it is possible that accounts that are traded first may receive more favorable pricing than accounts that are traded last.

CWM provides investment management services to its direct clients. CWM provides non-discretionary investment research and market analysis to third-party investment professionals such as advisors and brokers. There are times when the Chief Investment Officer will have the same investment recommendation at the same time for CWM's direct accounts, third-party professionals. In order to assure that no one client is favored over others, the Chief Investment Officer has implemented a trading rotation. The rotational trading mechanism aims to provide fair treatment to direct clients, Funds and those who receive research from CWM. The trading sequence typically follows a rotation in which recommendations are released in order to each client based on their priority in the trading rotation. The Chief Investment Officer will maintain a spreadsheet that tracks each client's place in the trading rotation for each transaction where there is a potential for conflict.

CWM may aggregate orders for its advised accounts to reduce transaction costs and facilitate efficient execution of client orders in the same securities on the same day. In the event that a trade is partially completed, CWM will allocate the executed portion of the transaction on a pro rata basis among participating accounts. The participating accounts will receive the average price and transaction costs will be assessed at the Schwab commission rate applicable to each account. The commission rate is predicated on the client's total household assets on deposit at Schwab. CWM will document the allocation of its bunched orders and review them at least annually to ensure that all clients receive fair and equitable treatment. Written approval from the CCO is required for any departures from the stated allocation

process. Deviations may occur for good cause and would include, but not be limited to: cash or liquidity limitations; client-specific investment objectives, policies, or restrictions; or inadequate number of shares to justify the processing expenses (e.g. a client would receive a de minimus allocation). CWM currently does not participate in IPO's, however, should this change in the future, the above allocation and review process would apply.

Cross Transactions

A cross trade is a transaction between two accounts managed by the same investment adviser. Cross trades can be executed by an adviser either on a direct or indirect basis. In a direct cross transaction, securities are transferred from the account of one client to that of another client. In an indirect cross trade, purchase and sale orders for the same securities are placed for execution through an unaffiliated broker-dealer, usually with no or minimal commission expense.

It is CWM's policy to engage in cross trade transactions only when absolutely necessary, when it's in the client's best interest in accordance with its fiduciary duty to seek to receive the best available execution on behalf of its clients. All cross trades must receive the prior written approval of CWM's Chief Compliance Officer and may not be applicable to all clients' accounts.

Client Participation in Transactions

In general, investment decisions for each account or Fund are made independently from those of other accounts or Funds and are made with specific reference to the circumstances and objectives of each account or Fund. A particular account or Fund may or may not participate in any specific transaction, or may receive allocations of securities or investments that differ from that provided to other accounts and Funds, based on a number of factors including, but not limited to, the trade rotation policy, previous transactions, account restrictions, account size, tax status, risk tolerance, cash and liquidity. Although CWM generally will seek to be consistent in its investment approach for all accounts with the same or substantially similar investment objectives, strategies and restrictions, the act of purchasing, selling or holding a security for one account does not mean it will be purchased, sold or held for another account. CWM will transact for some accounts in securities already owned by other accounts. Due to differing market conditions and factors previously cited, CWM may purchase (or sell) a security on behalf of some accounts that CWM has sold (or purchased) on behalf of other accounts.

Item 13 – Review of Accounts

Account reviews are provided in connection with Investment Company Management Services and Asset Management Services. Rob Isbitts, CWM's Chief Investment Officer, or one of CWM's other investment advisor representatives, as appropriate for the relevant account, will contact clients at least annually for the purpose of reviewing their account and to determine if there have been changes in their financial situation or investment objectives. The calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in the client's circumstances, client request, or changes within the market. The underlying portfolios used to manage client accounts and holdings within those portfolios are reviewed on a more frequent basis. Portfolios are usually reviewed as frequently as daily or weekly, but no less frequently than monthly. Mr. Isbitts is responsible for day to day rebalancing, reallocation and ongoing trading services for accounts managed by CWM.

Statements and Reports

With respect to Asset Management Services, clients will receive account statements at least quarterly from the qualified custodian. In addition, clients may receive on-demand position and performance reports from CWM for no additional fee. Clients are encouraged to always compare reports provided by CWM against the account statements delivered from the qualified custodian, as the latter is the official record of the client's account.

Item 14 – Client Referrals and Other Compensation

Typically, CWM only refers financial professionals to third-party investment advisors, but in some situations CWM may refer retail investors to a third-party investment advisor.

When CWM refers a retained investor to a third-party investment advisor, CWM will provide proper disclosure of the arrangement to the retail investor. Disclosure will be made at the time of solicitation and will include a description of CWM's arrangement with the third-party investment advisor and a description of the compensation arrangement. CWM will also provide to the retail investor a copy of the third-party investment advisor's Form ADV disclosure brochure.

CWM is compensated for its solicitation activities to third-party investment advisors. The exact compensation arrangement will vary depending on the arrangement with the investment advisor firm. However, CWM is usually paid a referral fee based on a portion of the management fees charged by the investment advisor to clients that invest with the investment advisor through a financial professional originally referred to the investment advisor by CWM. The portion of the managed fee paid to CWM may reach as high as 50% of the overall fee received by the investment advisor. Fees paid to CWM may be in the form of a sliding fee schedule that increases as the amount of assets originally referred by CWM to the investment advisor (through third-party financial professionals) increases.

CWM has no arrangements whereby it directly or indirectly compensates any person for client referrals to CWM.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

CWM is deemed to have custody of client funds and securities whenever CWM is given the authority to have fees deducted directly from client accounts; however, this is the only form of custody CWM will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody. CWM is typically given authority to have fees directly deducted from a client's account when providing asset management services.

For accounts in which CWM is deemed to have custody, CWM has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from CWM. When clients have questions about their account statements, they should contact CWM or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

Through its Asset Management Services and Investment Company Management Services, CWM will maintain trading authority over client accounts and will implement trades on a discretionary basis upon receiving the proper written authorization. By allowing CWM to manage accounts on a discretionary basis, CWM will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent prior to each transaction.

Although CWM manages all accounts on a discretionary basis, clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to my firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

Investment Company Management Services - CWM will vote proxies on the investments under its Investment Company Management Services. Proxies will be voted in the best interest of clients. CWM's proxy voting policy is to cast proxy voting in favor of proposals that are anticipated to enhance the long-term value for the client's shareholders and the company. Generally, this will mean voting "for" proposals that are to improve the management of a company, increase the rights or preferences of the voted securities, and/or increase the chance that a premium offer would be made for the company or for the voted securities. CWM's decision to vote in support or opposition of a proposal will always depend on the specific circumstances described in the proxy statement and other available information.

CWM votes proxies based on the best interests of each individual client. This means CWM may vote one way for one client and the opposite way for other clients. Upon taking authority to vote proxies, clients may place restrictions on how Advisor votes. In addition, clients always have the ability to direct a particular proxy vote by contacting Advisor prior to when the vote must take place.

Clients may request a complete copy of Advisor's proxy voting policies and procedures as well as information on how the individual client's proxies were voted by contacting the Advisor at the address or phone number indicated on Part II, Page 1 of this disclosure document.

Asset Management Services - Advisor does not vote proxies or other securities on behalf of its clients. It is the responsibility of the client to vote all securities held in managed accounts.

Item 18 – Financial Information

This item is not applicable to CWM's brochure. CWM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, CWM is not required to include a balance sheet for its most recent fiscal year. CWM is not subject to a financial condition that is reasonably likely to impair its ability to meet contractual commitments. Finally, CWM has not been the subject of a bankruptcy petition at any time.

Item 19 – Privacy Policy

Our Commitment to You

CWM, LLC treats our clients' non-public personal financial information with confidentiality and respect. Trust, privacy, and confidentiality are the guiding principles upon which the CWM relationship with clients is built and forms the basis for our Privacy Policy. CWM's Privacy Policy is reasonably designed to:

1. Insure the security and confidentiality of clients' records and information;
2. Protect against anticipated threats or hazards to the security or integrity of client records and information; and
3. Protect against unauthorized access to or use of client records or information that could result in substantial harm or inconvenience to clients.

The Information We Collect About You

You typically provide personal information when you establish an account with CWM. This information may include your:

- Name and address
- Phone number
- Income
- Social Security or Tax I.D. #
- Assets
- Email address
- Investment activity
- Other investment accounts

Responsibility to Protect Nonpublic, Personal Information

CWM employees are informed of their responsibility to protect client confidential information and are bound by this Privacy Policy. We restrict access to clients' nonpublic, personal information to those employees who need to know that information to provide CWM's products or services. Nonpublic, personal information is defined to include all information a client provides to obtain a financial product or service, or information resulting from any transaction or information otherwise obtained in providing a financial product or service. In addition, we maintain physical, procedural and electronic safeguards in an effort to protect the information from access by unauthorized parties.

Privacy On The Internet

CWM is firmly committed to maintaining our clients' privacy in the Internet world. If clients choose to contact CWM via e-mail, we will use e-mail information only for the specific purpose of responding to requests or comments. E-mail addresses will not be sold, nor will they be shared with others outside of CWM, unless we are compelled to do so by law.

Sharing Information

CWM does not sell lists of client information. We do not disclose client information to marketing companies, unless we hire them to provide specific services as listed below. We do not disclose any of the information described above, except as provided by law.

CWM may share non-public personal information with our affiliates in the course of processing transactions, managing accounts on your behalf, or to inform you of products or services that we believe may be of interest to you. Additionally, we may share non-public personal information with the following types of third parties:

- Our financial service providers such as custodians, transfer agents and third party money managers; and
- Non-financial companies under servicing or joint marketing agreements, such as printing firms and mailing firms.

These third parties are bound by law or by contract to use your information only for the services for which we hired them, and are not permitted to use or share this information for any other purpose.

Your non-public information may also be disclosed to persons we believe to be your authorized agent or representative, regulators in order to satisfy CWM's regulatory obligations and as otherwise required or permitted by law. In addition, we will disclose client information to third party litigants when we are required to do so by lawful judicial process or by court order.

Former Customers

We do not disclose any nonpublic, personal information about our former clients or customers to anyone, except as required by law.

We'll Keep You Informed

We will send you a copy of our privacy policy annually for as long as you maintain a relationship with us. We will provide you with a revised policy if we make any material changes. We will not change the policy to permit the sharing of non-public personal information other than that provided in this notice unless we first notify you and allow you the chance to "opt out" or prevent the information sharing.