

Item 1 – Cover Page

Kerntke Otto McGlone Wealth Management Group

3701 E. Evergreen Drive, Suite 500A

Appleton, WI 54913

Ph: 920-733-3865

www.kerntkeottomcglone.com

www.onekom.com

Date of Brochure: March 2013

This brochure provides information about the qualifications and business practices of Kerntke Otto McGlone Wealth Management Group (“KOM Wealth Management Group”). Any client who has not received a copy of KOM Wealth Management Group’s written disclosure brochure (this ADV Part 2 Disclosure Brochure) at least forty-eight (48) hours prior to executing the agreement for advisory services will have five (5) business days subsequent to executing the agreement to terminate KOM Wealth Management Group's services without penalty. If you have any questions about the contents of this brochure, please contact James McGlone at 920-733-3865 or at jim.mcglone@onekom.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about KOM Wealth Management Group is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm’s information on this website by searching for our name KOM Wealth Management Group or by our firm CRD number **142682**.

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

Item 2 – Material Changes

Since our last annual update was filed in March 2012, there has been one material change to our disclosure brochure as follows:

- 1) An increase in the amount of client assets our firm manages. As of our last annual update in March 2012, we reported assets under management in the amount of \$131,310,425. For our annual update filing for March 2013, we are reporting assets under management in the amount of \$154,787,350. Please refer to *Item 4 – Advisory Business* for more details.

In the past our firm has offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new rules, we will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

Item 3 – Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Advisory Business	4
General Description of Primary Advisory Services	4
Limits Advice to Certain Types of Investments	4
Tailor Advisory Services to Individual Needs of Clients	5
Client Assets Managed by KOM Wealth Management Group	6
Item 5 – Fees and Compensation	6
Financial Planning and Consulting Services	6
Investment Management Services	7
Recommend Independent Managers	9
Non-Discretionary Investment Management (Allocation Recommendations)	10
Item 6 – Performance-Based Fees and Side-By-Side Management	11
Item 7 – Types of Clients	11
Minimum Investment Amounts Required	11
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	11
Methods of Analysis	11
Cyclical.	11
Fundamental	12
Technical.	12
Investment Strategies	12
Risk of Loss	13
Item 9 – Disciplinary Information	14
Item 10 – Other Financial Industry Activities and Affiliations	14
Third-Party Money Managers	16
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading	16
Code of Ethics Summary	16
Affiliate and Employee Personal Securities Transactions Disclosure	17
Item 12 – Brokerage Practices	17
Handling Trade Errors	19
Block Trading Policy	20
Item 13 – Review of Accounts	20
Account Reviews and Reviewers	20
Statements and Reports	21
Item 14 – Client Referrals and Other Compensation	21
Item 15 – Custody	21
Item 16 – Investment Discretion	22
Item 17 – Voting Client Securities	22
Item 18 – Financial Information	23
Item 19 – Privacy Notice	23

Item 4 – Advisory Business

KOM Wealth Management Group is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) and is a Limited Liability Company (LLC) formed under the laws of the State of Wisconsin.

- James McGlone is Senior Partner, Managing Member, and Chief Compliance Officer of KOM Wealth Management Group.
 - Jason McGlone is Senior Partner and Managing Member of KOM Wealth Management Group.
 - Clause Kerntke is Senior Partner and Managing Member of KOM Wealth Management Group.
 - Richard Otto is Senior Partner and Managing Member s of KOM Wealth Management Group.
-
- KOM Wealth Management Group has been registered as an investment advisor since January 2007.

General Description of Primary Advisory Services

The following are brief descriptions of KOM Wealth Management Group’s primary services. A more detailed description of KOM Wealth Management Group’s services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the description of services and description of fees in a side-by-side manner.

Financial Planning Services - KOM Wealth Management Group provides advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client’s overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Asset Management Services - KOM Wealth Management Group provides advisory services in the form of asset management services, which we refer to as investment management services. Asset management services involve providing clients with continuous and on-going supervision over client accounts. This means that KOM Wealth Management Group will continuously monitor a client’s account and make trades in client accounts when necessary.

Outside Money Managers - KOM Wealth Management Group provides advisory services by referring clients to outside, or unaffiliated, money managers that are registered or exempt from registration as investment advisors. Third-party money managers are responsible for continuously monitoring client accounts and making trades client accounts when necessary.

Limits Advice to Certain Types of Investments

KOM Wealth Management Group provides investment advice on the following types of investments:

- No-Load (i.e. no trading fee) and Load-Waived (i.e. trading fee waived) Mutual Fund Shares
- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)
- Fixed income securities (i.e. bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Foreign Issues
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- United States government securities
- Options contracts on securities and commodities
- Interests in partnerships investing in real estate and oil and gas interests

KOM Wealth Management Group does not provide advice on futures contracts on tangibles and intangibles.

KOM Wealth Management Group may recommend clients that are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, as amended, invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when such a recommendation is consistent with the client's investment objectives. When KOM Wealth Management Group recommends that the client invest in private placement securities, KOM Wealth Management Group receives no additional compensation but will continue to receive applicable investment advisory fees on the client's assets under management.

KOM Wealth Management Group allocates its client's investment management assets, on a discretionary and/or a non-discretionary basis among all types of investments that are listed above as types of investments on which we may provide investment advice. *(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

Tailor Advisory Services to Individual Needs of Clients

KOM Wealth Management Group's services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

Client Assets Managed by KOM Wealth Management Group

The amount of clients assets managed by KOM Wealth Management Group totaled \$154,787,350 as of February 15, 2013. All of these assets are managed on a discretionary basis and no assets are managed on a non-discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provide in *Item 4 – Advisory Business*, this section provides additional details regarding our services along with descriptions of each service's fees and compensation arrangements.

KOM Wealth Management Group is an investment adviser providing financial planning, consulting, and investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities. KOM Wealth Management Group, depending upon the engagement, offers its services on a fee basis which may include hourly and/or fixed fees as well as fees based upon the value of assets under management. Alternatively, certain of KOM Wealth Management Group's *Advisory Affiliates* (*Advisory Affiliates is defined as 1) All Kerntke Otto McGlone Wealth Management Group officers, partners, or directors; 2) all persons directly or indirectly controlling or controlled by Kerntke Otto McGlone Wealth Management Group; and 3) All current employees other than employees performing only clerical, administrative support or similar functions*) may offer securities brokerage services and insurance products under a commission arrangement, which may be used to offset KOM Wealth Management Group's fees (as discussed below). Prior to engaging KOM Wealth Management Group to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with KOM Wealth Management Group setting forth the terms and conditions under which our firm will render its services (collectively the "*Agreement*").

Financial Planning and Consulting Services

KOM Wealth Management Group provides its clients with a broad range of comprehensive financial planning and consulting services (which may include non-investment related matters). KOM Wealth Management Group will charge a fixed fee and/or hourly fee for these services. Our financial planning and consulting fees are negotiable, but generally range from \$500 to \$4,000 on a fixed fee basis and/or from \$125 to \$300 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. If the client engages KOM Wealth Management Group for additional investment advisory services, we may offset all or a portion of our fees for those services based upon the amount paid for the financial planning and/or consulting services. Financial planning services typically are provided at no additional charge to clients who have contracted for asset management services.

Prior to engaging KOM Wealth Management Group to provide financial planning and/or consulting services, the client will generally be required to enter into a written agreement with KOM Wealth Management Group setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to our firm commencing services. Generally, KOM Wealth Management Group requires one-half of the financial planning / consulting fee (estimated hourly or fixed) to be paid upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon financial planning or consulting services. Either party may terminate the agreement by written notice to the other party. In the event the client terminates KOM Wealth Management Group's financial planning and/or consulting services, the balance of our unearned fees (if any) will be refunded to the client. If termination occurs within five business days of entering into an agreement for such services the client will be entitled to a full refund.

In performing its services, KOM Wealth Management Group will not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. We may recommend that you implement our financial planning/consulting recommendations through our firm, our *Advisory Affiliates* in their individual capacities as registered representatives of a broker-dealer, and/or other professionals. A conflict of interest exists if KOM Wealth Management Group recommends its own services. You are under no obligation to act upon any of the recommendations made by KOM Wealth Management Group under a financial planning/consulting engagement and/or to engage the services of any such recommended professional, including KOM Wealth Management Group itself. You retain absolute discretion over all such implementation decisions and are free to accept or reject any of our firm's recommendations. Moreover, each client is advised that it remains the client's responsibility to promptly notify KOM Wealth Management Group if there is ever any change in the client's financial situation or investment objectives for the purpose of reviewing, evaluating, or revising KOM Wealth Management Group's previous recommendations and/or services.

Investment Management Services

In the event the client determines to engage KOM Wealth Management Group to provide investment management services, our firm will provide the investment management services on a fee basis. KOM Wealth Management Group charges an annual fee based upon a percentage of the market value of the assets being managed by our firm. KOM Wealth Management Group's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. However, our firm will not receive any portion of these commissions, fees, and costs. KOM Wealth Management Group's annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. The annual fee will vary (between 0.05% and 2.00%) depending upon the market value of the assets under management and the complexity of investment management services to be rendered.

The client may make additions to and withdrawals from the client's account at any time, subject to KOM Wealth Management Group's right to terminate an account. If assets are deposited into an account after the inception of a quarter that exceed \$50,000, the fee payable with respect to such

assets will be prorated based on the number of days remaining in the quarter. Clients may withdraw account assets on notice to KOM Wealth Management Group, subject to the usual and customary securities settlement procedures. For partial withdrawals in excess of \$50,000 within a billing period, KOM Wealth Management Group will credit its unearned fee towards the next quarter's fee. However, clients are advised that KOM Wealth Management Group designs its portfolios as long-term investments and assets withdrawals may impair the achievement of a client's investment objectives.

For the initial quarter of investment management services, the first quarter's fees will be calculated on a *pro rata* basis, and is charged in arrears at the time the first full quarter's fee is charged. The *Agreement* between KOM Wealth Management Group and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. KOM Wealth Management Group's annual fee will be prorated through the date of termination and any remaining balance will be charged or refunded to the client, as appropriate, in a timely manner and the client will be subject to an account closing fee of \$250 if the client terminates the investment management services of KOM after the commencement of a calendar quarter billing period.

Additions may be in cash or securities provided that KOM Wealth Management Group reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. KOM Wealth Management Group may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

KOM Wealth Management Group, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

Clients may incur certain charges imposed by the account custodian and other third parties, such as fees charged by *Independent Managers* (as defined below), custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which will be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to KOM Wealth Management Group's fee.

KOM Wealth Management Group's *Agreement* and/or the separate agreement with the account custodian may authorize KOM Wealth Management Group through the account custodian to debit the client's account for the amount of KOM Wealth Management Group's fee and to directly remit that management fee to KOM Wealth Management Group in accordance with applicable custody rules. The account custodian recommended by KOM Wealth Management Group has agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to KOM Wealth Management Group.

To the extent that a client authorizes the use of margin, and margin is thereafter employed by KOM Wealth Management Group in the management of the client's investment portfolio, the market value of the client's account and the corresponding fee payable by the client to KOM Wealth Management Group will be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential conflict of interest in that the client's decision to employ margin will correspondingly increase the management fee payable to KOM Wealth Management Group. Accordingly, the decision whether to employ margin is left exclusively to the discretion of the client.

Recommend Independent Managers

KOM Wealth Management Group may also recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers) either directly or through a wrap fee program ("*Independent Manager(s)*") based upon the stated investment objectives of the client. The terms and conditions under which the client will engage the *Independent Manager(s)* will be set forth in separate written agreements between (1) the client and KOM Wealth Management Group and (2) the client and the designated *Independent Manager(s)* and/or wrap fee program sponsor. KOM Wealth Management Group will continue to render advisory services to the client relative to the ongoing monitoring and review of account performance, for which KOM Wealth Management Group receives an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated *Independent Manager(s)*. Factors that KOM Wealth Management Group considers in recommending *Independent Manager(s)* include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Manager(s)*, together with the fees charged by the wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, KOM Wealth Management Group's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by KOM Wealth Management Group, the designated *Independent Manager(s)*, wrap fee program sponsor (if applicable), and corresponding broker-dealer and custodian.

In addition to KOM Wealth Management Group's written disclosure statement, the client will also receive the written disclosure statement of the designated *Independent Manager(s)* and wrap fee program sponsor (if applicable). Certain *Independent Manager(s)* may impose more restrictive account requirements and varying billing practices than KOM Wealth Management Group. In such instances, KOM Wealth Management Group may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Manager(s)* or wrap fee program sponsor.

If KOM Wealth Management Group refers a client to certain *Independent Manager(s)* where our compensation is included in the advisory fee charged by such *Independent Manager(s)* and the client engages those *Independent Manager(s)*, KOM Wealth Management Group will be compensated for its services by receipt of a fee paid directly to KOM Wealth Management Group by the *Independent Manager(s)* in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of

1940, as amended, and any corresponding state securities laws, rules, regulations, or requirements. Any such fee will be paid solely from the *Independent Manager(s)* investment management fee or the program fee of the wrap fee program (as appropriate), and will not result in any additional charge to the client.

Non-Discretionary Investment Management (Allocation Recommendations)

KOM Wealth Management Group also may render non-discretionary investment management services to clients relative to: (1) variable life/annuity products that they may own, and/or (2) their individual employer-sponsored retirement plans. In so doing, KOM Wealth Management Group's either directs or recommends the allocation of client assets among the various mutual fund sub-accounts that comprise the variable life/annuity product or the retirement plan. The client assets will be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan.

The client may make additions to and withdrawals from the client's account at any time, subject to KOM Wealth Management Group's right to terminate an account. If assets are deposited into an account after the inception of a quarter that exceed \$50,000, the fee payable with respect to such assets will be prorated based on the number of days remaining in the quarter. Clients may withdraw account assets on notice to KOM Wealth Management Group, subject to the usual and customary securities settlement procedures. For partial withdrawals in excess of \$50,000 within a billing period, KOM Wealth Management Group will credit its unearned fee towards the next quarter's fee. However, clients are advised that KOM Wealth Management Group designs its portfolios as long-term investments and assets withdrawals may impair the achievement of a client's investment objectives.

For the initial quarter of investment management services, the first quarter's fees will be calculated on a *pro rata* basis, and charged in arrears at the time the first full quarter's fee is charged. The *Agreement* between KOM Wealth Management Group and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. KOM Wealth Management Group's annual fee will be prorated through the date of termination and any remaining balance will be charged or refunded to the client, as appropriate, in a timely manner.

Additions may be in cash or securities provided that KOM Wealth Management Group reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. KOM Wealth Management Group may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

KOM Wealth Management Group's clients are advised to promptly notify KOM Wealth Management Group if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon KOM Wealth Management Group's management services.

Neither KOM Wealth Management Group nor the client may assign the *Agreement* without the consent of the other party. Transactions that do not result in a change of actual control or management of KOM Wealth Management Group will not be considered an assignment.

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

Item 6 is not applicable to this Disclosure Brochure because KOM Wealth Management Group does not charge or accept performance-based fees. Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

KOM Wealth Management Group generally provides investment advice to the following types of clients:

- Individuals
- High-Net Worth Individuals
- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

Minimum Investment Amounts Required

There are no minimum investment amounts or conditions required for establishing an account managed by KOM Wealth Management Group. However, all clients are required to execute an agreement for services in order to establish a client arrangement with KOM Wealth Management Group and/or any recommended *Independent Manager* or sponsor of third-party money manager platforms.

Certain *Independent Manager(s)* or wrap fee program sponsors may impose more restrictive account requirements and varying billing practices than the KOM Wealth Management Group. In such instances, we may alter our corresponding account requirements and/or billing practices to accommodate those of the *Independent Manager(s)* or wrap fee program sponsors.

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

Methods of Analysis

KOM Wealth Management Group uses the following methods of analysis in formulating investment advice:

Cyclical. Analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall

just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

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). 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). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

Technical. A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Investment Strategies

KOM Wealth Management Group 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.

Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from KOM Wealth Management Group.

Option writing including covered options, uncovered options, or spreading strategies. 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.

KOM Wealth Management Group may recommend that clients authorize the active discretionary management of a portion of their assets by and/or among certain *Independent Manager(s)* based upon the stated investment objectives of the client. When recommending or selecting an *Independent Manager* for a client, KOM Wealth Management Group will review information about the

Independent Manager(s) such as its disclosure statement and/or material supplied by the *Independent Manager(s)* or independent third parties for a description of the *Independent Manager's* investment strategies, past performance and risk results to the extent available. KOM Wealth Management Group will continue to render services to the client relative to the discretionary and/or non-discretionary selection or recommendation of *Independent Manager(s)* as well as the monitoring and review of account performance and client investment objectives.

Risk of Loss

Past performance is not indicative of future results. Therefore, you 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. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, KOM Wealth Management Group is unable to represent, guarantee, or even imply that our services and methods of analysis 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 our investment management program.

- 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.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will

erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's 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 our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

KOM Wealth Management Group 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) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, or (11) sponsor or syndicator of limited partnerships.

Other Business Activities

Tax Services

The Senior Partners of Kerntke Otto Wealth Management Group are equal owners of Kerntke Otto McGlone Tax Service. Kerntke Otto McGlone Tax Service is separate and distinct from Kerntke Otto McGlone Wealth Management Group. The Senior Partners of Kerntke Otto McGlone Wealth

Management Group may spend up to 5% of their time working directly for Kerntke Otto McGlone Tax Service.

Licensed Insurance Agents

Certain of KOM Wealth Management Group's *Advisory Affiliates*; in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. While KOM Wealth Management Group does not sell such insurance products to its investment advisory clients, we do permit our *Advisory Affiliates*, in their individual capacities as licensed insurance agents, to sell insurance products to our firm's investment advisory clients. A conflict of interest exists to the extent that KOM Wealth Management Group recommends the purchase of insurance products where KOM Wealth Management Group's *Advisory Affiliates* receive insurance commissions or other additional compensation.

Registered Representatives of a Broker-Dealer

In the event the client desires, the client can engage certain persons associated with KOM Wealth Management Group (but not KOM Wealth Management Group, the Firm) to render securities brokerage services under a commission arrangement. Under this arrangement, the client may implement securities transactions through certain of the Firm's *Advisory Affiliates*, in their respective individual capacities as registered representatives of Cambridge Investment Research, Inc. ("*Cambridge*"), an SEC registered broker-dealer and member of the FINRA. Brokerage commissions may be charged by *Cambridge* to effect these securities transactions and thereafter, a portion of these commissions may be paid by *Cambridge* to such *Advisory Affiliates*. Prior to effecting any transactions, the client will be required to enter into a new account agreement with *Cambridge*. The brokerage commissions charged by *Cambridge* may be higher or lower than those charged by other broker-dealers. In addition, certain of the *Advisory Affiliates* of KOM Wealth Management Group may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment.

While KOM Wealth Management Group does not sell such securities products to its investment advisory clients, we do permit our *Advisory Affiliates*, in their individual capacities as registered representatives of *Cambridge*, to sell securities products to our investment advisory clients. A conflict of interest exists to the extent that KOM Wealth Management Group recommends the purchase of securities where our *Advisory Affiliates* receive commissions or other additional compensation as a result of the recommendations of KOM Wealth Management Group.

For accounts covered by ERISA (and for such other accounts for which KOM Wealth Management Group, in its sole discretion deems it appropriate), the foregoing commission arrangement may be modified to allow for investment advisory services rendered on a fee-offset basis. In such a scenario, KOM Wealth Management Group will offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by the *Advisory Affiliates* of KOM Wealth Management Group in their individual capacities as registered representatives of *Cambridge*.

Online Trip Planning

James M. McGlone is an owner and the Chief Financial Officer (CFO) for Venture Catalysts, LLC, which develops and offers online travel planning tools particularly designed for weekend trips for guys, girls, and couples. The other owners of Venture Catalysts are not affiliated with KOM Wealth Management Group. It is anticipated that James M. McGlone will spend approximately 5% of his time on activities involving Venture Catalysts.

If James M. McGlone determines that a client of KOM Wealth Management Group may be a candidate for the weekend travel planning tools of Venture Catalysts, LLC, then such client may be referred to Venture Catalysts.

Clients of KOM Wealth Management Group are not obligated in any manner to use the travel planning tools (or other services) of Venture Catalysts recommended by James M. McGlone. If a KOM Wealth Management Group client also becomes a client of Venture Catalysts, the client will be charged separately for any products or services purchased through Venture Catalysts.

Third-Party Money Managers

As described in *Item 4 – Advisory Business* and *Item 5 – Fees and Compensation*, KOM Wealth Management Group has formed relationships with independent, third-party money managers.

KOM Wealth Management Group may recommend clients work directly with third-party money managers. When we refer clients to a third party money manager, we will receive a portion of the fee charged by the third party money manager. Therefore, we have a conflict of interest in that we will only recommend third party money managers that will agree to compensate KOM Wealth Management Group by paying us a portion of the fees billed to your account managed by the third party money manager.

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

Code of Ethics Summary

KOM Wealth Management Group has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Advisers Act, our *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by KOM Wealth Management Group or any of our associated persons. The *Code of Ethics* also requires that certain of our personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Clients may contact the KOM Wealth Management Group to request a copy of our *Code of Ethics*. Unless specifically permitted in our *Code of Ethics*, none of our *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as *the Access Person*) any transactions in a security which is being actively purchased or

sold, or is being considered for purchase or sale, on behalf of any of KOM Wealth Management Group's clients.

When the KOM Wealth Management Group is purchasing or considering for purchase any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when KOM Wealth Management Group is selling or considering the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds; and (v) shares in publicly traded companies that are highly liquid. We consider stocks with average daily trading volume of 10,000 shares or more as being highly liquid.

Affiliate and Employee Personal Securities Transactions Disclosure

KOM Wealth Management Group or its associated persons may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of KOM Wealth Management Group that all persons associated in any manner with our firm must place the interests of our firm's clients ahead of their own when implementing personal investments. KOM Wealth Management Group and our associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with KOM Wealth Management Group unless the information is also available to the investing public upon reasonable inquiry. In order to minimize this conflict of interest, securities recommended by KOM Wealth Management Group are widely held and publicly traded.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of KOM Wealth Management Group. If we assist in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible.

As further discussed in response to Item 12 (below), KOM Wealth Management Group will generally recommend that clients utilize the brokerage and clearing services of Fidelity Investments and its affiliates (collectively referred to as "*Fidelity*") for investment management accounts.

KOM Wealth Management Group may only implement its investment management recommendations after the client has arranged for and furnished KOM Wealth Management Group with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions will include, but are not limited to, *Fidelity*, any other broker-dealer recommended by KOM Wealth Management Group, any broker-dealer directed by the client, trust companies, banks etc.

Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by *Fidelity*, *Cambridge* or any other designated broker-dealer are exclusive of and in addition to KOM Wealth Management Group's fee.

Factors which KOM Wealth Management Group considers in recommending *Fidelity*, *Cambridge* or any other broker-dealer, to clients include their respective financial strength, reputation, execution, pricing, research, and service. *Fidelity* enables our firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. In addition, *Fidelity* has agreed to pay transfer costs for certain clients that transfer their accounts to *Fidelity*. The commissions and/or transaction fees charged by *Fidelity* or *Cambridge* may be higher or lower than those charged by other broker-dealers.

The commissions paid by our firm's clients will comply with our duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while KOM Wealth Management Group will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

If the client requests KOM Wealth Management Group to arrange for the execution of securities brokerage transactions for the client's account, we will direct such transactions through broker-dealers that we reasonably believe will provide best execution. KOM Wealth Management Group periodically and systematically reviews its policies and procedures regarding recommending broker-dealers to client in light of our duty to obtain best execution.

The client may direct KOM Wealth Management Group in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and KOM Wealth Management Group will not seek better execution services or prices from other broker-dealers or be able to "batch" client transactions for execution through other broker-dealers with orders for other accounts managed by KOM Wealth Management Group. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, KOM Wealth Management Group may decline a client's request to direct brokerage if, in our sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist KOM Wealth Management Group in its investment decision-making process. Such research generally will be

used to service all of our firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest.

As discussed above, certain *Advisory Affiliates* in their respective individual capacities are registered representatives of *Cambridge*. These *Advisory Affiliates* are subject to NASD Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless *Cambridge* provides written consent. Therefore, clients are advised that certain *Advisory Affiliates* may be restricted to conducting securities transactions through *Cambridge* unless they first secure written consent from *Cambridge* to execute securities transactions through a different broker-dealer. Absent such written consent or separation from *Cambridge*, these *Advisory Affiliates* are prohibited from executing securities transactions through any broker-dealer other than *Cambridge* under *Cambridge's* internal supervisory policies. KOM Wealth Management Group is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit. KOM Wealth Management Group may receive from *Fidelity*, without cost to KOM Wealth Management Group, computer software and related systems support, which allow us to better monitor client accounts maintained at *Fidelity*. KOM Wealth Management Group may receive the software and related support without cost because we render investment management services to clients that maintain assets at *Fidelity*. The software and related systems support may benefit KOM Wealth Management Group, but not its clients directly. In fulfilling its duties to its clients, KOM Wealth Management Group endeavors at all times to put the interests of clients first. Clients should be aware; however, that our receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence our choice of one broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, KOM Wealth Management Group may receive the following benefits from *Fidelity* through the Fidelity Registered Investment Advisor Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Registered Investment Advisor Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Handling Trade Errors

KOM Wealth Management Group has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is the policy of KOM Wealth Management Group to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by KOM Wealth Management Group if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-

dealer will be responsible for handling the trade error. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. KOM Wealth Management Group may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

KOM Wealth Management Group will never benefit or profit from trade errors.

Block Trading Policy

Transactions implemented by KOM Wealth Management Group for client accounts are generally effected independently, unless the firm decides to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by the firm when KOM Wealth Management Group believes such action may prove advantageous to clients. When KOM Wealth Management Group aggregates client orders, the allocation of securities among client accounts will be done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among our firm's clients in proportion to the purchase and sale orders placed for each client account on any given day. When KOM Wealth Management Group determines to aggregate client orders for the purchase or sale of securities, including securities in which KOM Wealth Management Group may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* It should be noted, KOM Wealth Management Group does not receive any additional compensation or remuneration as a result of aggregation.

Item 13 – Review of Accounts

Account Reviews and Reviewers

For those clients to whom KOM Wealth Management Group provides investment management services, KOM Wealth Management Group monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least an annual basis. For those clients to whom KOM Wealth Management Group provides financial planning and/or consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of the investment adviser representatives of our firm. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with KOM Wealth Management Group and to keep us informed of any changes thereto. KOM Wealth Management Group will contact ongoing investment advisory clients at least annually to review our previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situations and/or investment objectives.

Statements and Reports

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for their accounts. Those clients to whom KOM Wealth Management Group provides investment advisory services will also receive a report from KOM Wealth Management Group that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance from time to time.

Those clients to whom KOM Wealth Management Group provides financial planning and/or consulting services will receive reports from KOM Wealth Management Group summarizing our analysis and conclusions, as requested by the client or otherwise agreed to in writing by KOM Wealth Management Group.

Item 14 – Client Referrals and Other Compensation

KOM Wealth Management Group does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in Item 5 of this brochure. KOM Wealth Management Group receives no other forms of compensation in connection with providing investment advice.

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.

KOM Wealth Management Group is deemed to have custody of client funds and securities whenever KOM Wealth Management Group is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody KOM Wealth Management Group will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which KOM Wealth Management Group is deemed to have custody, our firm 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 KOM Wealth Management Group. When clients have questions about their account statements, they should contact KOM Wealth Management Group or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

Through its asset management services and upon receiving written authorization from a client, KOM Wealth Management Group will maintain trading authorization over client accounts. Upon receiving written authorization from the client, KOM Wealth Management Group may implement trades on a **discretionary** basis. When discretionary authority is granted, KOM Wealth Management Group will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction. However, it is the policy of KOM Wealth Management Group to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, KOM Wealth Management Group will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

All 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 our firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

KOM Wealth Management Group will not vote proxies on behalf of your account. It is your responsibility to vote all proxies for securities held in accounts managed by our firm. You will receive proxies directly from your account custodian or transfer agent and such documents will not be delivered by our firm.

Item 18 – Financial Information

Item 18 is not applicable to this Disclosure Brochure. KOM Wealth Management Group does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, KOM Wealth Management Group has not been the subject of a bankruptcy petition at any time.

Item 19 – Privacy Notice

A copy of KOM Wealth Management Group's privacy policy notice and a written disclosure statement that meets the requirements of Rule 204-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act"), will be provided to each client prior to or contemporaneously with the execution of the *Agreement*.

KOM Wealth Management Group will provide a copy of their current privacy policy to existing clients on an annual basis.