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This brochure provides information about the qualifications and business practices of BT Wealth Management, LLC ("BTWM"). If you have any questions about the contents of this brochure, please contact us at (678) 302-1436 or [scraig@btwealthllc.com](mailto:scraig@btwealthllc.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Additional information about BTWM also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

***Material Changes***

There have been no material changes since our last Brochure dated July 26, 2013.

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**September 10, 2013 Brochure**

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## ***Advisory Business***

### General Information

BT Wealth Management, LLC was formed in 2008 and provides portfolio management and financial planning services to its clients. At the outset of each client relationship, BTWM spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and reviewing options for the client. Based on its reviews, BTWM generally develops with each client:

- a financial outline for the client based on the client's financial circumstances and goals, and the client's risk tolerance level (the "Financial Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan").

The Financial Profile is a reflection of the client's current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments BTWM will make on behalf of the client in order to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

### Portfolio Management

As described above, at the beginning of a new client relationship, BTWM gathers information and performs research and analysis as necessary to develop the client's Investment Plan. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by BTWM based on updates to the client's financial or other circumstances.

To implement the client's Investment Plan, BTWM will manage the client's investment portfolio on a discretionary basis. As a discretionary investment adviser, BTWM will have the authority to supervise and direct the portfolio without prior consultation with the client. The investment plan will be managed in accordance with the client's Investment Plan, and may include the use of Separate Account Managers, alternative investments.

Clients may impose certain written restrictions on BTWM in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments (e.g., "sin stocks") in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolios. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of BTWM.

Wrap fee programs may be offered through third party money managers. In a wrap fee program, clients are charged an all-inclusive wrap fee on program assets that covers advisory, execution, custodial and reporting services. In a non-wrap fee program, BTWM's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Please refer to the individual managers Wrap Fee Brochure for more information.

### General Consulting

From time to time, clients may retain BTWM for specific projects, general consulting services or financial planning. An example of such consulting is the review of a third party money manager. Such projects generally require a clear understanding of the client's current financial situation, as well as the client's short- and long-term financial goals and objectives. Clients may be asked to provide information pertaining to their assets, liabilities, income, expenses, income and estate taxes, trust agreements, wills, investments, insurance, personal and family obligations, and employee benefit programs. Careful consideration also will be given to subjective factors such as the client's prior investment experience, risk comfort level, and knowledge of investment vehicles available on the market. Once the client's financial goals and objectives have been established, BTWM will provide a written report to address project specified. Clients may choose to have BTWM implement the plan, or implement the plan through other means.

### Principal Owners

Bennett Thrasher, PC is the principal owner of BTWM. Please see "**Brochure Supplement(s)**", Appendix A, for more information on individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

### Type and Value of Assets Currently Managed

As of December 31, 2012, BTWM managed \$220,308,432 million on a discretionary basis, and no assets on a non-discretionary basis.

## ***Fees and Compensation***

### General Fee Information

Fees paid to BTWM are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third party consultants. Fees paid to BTWM are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). Fees charged by third party money managers will be charged separately and in addition to BTWM's fees. These fees will be detailed in the individual manager's Firm Brochure. The client should review all fees charged by funds, brokers, BTWM and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

### Portfolio Management Fees

The annual fee schedule, based on a percentage of assets under management, is as follows:

First \$1,000,000	1.00%
Next \$2,000,000	0.75%
Next \$2,000,000	0.60%
Balance above \$5,000,000	0.50%

The minimum portfolio value is generally set at \$1,000,000. Clients may pay a minimum annual fee. Accordingly, a client may pay an effective rate greater than the rate specified in the fee schedule shown above. BTWM, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Portfolio management fees are generally payable quarterly, in arrears, based on the market value of Client's account on the last day of the prior quarter as adjusted and prorated for asset additions/withdrawals. If management begins after the start of a quarter, fees will be prorated accordingly. Deposits and/or withdrawals of \$25,000 or more made during the calendar quarter will be prorated and charged in arrears, as applicable. Fees are debited directly from client accounts and are calculated using the total assets in the account as shown on the client custodial statement, including any assets purchased on margin. If there is a net debit cash balance in the account as a result of using margin, the cash balance will be excluded from the fee calculation. Net positive cash balances in type 1 (cash account) and type 2 (margin account) are included in the fee calculation.

Either BTWM or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client, and any fees due to BTWM from the client will be invoiced or deducted from the client's account prior to termination. Upon written receipt of notice to terminate and liquidate the client's account, BTWM and its agent will, in an orderly and efficient manner, proceed with liquidation of the client's account. There will not be a charge by us for such redemption; however, the client should be aware that certain mutual funds impose redemption fees as stated in each company's fund prospectus in certain circumstances. Clients must keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with the client's tax advisor. Factors that may affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Due to the administrative processing time needed to terminate client's investment advisory service and communicate the instructions to the client's Investment Advisor, termination orders received from clients are not market orders; it may take several business days under normal market conditions to process the client's request. During this time, the client's account is subject to market risk. BTWM and its agent are not responsible for market fluctuations of the client's account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner.

#### General Consulting Fees

Consulting fees are generally charged at an hourly rate of \$200-\$450. Fees are negotiable and depend on the complexity of the project and the estimated amount of time required to complete the project. Fees for consulting are due and payable upon completion and presentation of the project.

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

BTWM does not have any performance-based fee arrangements.

#### ***Types of Clients***

BTWM serves individuals, pension and profit-sharing plans, corporations, trusts, estates and charitable organizations. With some exceptions, the minimum portfolio value eligible for conventional investment advisory services is \$1,000,000. Minimum annual fees may apply. Under certain circumstances and in its sole discretion, BTWM may negotiate such minimums.

#### ***Methods of Analysis, Investment Strategies and Risk of Loss***

##### Methods of Analysis

BTWM's investment strategy is firmly rooted in the use of "modern portfolio theory" and a belief that investors' returns are determined principally by asset allocation decisions. Accordingly, BTWM primarily invests client accounts in diversified portfolios and separate account managers, depending on the appropriateness for the individual client. Depending on the client's individual goals and objectives, BTWM may invest in alternative investment vehicles including but not limited to hedge funds and fund of fund ("FOF") investments.

BTWM undertakes a multi-step process to analyze and select investments for client accounts. Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors. When selecting a particular investment for inclusion in a portfolio, a screen is used to narrow a selected sector/discipline for the best investment options available in that sector/discipline. The screen typically narrows our focus to 3-7 possible options. The next step is to collect and read materials on the funds published by the managers, followed by materials published by 3<sup>rd</sup> party research providers. Our main objective from the information-synthesizing is to determine and analyze philosophy, structure, manager experience and capabilities, returns, fee structure, overall ratings for safety and returns, and information access. These steps will typically narrow the field to 1-2 investment options in the sector/discipline. Further due diligence is conducted by meeting with representatives of the funds and/or hosting conference calls. A final decision is then discussed and voted on by an Investment Committee before a particular fund, ETF, Manager or alternative investment is added.

#### Investment Strategies

BTWM's strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for each client. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances.

Long Term Purchases – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Short Sales – securities transactions in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.

Trading – generally considered holding a security for less than thirty (30) days.

Margin Transactions – a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

Options Trading/Writing: a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified

price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

When appropriate and in accordance with the Investment Plan for a client, BTWM may utilize one or more Separate Account Managers, each a “Manager”. Having access to various Managers offers a wide variety of manager styles, and offers clients the opportunity to utilize more than one Manager if necessary to meet the needs and investment objectives of the client. BTWM will usually select the Manager(s) it deems most appropriate for the client. Factors that BTWM considers in recommending/selecting Managers generally includes the client’s stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

The Manager(s) will be granted discretionary trading authority to provide investment supervisory services for the portfolio. With respect to assets managed by a Manager, BTWM’s role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the Manager(s), and to assist the client in understanding the investments of the portfolio.

When one or more Managers are utilized, the Manager(s)’ fees will be separate from and in addition to BTWM’s fee. Certain Managers may impose more restrictive account requirements than BTWM, and billing practices may vary. In such instances, BTWM may be required to alter its corresponding account requirements and/or billing practices to accommodate those of the Manager(s).

#### Risk of Loss

While BTWM seeks to diversify clients’ investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While BTWM manages client investment portfolios based on BTWM’s experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying mutual funds and other securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that BTWM allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that BTWM’s specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, BTWM may invest client portfolios in mutual funds, ETFs and other investment pools (“pooled investment funds”). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds’ success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Risks Related to Alternative Investment Vehicles.* The value of client portfolios will be based in part on the value of alternative investment vehicles in which they are invested, the success of each of

which will depend heavily upon the efforts of their respective Managers. When the investment objectives and strategies of a Manager are out of favor in the market or a Manager makes unsuccessful investment decisions, the alternative investment vehicles managed by the Manager may lose money. A client account may lose a substantial percentage of its value if the investment objectives and strategies of many or most of the alternative investment vehicles in which it is invested are out of favor at the same time, or many or most of the Managers make unsuccessful investment decisions at the same time. Clients may also face liquidity risk in alternative investments; such investments may have required minimum investment time frames ("lock-up periods") and other characteristics that limit the availability of the invested funds.

*Equity Market Risks.* BTWM will generally invest portions of client assets directly into equity investments, and may utilize pooled investment funds that invest in the stock market or Separate Account Managers, which will select individual stocks for the account. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* BTWM may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* BTWM may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

### ***Disciplinary Information***

BTWM has no disciplinary events to report.

### ***Other Financial Industry Activities and Affiliations***

Kenneth Thrasher is a member of BT Wealth Management, LLC's Investment Committee, and he is a Partner in and practices as a CPA with Bennett Thrasher P.C., a public accounting firm which is the majority owner of BTWM. Mr. Thrasher spends approximately 80% of his time on these other matters.

Jeffrey Call is a member of the BT Wealth Management, LLC's Investment Committee and he also practices as a CPA and Shareholder with Bennett Thrasher P.C. Mr. Call spends approximately 80% of his time on these other matters.

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

#### **Code of Ethics and Personal Trading**

BTWM has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. BTWM's Code has several goals. First, the Code is designed to assist BTWM in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, BTWM owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires BTWM associated persons to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for BTWM's associated persons (managers, officers and employees). Under the Code's Professional Standards, BTWM expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, BTWM associated persons are not to take inappropriate advantage of their positions in relation to BTWM clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time BTWM's associated persons may invest in the same securities recommended to clients. Under its Code, BTWM has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

#### **Participation or Interest in Client Transactions**

Because associated persons may invest in the same securities as those purchased in client accounts, BTWM has established a policy requiring its associated persons to pre-clear transactions in these securities with the Chief Compliance Officer. The goal of this policy is to avoid any conflict of interest that may present itself in these situations. Certain securities, such as CD's, treasury obligations and open-end mutual funds are exempt from this pre-clearance requirement. However, in the event of other identified potential trading conflicts of interest, BTWM's goal is to place client interests first.

Consistent with the foregoing, BTWM maintains policies regarding participation in initial public offerings (IPOs) and private placements in order to comply with applicable laws and avoid conflicts with client transactions. If a BTWM associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer. If associated persons trade with client accounts (e.g., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with BTWM's written policy.



## ***Brokerage Practices***

### **Best Execution and Benefits of Brokerage Selection**

When given discretion to select the brokerage firm that will execute orders in client accounts, BTWM seeks “best execution” for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, BTWM may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of BTWM’s clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

BTWM participates in Schwab’s Institutional (“SI”) service program. While there is no direct link between the investment advice BTWM provides and participation in the SI program, BTWM receives certain economic benefits from the SI program. These benefits may include software and other technology that provides access to client account data (such as trade confirmations and account statements), facilitates trade execution (and allocation of aggregated orders for multiple client accounts), provides research, pricing information and other market data, facilitates the payment of BTWM’s fees from its clients’ accounts, and assists with back-office functions, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of BTWM’s accounts, including accounts not held at Schwab. Schwab may also make available to BTWM other services intended to help BTWM manage and further develop its business. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services to be rendered to BTWM by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services, pay all or a part of the fees of a third-party providing these services to BTWM, and/or Schwab may pay for travel expenses relating to participation in such training. Finally, participation in SI provides BTWM with access to mutual funds which normally require significantly higher minimum initial investments or are normally available only to institutional investors.

The benefits received through participation in the SI program do not necessarily depend upon the proportion of transactions directed to Schwab. The benefits are received by BTWM, in part because of commission revenue generated for Schwab by BTWM’s clients. This means that the investment activity in client accounts is beneficial to BTWM, because Schwab does not assess a fee to BTWM for these services. This creates an incentive for BTWM to continue to recommend Schwab to its clients. While it may be possible to obtain similar custodial, execution and other services elsewhere at a lower cost, BTWM believes that Schwab provides an excellent combination of these services.

When appropriate and in accordance with the Investment Plan for a client, BTWM may utilize one or more Separate Account Managers, each a “Manager”. Among the criteria which BTWM reviews in the selection and retention of Managers are the Manager’s policies and stated practices regarding the selection of broker-dealers and place of the client’s transactions, including its Best Execution policy, but BTWM does not directly monitor such activity.

### **Directed Brokerage**

Clients may direct BTWM to use a particular broker for custodial or transaction services on behalf of the client’s portfolio. In directed brokerage arrangements, the client is responsible for

negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that BTWM has with Schwab is designed to maximize efficiency and to be cost effective. Clients who direct BTWM to use a particular broker may not be eligible to participate in aggregated trades. As a result, the client may pay higher brokerage commissions or receive less favorable prices. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers may in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing BTWM to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with BTWM that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

#### Aggregated Trade Policy

BTWM typically directs trading in individual client accounts as and when trades are appropriate based on the client's Investment Plan, without regard to activity in other client accounts. However from time to time BTWM may aggregate trades together for multiple client accounts, most often when these accounts are being directed to sell the same securities at the same time. If such an aggregated trade is not completely filled, BTWM will allocate shares received (in an aggregated purchase) or sold (in an aggregated sale) across participating accounts on a pro rata or other fair basis; provided, however, that any participating accounts that are owned by BTWM or its officers, directors, or employees will be excluded first.

#### ***Review of Accounts***

Managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by BTWM. Scott Craig, BTWM's Partner, Chief Investment Officer and Chief Compliance Officer, reviews client accounts.

For those clients to whom BTWM provides separate financial planning and/or consulting services, reviews are conducted on an as needed or agreed upon basis. Such reviews are conducted by one of BTWM's investment adviser representatives or principals.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. In addition, BTWM provides a quarterly report for each managed portfolio. This written report normally includes a summary of

portfolio holdings and performance results. Additional reports are available at the request of the client.

### ***Client Referrals and Other Compensation***

As noted above, BTWM may receive some benefits from Schwab based on the amount of client assets held at Schwab. Please see ***“Brokerage Practices”*** for more information. Employees, owners and officers of BTWM and its affiliates may from time to time receive compensation for referring clients to BTWM.

From time to time BTWM may receive tickets to sporting and entertainment events from fund companies that we recommend to clients. It is the policy of BTWM to make an effort to pass such tickets on to our clients and referral partners. Such gifts are not contingent based on an amount of sales. BTWM does not base recommendations on the expectation of such gifts.

### ***Custody***

Schwab is the custodian of nearly all client accounts at BTWM. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify BTWM of any questions or concerns. Clients are also asked to promptly notify BTWM if the custodian fails to provide statements on each account held.

From time to time and in accordance with BTWM's agreement with clients, BTWM will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. There may at times be small differences due to the timing of dividend reporting, pending trades, etc.

### ***Investment Discretion***

As described above under ***“Advisory Business”***, BTWM manages portfolios on a discretionary basis. This means that after an Investment Plan is developed for the client's investment portfolio, BTWM will execute that plan without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney (“LPOA”) is executed by the client, giving BTWM the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. BTWM then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with BTWM and the requirements of the client's custodian. The discretionary relationship is further described in the agreement between BTWM and the client.

### ***Voting Client Securities***

As a policy and in accordance with BTWM's client agreement, BTWM does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact BTWM with questions relating to proxy procedures and proposals; however, BTWM generally does not research particular proxy proposals.

***Financial Information***

A balance sheet is not required to be provided because BTWM does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.