

# Foresight Wealth Management, LLC

## Client Brochure

*This brochure provides information about the qualifications and business practices of Foresight Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (801) 462-2200 or by email at: [advice@foresightmgt.com](mailto:advice@foresightmgt.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 Foresight Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Foresight Wealth Management, LLC's CRD number is: 153881*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

The material changes in this brochure from Foresight Wealth Management, LLC's last filing on March 23, 2015 are described below. This list summarizes changes to policies, practices or conflicts of interests only.

This brochure was prepared to apply for registration with the United States Securities and Exchange Commission.

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

This firm has been in business since July 7, 2010, and the principal owner is Adam Edward Nugent.

### **B. Types of Advisory Services**

Foresight Wealth Management, LLC (hereinafter “FWM”) offers the following services to advisory clients:

#### ***Investment Supervisory Services***

FWM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. FWM creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client’s specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

FWM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### ***Pension Consulting Services***

FWM offers consulting and advisory services for employer-sponsored retirement plans that are designed to assist plan sponsors of employee benefit plans (“Sponsor(s)”). FWM may also assist Sponsors with enrollment and/or providing investment education to plan participants and beneficiaries. FWM provides these retirement plan services (“Retirement Services”) through its independent contractor Investment Advisor Representatives (“IARs”), and may -charge a fee for the Retirement Services, as described herein and the Retirement Plan Consulting Agreement (“Agreement”).

#### ***Selection of Other Advisers***

FWM may direct clients to third party money managers. FWM will be compensated via a fee share from the advisors to which it directs those clients. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for

clients, FWM will always ensure those other advisors are properly licensed or registered as investment advisor.

### ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees or hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

### ***Services Limited to Specific Types of Investments***

FWM does not limit its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, third party money managers, REITs, options, insurance products including annuities, private placements, and government securities. FWM may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

FWM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent FWM from properly servicing the client account, or if the restrictions would require FWM to deviate from its standard suite of services, FWM reserves the right to end the relationship.

## **D. Wrap Fee Programs**

FWM does not participate in any wrap fee programs.

## **E. Amounts Under Management**

FWM's assets under management ("AUM") include accounts for which FWM (i) provides discretionary continuous and regular management services (Discretionary AUM), as well as, (ii) does not have discretion but has ongoing responsibility to make recommendations as to specific investments based upon client needs and, if approved by the client, to arrange or effect the recommended transaction (Non-Discretionary AUM).

FWM has the following AUM:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$ 68,038,278	\$ 141,318,391	12/31/2014

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
First \$250,000	1.50%
Next \$750,000	1.25%
Next \$2,000,000	1.00%
Next \$4,000,000	0.75%
Above \$7,000,000	Negotiable

These fees are negotiable. Clients may speak directly with a representative of FWM in order to discuss negotiations of fees and the final fees, as negotiated, will be memorialized in Exhibit II of the Investment Advisory Contract. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract. Thereafter, clients may terminate their contracts with thirty days' written notice.

If the Agreement is terminated prior to the end of a quarter, FWM will be entitled to a quarterly fee, prorated for the number of days in the quarter prior to the effective date of termination, and for asset-based fees, based on the market value of account at the close of business on the effective date of termination.

#### *Selection of Other Advisers Fees*

FWM may direct clients to third party money managers. FWM will be compensated via a fee share from the advisors to which it directs those clients. This relationship will be



disclosed in each contract between FWM and each third party adviser. The fees shared will not exceed any limit imposed by any regulatory agency. The third party manager will be determined based on the client's investment goals, time horizon, risk tolerance, and investment objectives. The solicitor's fee will not result in a higher management fee being paid by the client.

These fees are negotiable depending upon the needs of the client and complexity of the situation. Depending on the third party money manager, fees are paid quarterly in advance or in arrears, and clients may terminate their contracts with 30 days' written notice. Clients should review the third party money manager's ADV Part 2A brochure document for more information regarding the collection of fees.

### ***Pension Consulting Services Fees***

<b>Asset Based Fees:</b>	<b>No more than .75% of plan assets</b>
<b>Hourly Fee:</b>	<b>No more than \$150.00/hour</b>
<b>Flat Fee:</b>	<b>Negotiable-depending on the services elected</b>

Fees for the Retirement Services ("Fees") are flexible, and Sponsor may be charged a fee based on a percentage of plan assets, an hourly rate or a flat dollar amount. Sponsor may specify whether to pay the Fees directly or may authorize the plan's record keeper or custodian to pay FWM from plan assets. All fees paid to FWM for Retirement Services are separate and distinct from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales charges, a client may pay an initial or deferred sales charge. The Retirement Services provided by FWM are designed to, among other things, assist the client in determining which Manager(s) are most appropriate to each client's financial condition and objectives and to provide other administrative assistance as selected by the client. Accordingly, the client should review both the fees charged by the funds, the Manager, the plan's other service providers and the fees charged by FWM to fully understand the total amount of fees to be paid by the client and to evaluate the Retirement Services being provided.

### ***Financial Planning Fees***

#### **Hourly Fees**

The hourly financial planning fee is \$150. The fees are negotiable, depending upon the complexity of the situation and the needs of the client, and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

## **B. Payment of Fees**

### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance. For fees charged in advance, a refund will be made based on the termination date and a pro rata refund for the remaining days left in the billing period.

### ***Payment of Selection of Other Advisers Fees***

Selection of Other Advisers fees are withdrawn directly from the client's accounts with client written authorization. Depending on the third party money manager, fees are paid quarterly in advance or in arrears, and clients may terminate their contracts with 30 days' written notice. Any fees charged in arrears will not result in a refund.

### ***Payment of Pension Consulting Services Fees***

The Fees will be billed quarterly in arrears as per the existing policies of FWM. Because fees are charged in arrears, no refund is necessary. If the fee is not hourly, the initial Fee will be prorated based upon the number of days remaining in the initial quarterly period from the date of execution of the Agreement. If the Fee is based on a percentage of plan assets, the initial Fee will be based upon the market value of the plan assets at the close of business on the last business day of the initial quarterly period. Thereafter, the quarterly portion of any annual asset-based Fees will be based upon the market value of the plan assets at the close of business on the last business day of the previous calendar quarter (without adjustment for anticipated withdrawals by plan participants or beneficiaries or other anticipated or scheduled transfers or distributions of assets). If the fee is a flat fee that is billed directly to the Plan Sponsor, then the plan sponsor will pay such fees on a quarterly basis. FWM will provide an invoice on a quarterly basis for all fees that are billed quarterly directly to the plan sponsor.

### ***Payment of Financial Planning Fees***

Hourly Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

## **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by FWM. Please see Item 12 of this brochure regarding broker/custodian.

## **D. Prepayment of Fees**

FWM collects certain fees in advance and certain fees in arrears and thus has different refund calculation methods as further specified Item 5.B above. For any refunds, fees will be returned within fourteen days to the client via check or deposit back into client's account.

## **E. Outside Compensation For the Sale of Securities to Clients**

Select Investment Adviser Representatives (IAR) of FWM are either insurance agents, registered representatives of a broker dealer or both. From time to time the IAR of FWM will offer clients advice or products from those activities for which clients must pay the associated fees.

### ***1. This is a Conflict of Interest***

FWM and its supervised persons will accept compensation for the sale of securities, insurance products or other investment products, including asset based sales charges or services fees from the sale of mutual funds and/or other securities to its clients. This presents a conflict of interest and gives the supervised person and FWM an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which FWM receives compensation, FWM will document the conflict of interest in the client file and inform the client of the conflict of interest.

### ***2. Clients Have the Option to Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase FWM recommended products through other brokers or agents that are not affiliated with FWM.

### ***3. Commissions are the Primary Source of Income for this RIA***

Commissions are not FWM's primary source of compensation.

### ***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities, insurance products or investment products recommended to clients.

## Item 6: Performance-Based Fees and Side-By-Side Management

FWM does not charge or accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

FWM generally provides investment advice and/or management supervisory services 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

### *Minimum Account Size*

There is an account minimum, \$100,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

## Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

FWM's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

**Charting analysis** involves the use of patterns in performance charts. FWM uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

**Cyclical analysis** involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

## *Investment Strategies*

FWM uses long term trading, short term trading, and option contracts as investment strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

#### *Methods of Analysis*

**Charting analysis** strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

## *Investment Strategies*

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally holds a greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. FWM utilizes Covered Calls as an option strategy. Covered Calls are Options that are sold on existing positions held in the account. This strategy has the potential to add additional income to the portfolio while reducing volatility in the account. Option transactions also involve risks including

but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

FWM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

While employed by another firm and not FWM, Ross Morrell Bowen was found to have acted as an unlicensed investment adviser representative in violation of section 61-1-3(3)(a) of the Utah uniform securities act. A PDF copy of the order to show cause may be viewed at: <http://securities.utah.gov/dockets/11006301.pdf> (note: website must be entered in lower case). A PDF copy of the stipulation and consent order can be viewed online at <http://securities.utah.gov/dockets/11006302.pdf> (note: the WEB address must be entered in all lower case letters).

No other IAR of FWM has any disciplinary history to report.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Adam Edward Nugent, Gary Hensley, Thomas Russon Baird, Jaycum Lamarr Wells, Mark Christensen, Jesse Pinegar, and Daniel Creer are registered representatives of Securities Services Network, Inc. Ross Morrell Bowen is an IAR of FWM, but is not a registered representative of a broker-dealer firm.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither FWM nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Adam Edward Nugent, Gary Hensley, Thomas Russon Baird, Jaycumm Lamarr Wells, Mark Christensen, Jesse Pinegar, and Daniel Creer are registered representatives of Securities Services Network, Inc. Mr. Nugent, Mr. Hensley, Mr. Baird, Mr. Wells, Mr. Christensen, Mr. Pinegar, and Mr. Creer are also licensed insurance agents, while Mr. Nugent is also owner of Foresight Group Insurance, an insurance agency.

From time to time, clients will be offered advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. FWM always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of FWM in such individual's outside capacities.

### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

FWM may direct clients to third party money managers. FWM will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be disclosed in each contract between FWM and each third party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a potential conflict of interest in that FWM has an incentive to direct clients to the third party money managers that provide FWM with a larger fee split. FWM will always act in the best interests of the client, including when determining which third party manager to recommend to clients. FWM will ensure that all recommended advisors or managers are licensed or notice filed in the states in which FWM is recommending them to clients.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

## **B. Recommendations Involving Material Financial Interests**

FWM does not recommend that clients buy or sell any security in which a related person to FWM has a material financial interest.

## **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of FWM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of FWM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. FWM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of FWM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of FWM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Access persons of FWM will not execute securities transactions during a period of five days before and five days after the day that any client has a pending buy or sell order in the same security until the client's order is executed or withdrawn; however, in appropriate cases the chief compliance officer may waive such restriction at his or her discretion if such client trade has been cleared or executed.

# **Item 12: Brokerage Practices**

## **A. Factors Used to Select Custodians and/or Broker/Dealers**

The custodian, National Financial Services, LLC (the "Custodian") was chosen based on its relatively low transaction fees and access to mutual funds and ETFs. FWM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

### ***1. Research and Other Soft-Dollar Benefits***

FWM receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").



## **2. Brokerage for Client Referrals**

FWM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. Clients Directing Which Broker/Dealer/Custodian to Use**

FWM allows clients to direct brokerage. FWM may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage FWM may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

FWM maintains the ability to block trade purchases across accounts. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least annually by the appropriate Investment Adviser Representative which includes; Adam Edward Nugent, Gary Hensley, Thomas Russon Baird, Jaycumm Lamarr Wells, Mark Christensen, Jesse Pinegar, Daniel Creer, and Ross Morrell Bowen.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Adam Edward Nugent, President. There is only one level of review and that is the total review conducted to create the financial plan.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least monthly or quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

FWM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to FWM clients.

### **B. Compensation to Non -Advisory Personnel for Client Referrals**

FWM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

Custody of client's accounts is held primarily at the Custodian. However, FWM, with client written authority, has limited custody of client's assets through direct fee deduction of FWM's fees only. If the client chooses to be billed directly by the Custodian, FWM would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

For those clients' accounts where FWM provides ongoing supervision, the client has given FWM written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides FWM discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

## **Item 17: Voting Client Securities (Proxy Voting)**

FWM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

FWM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure. While FWM may charge certain fees in advance in excess of \$1,200 per client, these fees are not charged six months or more in advance of FWM rendering the applicable advisory services.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither FWM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

FWM has not been the subject of a bankruptcy petition in the last ten years.