



# CONNECTICUT

## WEALTH MANAGEMENT, LLC

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: March 30, 2015**

This Disclosure Brochure provides information about the qualifications and business practices of Connecticut Wealth Management, LLC (“CTWM”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (860) 470-0290 or by email at [info@ctwealthmgmt.com](mailto:info@ctwealthmgmt.com).

CTWM is a Registered Investment Advisor with the United States Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about CTWM to assist you in determining whether to retain the Advisor.

Additional information about CTWM and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: Part 2A and Part 2B. Part 2A (the “Disclosure Brochure”) provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. Part 2B (the “Brochure Supplement”) provides information about advisory personnel of CTWM.

CTWM believes that communication and transparency are the foundation of its relationships and continually strive to provide its Clients with complete and accurate information at all times. CTWM encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

The only material change since the last annual amendment of April 22, 2014 was that the office moved to address listed above.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of CTWM.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

To review the firm information for CTWM:

- Click **Investment Advisor Search** in the left navigation menu.
- Select the option for **Firm** and enter **154310** (our firm’s CRD number) in the field labeled “Firm IARD or CRD# or SEC#”.
- This will provide access to Form ADV Part 1 and Part 2.
- Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the Advisor.
- In the left navigation menu, Form ADV Part 2 is located near the bottom.

You may also obtain a copy of this Disclosure Brochure on our website, [www.ctwealthmgmt.com](http://www.ctwealthmgmt.com) or request a copy by contacting us at (860) 470-0290 or by email at [info@ctwealthmgmt.com](mailto:info@ctwealthmgmt.com).

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

Connecticut Wealth Management, LLC (“CTWM” or the “Advisor”) is a Registered Investment Advisor with the Securities and Exchange Commission, which is organized as a Limited Liability Company (LLC) under the laws of the State of Connecticut. CTWM began operations on October 1, 2010, and is owned and operated by Kevin Leahy (CEO and Managing Member), Denis Horrigan (Member) and Michael Tedone (Member). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by CTWM.

### **B. Advisory Services Offered**

CTWM offers financial planning and investment advisory services to individuals, trusts, estates, not-for profit organizations, business owners, businesses and executives in Connecticut and other states (each referred to as a “Client”).

#### Financial Planning and Consulting Services

CTWM will typically provide a variety of financial planning services to individuals and families, pursuant to a written Financial Planning or Consulting Agreement. Typically a financial plan will be comprehensive in nature, including all major aspects of a Client's financial situation. Generally, such financial planning services will involve investment planning, retirement planning, personal savings, education savings, income tax planning, estate tax planning, cash flow analysis, and risk management including death, disability and long term care needs analysis.

A financial plan developed for or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. CTWM may also refer Clients to an accountant, insurance consultant, attorney or other specialist, as appropriate for their unique situation. For comprehensive financial planning engagements, the Advisor will provide a written summary of the Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within ninety days of the contract date, assuming all information and documents requested are promptly provided.

Financial planning and consulting recommendations may pose a potential conflict between the interests of the Advisor and the interests of the Client. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to effect the transaction through the Advisor.

#### Investment Management Services

CTWM provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and consulting services. CTWM works with each Client to identify their investment goals and objectives, as well as risk tolerance and financial situation, in order to create a portfolio allocation. CTWM will then construct a portfolio, typically consisting of no-load mutual funds and/or exchange-traded funds (“ETFs”) to achieve the Client's investment goals. The Advisor may also utilize individual stocks, bonds, certificates of deposits, and alternative investments to meet the needs of its Clients.

CTWM's investment strategy is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. CTWM will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client.

CTWM evaluates and selects investment vehicles for inclusion in Client portfolios only after applying their internal due diligence process. CTWM may recommend, on occasion, redistributing investment allocations to diversify the portfolio. CTWM may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement, which may adversely affect the portfolio.

#### Investment Management Services - continued

CTWM may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, changes in Client circumstances or any risk deemed unacceptable for the Client's risk tolerance.

Prior to rendering investment advisory services, CTWM will ascertain, in conjunction with the Client, the Client's financial situation, risk tolerance, and investment objective[s]. CTWM will provide investment advisory services and portfolio management services and will not custody securities or provide other administrative services. At no time will CTWM accept or maintain custody of a Client's funds or securities, except for the authorized deduction of the Advisor's fees. All Client assets will be managed within their designated account or pension account, pursuant to the Client Investment Advisory Agreement.

#### **C. Individual Client Account Management**

Prior to engaging CTWM to provide investment advisory services, each Client is required to enter into an Investment Advisory Agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing Investment Policy – CTWM, in connection with the Client, will ascertain the Client's investment goals and objectives to develop the broad strategy[ies] to be employed to meet the objectives.
- Asset Allocation – CTWM will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – CTWM will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – CTWM will provide investment management and ongoing oversight of the Client's portfolio and overall account.

#### **D. Wrap Fee Programs**

CTWM does not manage a wrap fee program. Investment management services are typically provided directly by CTWM. At times, certain Clients may be invested in a wrap fee program offered by LPL Financial. The details of this wrap fee program are provided in the wrap program brochure provided by LPL Financial.

#### **E. Assets Under Management**

As of March 27, 2015 CTWM manages \$477,435,309 in discretionary assets and \$7,984,818 in non-discretionary assets. Total assets under management are \$485,420,127. Clients may request more current information at any time by contacting the Advisor.

### **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for investment management. Each Client shall sign an Investment Advisory Agreement that details the responsibilities of CTWM and the Client.

#### **A. Fees for Advisory Services**

##### Financial Planning and Consulting Services

CTWM offers financial planning or consulting services on a fixed fee basis ranging from \$4,000 to \$10,000, which may be negotiable depending on the nature and complexity of each Client's circumstances. The Advisor's fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses associated with implementing the plan, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs. The fixed fee is determined after considering many factors, such as the level and scope of the services.

### Investment Management Services

Investment Advisory Fees are paid quarterly in advance pursuant to the terms of the Investment Advisory Agreement. Investment Advisory Fees are based on the market value of assets under management at the end of each calendar quarter. Investment Advisory Fees range from 1.25% to 0.75% based on the following schedule:

Assets Under Management	Annual Rate
\$500,000 to \$1,000,000*	1.25%
\$1,000,001 to \$2,500,000	1.10%
\$2,500,001 to \$5,000,000	0.90%
\$5,000,001 and over	0.75%

\* Minimum account size is \$500,000 (See Item 7).

Investment Advisory Fees in the first quarter of service are prorated to the inception date of the account to the end of the first quarter. Fees may be negotiable at the discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with Advisor. Certain Clients may have fee schedules that differ from the fees above. All securities held in accounts managed by CTWM will be independently valued by the designated Custodian. CTWM will not have the authority or responsibility to value portfolio securities.

### **B. Fee Billing**

#### Financial Planning and Consulting Services

Investment Advisory Fees will be automatically calculated and deducted from the Client Account by the Custodian. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the Investment Advisory Fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the custodian's account statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting CTWM to be paid directly from their accounts held by the Custodian as part of the Investment Advisory Agreement and separate account forms provided by the Custodian.

#### Investment Management Services

Investment Advisory Fees will be automatically deducted from the Client Account by the Custodian. The Advisor provides the fee amount to the Custodian indicating the amount of the fees to be deducted from the Client Account at the respective quarter end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with CTWM at the end of each prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the Investment Advisory Fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the custodian's account statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting CTWM to be paid directly from their accounts held by the Custodian as part of the Investment Advisory Agreement and separate account forms provided by the Custodian.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than CTWM, in connection with investment made on behalf of the Client's account[s]. The Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Investment Advisory Fee charged by CTWM is separate and distinct from these custodian and execution fees.

In addition, all fees paid to CTWM for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of CTWM, but would not receive the services provided by CTWM which are designed, among other things, to assist the Client in determining which products or services are most appropriate to each Client's financial situation and objectives.

Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by CTWM to fully understand the total fees to be paid.



#### **D. Advance Payment of Fees and Termination**

##### Financial Planning and Consulting Services

The Client may terminate the agreement within five (5) days of signing the Advisor's financial planning or consulting agreement, in which case the Client will not incur any fees. After the five-day period, either party may terminate a planning or consulting agreement at anytime by providing written notice to the other party. The Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Refunds will be given on a pro-rata basis.

##### Investment Management Services

CTWM is compensated for its services in advance of the quarter in which investment advisory services are rendered. Clients may request to terminate their Investment Advisory Agreement with CTWM, in whole or in part, by providing advance written notice. The Client shall be responsible for Investment Advisory Fees up to and including the effective date of termination. Upon termination, the Advisor will refund any unearned, prepaid Investment Advisory Fees from the effective date of termination to the end of the quarter. The Client's Investment Advisory Agreement with the Advisor is non-transferable without Client's written approval.

#### **E. Compensation for Sales of Securities**

CTWM does not receive any compensation for securities transactions in any Client account other than the Investment Advisory Fees noted above.

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

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CTWM does not charge performance-based fees for its investment advisory services. The fees charged by CTWM are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

CTWM does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

### **Item 7 – Types of Clients**

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CTWM provides investment advisory services to the following types of Clients:

- Individuals, Personal Trusts and Estates – private investors, investing their personal assets
- Businesses and Not-For Profit Organizations – business entities, investing cash reserves and endowments

The relative percentage for each type of Client is available on CTWM's Form ADV Part 1. These percentages will change over time. CTWM generally requires a minimum household size of \$500,000 to effectively implement its investment process. CTWM may reduce this household minimum at its sole discretion.

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

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#### **A. Methods of Analysis**

CTWM primarily employs fundamental analysis methods in developing investment strategies for its Clients. Research and analysis from CTWM is derived from numerous sources, including third-party research materials, financial media companies, , Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others. CTWM uses asset allocation strategy in managing clients' assets. Asset allocation helps drive the balance between risk and reward and it is important because, when investing in multiple asset classes, a portfolio may perform more consistently over time and it may minimize the risk of underperformance.

Market conditions that can help one asset class to perform well may cause another to have average or poor returns over the same time period. A portfolio consisting of a diversified group of investments may be able to limit a client's losses and reduce the fluctuations of investment returns without sacrificing potential gain.

#### **A. Methods of Analysis – continued**

As noted above, CTWM generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. CTWM will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, CTWM may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

#### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. CTWM will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included in Item 13.

Asset allocation helps drive the balance between risk and reward and it is important because, when investing in multiple asset classes, a portfolio may perform more consistently over time and it may minimize the risk of underperformance. While asset allocation may help reduce risk, it does not eliminate risk. All investments involve some degree of risk.

Each Client relationship will include a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's portfolio. The Advisor shall rely on all information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process.

CTWM may use margin in Client accounts to manage the timing of purchases and sales, as appropriate. CTWM may employ options strategies to hedge or gain additional exposure to a particular asset class or sector. In certain instances, CTWM's investment strategy may include active trading in concentrated portfolios.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor. For more information on our investment management services, please contact us at (860) 470-0290 or via email at [info@ctwealthmgmt.com](mailto:info@ctwealthmgmt.com).**

#### **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving CTWM or any of its employees.** CTWM and its advisory personnel value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner.



Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To review the firm information contained in ADV Part 1, select the option for Investment Adviser Firm and enter **154310** in the field labeled "Firm IARD or CRD# or SEC#". This will provide access to Form ADV Parts 1 and 2. Item 11 of the ADV Part 1 lists legal and disciplinary questions. You may also research the background of CTWM's advisory persons on this site.

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

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### **Broker-Dealer**

Associated Persons of CTWM are also registered representatives of LPL Financial, LLC ("LPL") of Boston, Massachusetts. LPL is a registered broker-dealer (CRD No. 6413), member FINRA, SIPC. In their separate capacity as registered representatives, associated persons of CTWM will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by the associated persons. Neither the Advisor nor its associated persons will earn investment advisory fees in connection with any services implemented in their separate capacity as registered representatives where commissions are earned. Also, as a result of this relationship, LPL Financial may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about CTWM's clients, even if client does not establish any account through LPL. If you would like a copy of the LPL privacy policy, please contact us at (860) 470-0290 or via email at [info@ctwealthmgmt.com](mailto:info@ctwealthmgmt.com).

Generally, recommendations made by CTWM to its Clients are implemented by the associated persons in their role as an Investment Advisor Representatives, not in their role as a Registered Representative. In no circumstances will CTWM earn an advisory fee and a commission on the same investment.

In addition, as registered representatives of LPL, associated persons of CTWM may receive 12b-1 distributions from investment companies in connection with the placement of client funds into investment companies.

Clients should be aware that the receipt of additional compensation creates a conflict of interest when making recommendations.

### **Insurance Agency Affiliations**

Mr. Leahy, Managing Member of CTWM, may serve as a sales agent for various insurance companies. This activity is done separate and apart from his role with CTWM. As an insurance agent, Mr. Leahy may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Leahy or the Advisor.

While the firm is licensed to sell insurance, it is not recommended and implemented by Mr. Leahy for all clients. Revenue from insurance commissions is not material to the advisor's total revenue.

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

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

CTWM has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with CTWM. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. CTWM and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of CTWM associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that may address employee ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact us at (860) 470-0290 or via email at [info@ctwealthmgmt.com](mailto:info@ctwealthmgmt.com).

## **B. Personal Trading with Material Interest**

CTWM allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. CTWM does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advice an investment company. CTWM does not have a material interest in any securities traded in Client accounts.

## **C. Personal Trading in Same Securities as Clients**

CTWM allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, employees of CTWM may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by CTWM requiring reporting of personal securities trades by its employees for review by the employee's supervisor or the CCO. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

In addition the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, Employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

## **D. Personal Trading at Same Time as Client**

While CTWM allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. CTWM will place trades only after Client orders have been placed and filled.

**At no time will CTWM or any associated person of CTWM, transact in any security to the detriment of any Client.**

## **Item 12 – Brokerage Practices**

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### **A. Recommendation of Custodian[s]**

CTWM does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services or the administrator for defined contribution accounts. The Client will select the broker-dealer or custodian (herein the "custodian") to safeguard Client assets and authorize CTWM to direct trades to this custodian as agreed in the Investment Advisory Agreement. Further, CTWM does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where CTWM does not exercise discretion over the selection of the custodian, it may recommend the custodian[s] to Clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian and will not incur any extra fee or cost associated with using a broker not recommended by CTWM. CTWM typically recommends to Clients that they established their brokerage account[s] at LPL Financial, LLC ("LPL"). LPL is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. LPL offers independent investment Advisors services, which include custody of securities, trade execution, clearance and settlement of transactions. CTWM receives some benefits from LPL through its relationship with them. CTWM considers a number of factors in selecting and/or recommending brokers and custodians for its Clients' accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided.

Following are additional details regarding the brokerage practices of the Advisor:

1. **Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. **CTWM does not participate in soft dollar programs sponsored or offered by any broker-dealer.**

**2. Brokerage Referrals** - CTWM does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.

**3. Directed Brokerage** - All Clients are serviced on a “directed brokerage basis”, where CTWM will place trades within the established account[s] at the custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account[s]). In selecting the custodian, CTWM will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated custodian.

## **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. CTWM will execute its transactions through an unaffiliated broker-dealer approved by the Client. CTWM may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Accounts are monitored on a regular and continuous basis by a team of Advisors. Formal reviews are generally conducted quarterly or more or less frequently depending on the needs of the Client and market conditions.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client’s request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client’s financial situation, and/or large deposits or withdrawals in the Client’s account. The Client is encouraged to notify CTWM if changes occur in his/her personal financial situation that might adversely affect his/her investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive statements no less than quarterly from the trustee or custodian. These statements are sent directly from the custodian to the Client. The Client may also establish electronic access to the custodian’s website so that the Client may view these reports and their account activity. Client statements will include all positions, transactions and fees relating to the Client’s account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by CTWM**

#### Broker-Dealer Affiliation

Certain associated persons of CTWM are also registered representative of LPL Financial, LLC (“LPL”) of Boston, Massachusetts. LPL is a registered broker-dealer (CRD No. 6413), member FINRA, SIPC. In their separate capacity as registered representatives, associated persons of CTWM will typically receive commissions for the implementation of recommendations for commissionable transactions. In addition, as registered representatives of LPL, associated persons of CTWM may receive 12b-1 distributions from investment companies in connection with the placement of client funds into investment companies.

### Marketing Reimbursements

At times, CTWM may be reimbursed or supported by custodians, product sponsors and other unaffiliated third parties for Client events. The reimbursements received may pose a potential conflict of interest between

CTWM and its Clients, as the reimbursements could have an incentive for favor certain products and providers. To mitigate this conflict, CTWM's investment committee reviews all investment policy and operates independent of any marketing support.

### Insurance Agency Affiliations

Mr. Leahy, Managing Member of CTWM, may serve as a sales agent for various insurance companies. This activity is done separate and apart from his role with the CTWM. As an insurance agent, Mr. Leahy may receive customary commissions and other related revenues from the various insurance companies whose products are sold.

### **B. Client Referrals from Solicitors**

CTWM does not engage paid solicitors for Client referrals.

## **Item 15 – Custody**

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CTWM generally does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a qualified custodian. Clients are required to approve the custodian to retain their funds and securities and direct CTWM to utilize that custodian for the Client's security transactions. CTWM encourages Clients to review statements provided by account custodian(s).

In certain instances, an advisory person of CTWM may also serve as trustee for a Client's account(s). CTWM is deemed to have custody of those Client's assets because the trustee has the authority to obtain possession and/or direct the movement of the assets. Under the custody rule, CTWM is required to have a surprise examination by an independent auditing firm to verify that Client funds and securities are in conformity with the Investment Advisors Act of 1940.

For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

## **Item 16 – Investment Discretion**

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CTWM generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by CTWM. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by CTWM will be in accordance with each Client's investment objectives and goals.

## **Item 17 – Voting Client Securities**

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CTWM does not accept proxy-voting responsibility for any Client.

## **Item 18 – Financial Information**

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Neither CTWM, nor its management has any adverse financial situations that would reasonably impair the ability of CTWM to meet all obligations to its Clients. Neither CTWM, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. CTWM is not required to deliver a balance sheet along with this Disclosure Brochure as the firm does not collect fees of \$1,200 or more for services to be performed six months or more in advance.