

Washington Wealth Management

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3570 Carmel Mountain Road, Suite 150
San Diego, CA 92130
www.washwm.com

This brochure provides information about the qualifications and business practices of Washington Wealth Management, LLC (the “Advisor”). If you have any questions about the contents of this brochure, please contact us at (800) 214-8341 or by mail at 3570 Carmel Mountain Road, Suite 150, San Diego, CA 92130. 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 Washington Wealth Management, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Material Changes

Summary of Material Changes

Since our last update on Form ADV, there have been no material changes.

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Item 4 Advisory Business

- A. Washington Wealth Management, LLC (“WWM”) is a Delaware limited liability company formed on September 14, 2010 in the Commonwealth of Virginia. WWM became registered as an Investment Adviser Firm in October 2010. WWM is owned by NFP Corp., which owns other registered investment advisers, broker-dealers, insurance agencies and other product and service providers (“NFP Affiliates”). From time to time, we may recommend that you purchase or sell products and services from or through NFP Affiliates and these NFP Affiliates and our firm may receive compensation as a result of such recommendations. A recommendation that you purchase or sell products or services by or through an NFP Affiliate may be deemed to create a conflict of interest since it could result in increased compensation to an NFP Affiliate or our firm.
- B. WWM offers its clients investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

Prior to engaging WWM to provide planning or consulting services, clients are generally required to enter into an Investment Advisory Agreement with WWM. The Agreement sets forth the terms and conditions of the engagement including the manner of termination of the Agreement. The Agreement also describes the scope of the services to be provided and the portion of the fee, if any, that is due from the client before WWM commences its services. If requested by the client, WWM may recommend the services of other professionals, including WWM’s representatives in their individual capacities as registered representatives of a broker-dealer, NFP Advisor Services, LLC, and/or in their individual capacities as licensed insurance agents to implement the financial advisory recommendations of WWM. See disclosure at Items 10 C.1 & C.8 below.

The client is under no obligation to engage the services of any professional recommended by WWM. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from WWM. If the client engages a recommended professional, and a dispute arises in connection with such engagement, the Agreement provides that the client acknowledges and agrees that the client’s sole recourse shall be against the engaged professional.

Non-Investment Consulting/Implementation Services If requested by the client, WWM may provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. However, neither WWM, nor any of its representatives, acts for any client in the capacity of the client’s attorney or accountant. No service provided by WWM or any of its representatives constitute legal or accounting services. To the extent requested by a client, WWM may recommend the services of other professionals for certain non-investment implementation purposes (e.g., attorneys, accountants and

insurance agents), including representatives of WWM in their separate registered/licensed capacities as discussed below. The client is under no obligation to engage the services of any recommended professional. The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation regarding use of a third party received from WWM.

Non-Discretionary Service Limitations Clients that determine to engage WWM on a non-discretionary investment advisory basis must be willing to accept that WWM cannot effect any account transactions without obtaining prior verbal consent to any such transaction(s) from the client. Thus, in the event of a market correction during which the client is unavailable, WWM will be unable to effect any account transactions (as it would for its discretionary clients) without first obtaining the client's verbal consent.

MISCELLANEOUS

Trade Error Policy WWM will reimburse a client's account for losses resulting from WWM's trade errors, and will credit accounts with any gains resulting from trade errors. Gains and losses will be reconciled within WWM's custodian firm account.

Client Obligations In performing its services, WWM has no obligation to verify any information received from the client or from the client's other professionals. Client expressly authorizes WWM to rely on any information received by it from such sources. The client is responsible for notifying WWM promptly after any change in the client's financial situation or investment objectives in order that WWM may review with the client its previous recommendations for the client and evaluate and revise WWM's recommendations and the appropriate level of services to be provided to the client.

Disclosure Statement WWM will provide each client with a copy of its brochure filed as Part 2A of its Form ADV prior to, or contemporaneously with, the execution of the Investment Advisory Agreement. Any client who has not received a copy of WWM's written Brochure at least 48 hours prior to executing the Investment Advisory Agreement has five business days after executing the Agreement to terminate WWM's services without penalty.

- C. WWM will provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, WWM shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on WWM's services.

The client is responsible for notifying WWM promptly after any change in the client's financial situation or investment objectives in order that WWM may

review with the client its previous recommendations for the client and evaluate and revise WWM's recommendations and the appropriate level of services to be provided to the client.

- D. WWM offers a wrap fee program as further described in Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") of our Brochure. Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. WWM does not manage wrap fee accounts in a different fashion than non-wrap fee accounts. As further described in our Wrap Fee Program Brochure, WWM receives a portion of the wrap fee for our services.
- E. As of December 31, 2014, WWM managed approximately \$352,629,345 of client assets on a discretionary basis, and approximately \$465,614,954 of client assets on a non-discretionary basis.

Item 5 Fees and Compensation

- A. The client may engage WWM to provide discretionary and/or nondiscretionary investment advisory services on a fee basis.

INVESTMENT ADVISORY SERVICES

The client can determine to engage WWM to provide discretionary and/or non-discretionary investment advisory services on a fee basis. WWM's annual investment advisory fee varies and may total up to 3% of the total assets placed under WWM's management/advisement. A representative range of annual investment advisory fees presently charged is from .5% to 1.5%. The amount of the fees charged by WWM is based upon various objective and subjective factors. These factors include the amount of the assets placed under WWM's direct management, the amount of the assets placed under WWM's advisement, the complexity of the engagement, and the level and scope of the overall investment advisory services to be rendered. See also the discussion in Item 5.D, Commissions and Fees, below.

Assets placed under WWM's advisement are assets that are generally managed directly by the client or by other investment professionals engaged by the client. WWM provides review/monitoring services with respect to these assets but does not have trading authority.

WWM's annual investment advisory fee includes investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services, and WWM determines in its sole discretion to provide such services, WWM may impose a separate charge for such additional

services. The amount of any such separate charge will be set forth in a written notice to the client.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent requested by a client, WWM may determine to provide financial planning and/or consulting services including investment and noninvestment related matters, including estate planning, insurance planning, and planning in connection with the purchase of real estate, on a stand-alone separate fee basis. WWM's planning and consulting fees are negotiable, but generally range from \$250 to \$25,000 on a fixed fee basis, and from \$150 to \$750 on an hourly rate basis. The amount of the fixed fee will depend upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

- B. Clients may elect to have WWM's advisory fees deducted from their custodial account. Both WWM's Investment Advisory Agreement and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of WWM's investment advisory fee and to directly remit that management fee to WWM. WWM may also bill the client directly. In the case of direct billing, payment is due upon receipt of WWM's invoice. WWM will deduct fees and/or bill clients quarterly in advance, based upon the market value of the client's assets on the last business day of the previous quarter.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, WWM shall generally recommend that National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity"), TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), Pershing, LLC ("Pershing"), or Charles Schwab & Co., Inc. ("Schwab") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Fidelity, TD Ameritrade, Pershing and Schwab charge brokerage commissions and/or transaction fees for effecting certain securities transactions. For example, clients will be charged transaction fees for certain no-load mutual funds, as well as commissions for individual equity and fixed income securities transactions. Clients will incur, in addition to WWM's investment management fee, brokerage commissions and/or transaction fees, and, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). To the extent WWM has clients located outside of the United States, WWM may recommend firms located in the appropriate jurisdiction to serve as broker-dealer/custodian for the client's assets under management.
- D. WWM's annual investment advisory fee will generally be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. WWM may also agree that its annual

investment advisory fee will be prorated and paid quarterly, in arrears, based upon the market value of the assets on the last business day of the quarter to which the fee relates. WWM does not generally require an annual minimum fee or asset level for investment advisory services. WWM, in its sole discretion, may charge a reduced investment management fee and/or require an annual minimum fee or asset level in some circumstances. For example, WWM may charge reduced fees or require a reduced asset level in cases of the addition of substantial assets to a client account, substantial increases in the dollar amount of assets of the client to be managed by WWM, the opening by the client of additional accounts, certain changes in a client's account composition and individual negotiations with a client.

The Investment Advisory Agreement between WWM and the client is in effect until terminated by either party by written notice in accordance with the terms of the Investment Advisory Agreement. Upon termination, WWM will refund a prorated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

- E. **Commission Transactions.** The client may, but is not obligated to, engage certain of WWM's representatives, in their individual capacities as registered representatives of NFP Advisor Services, LLC ("NFPAS"), a FINRA member broker-dealer, to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through NFPAS, the broker-dealer will charge brokerage commissions to effect securities transactions, a portion of which commissions will be paid to WWM's representatives. The brokerage commissions charged by NFPAS may be higher or lower than those charged by other broker-dealers. In addition, NFPAS, as well as WWM's representatives, may receive ongoing 12b-1 trailing commission compensation relating to mutual fund purchases made for a client account, directly from the mutual fund company, during the period that the client maintains the mutual fund investment. A portion of the brokerage commissions and other transaction commissions paid to WWM's representatives will either be paid to WWM or applied to reduce the compensation payable by WWM to its representatives.

1. **Conflict of Interest:** The recommendation that a client purchase a commission product from NFPAS presents a conflict of interest. The receipt of commissions by WWM and its representative may provide an incentive to recommend investment products based on commissions to be received by WWM and a representative of the client, rather than based on a particular client's need. However, no client is obligated to purchase any products through NFPAS. Any representative of WWM who will earn commissions from a broker-dealer for effectuating a securities transaction will advise the client of this potential conflict of interest before recommending the use of a broker-dealer. For those clients for whom the purchase of mutual funds is a core recommendation, WWM will

recommend the purchase of appropriate and suitable no load funds where such funds are available. WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above conflict of interest.

2. Clients may purchase investment products recommended by WWM through other, non-affiliated broker dealers or agents.
3. WWM does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products WWM recommends to its clients.
4. When WWM's representatives sell an investment product on a commission basis, WWM does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, WWM's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as previously discussed). However, a client may engage WWM to provide investment management services on an advisory fee basis and, separate from such advisory services, purchase an investment product from WWM's representatives on a commission basis.

Item 6 Performance-Based Fees and Side-by-Side Management

WWM does not currently charge performance-based fees, which are fees based on a percentage of capital gains or capital appreciation in the client's assets under management. However, in the future, certain clients may pay WWM performance-based fees. As a result, WWM may manage accounts that pay performance-based fees at the same time it manages accounts that pay asset-based fees. This would present a potential conflict of interest by creating an incentive for WWM to favor accounts that pay performance-based fees or to recommend more aggressive strategies for such accounts. At such time, WWM will monitor accounts that pay performance-based fees, including the investment strategies and trade allocation practices used with such accounts, in order to mitigate such conflicts of interest.

Item 7 Types of Clients

WWM's clients are comprised primarily of individuals, business entities, trusts, estates and charitable organizations located in the United States. WWM may also have clients located outside of the United States. WWM does not generally require an annual minimum fee or asset level for investment advisory services. However, as describe above in Item 5.D, Commissions and Fees, the amount of the fee charged or the asset level required may be affected by certain factors.

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

A. WWM may utilize the following methods of security analysis:

- Charting — an analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices;
- Fundamental — an analysis performed on historical and present data, with the goal of making financial forecasts;
- Technical — an analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices; and
- Cyclical — an analysis performed on historical relationships between price and market trends, to forecast the direction of prices.

WWM may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases — securities held at least a year;
- Short Term Purchases — securities sold within a year; and
- Trading — securities sold within thirty (30) days.

Investment Risk Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by WWM) will be profitable or equal any specific performance level(s).

B. WWM's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis, WWM must have access to current/new market information. WWM has no control over the dissemination rate of market information; therefore, unbeknownst to WWM, certain analyses may be compiled with outdated market information, severely limiting the value of WWM's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

WWM's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every

investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, defined as an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period, and is likely to incur higher transaction costs than a short term investment strategy. Trading is also likely to incur substantially higher transaction costs than a longer term investment strategy.

- C. WWM allocates client investment assets among different types of securities and investments, including, but not limited to, individual equity (stocks), debt (bonds) and fixed income securities, mutual funds and/or exchange traded funds (“ETFs”) on a discretionary or nondiscretionary basis in accordance with the client’s designated investment objective(s).

Item 9 Disciplinary Information

WWM has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. As disclosed above in Item 5.E, certain of WWM’s management persons are also registered representatives of NFPAS, which is a FINRA member broker-dealer.
- B. Neither WWM, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
1. **Registered Representatives of Broker-Dealers.** Certain representatives of WWM are registered representatives of NFPAS, which is a FINRA member broker-dealer. Clients may choose to engage these representatives in their capacities as registered representatives of NFPAS to implement investment recommendations on a commission basis.
 2. **Licensed Insurance Agents.** Certain representatives of WWM are licensed insurance agents, and they may recommend the purchase of certain insurance-related products on a commission basis. As explained in Item 4.B above, clients can engage certain of WWM’s representatives to effect insurance transactions on a commission basis.
 - **Conflicts of Interest:** There are significant differences between brokerage and advisory services, which are governed by different regulations, offer different compensation structures, and place

different obligations on your advisor. The services provided for brokerage and advisory also differ, and one arrangement may provide a lower overall cost than the other. Compensation for brokerage accounts is typically commission-based, although your Advisor may also collect certain fees, such as 12b-1 fees. Compensation for advisory services is typically fee-based: either a flat fee or one based on a percentage of assets being advised or managed. In some instances, commissions might be the only compensation available. Your Advisor will either offset the fees assessed by the commissions received or will not assess a fee for those assets for a period of time.

- Establishing multiple accounts with a representative may mean that a given client has brokerage and advisory accounts. Brokerage accounts are subject to a suitability standard, advisory accounts are subject to a fiduciary standard. Brokerage relationships are subject to the standard of suitability, which requires that the representative only determine whether the recommended security is appropriate for the client and adheres to the client's investment objectives and risk tolerance. A fiduciary standard creates a duty of care that requires the representative to always act in the client's best interest in all phases of the relationship. Additionally, the recommendation by representatives of WWM, who are also representatives of broker-dealers or insurance agents, that a client purchase a security or an insurance product may also present a conflict of interest, because the receipt of commissions by such representatives may provide the representative with an incentive to recommend investment products based on commissions they may receive, rather than on a particular client's need. However, no client is under any obligation to purchase any product the sale of which would pay to a commission to the representatives. Clients are reminded that they may purchase securities and/or insurance products recommended by WWM through other, non-affiliated broker/dealers and/or insurance agents. WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above conflicts of interest.

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

- A. WWM maintains an investment policy concerning personal securities transactions. This investment policy is part of WWM's Code of Ethics. The Code of Ethics serves to establish a standard of business conduct for all of WWM's representatives that is based upon fundamental principles of openness, integrity, honesty and trust. A copy of the Code of Ethics will be provided to clients upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, WWM also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by WWM or any person associated with WWM.

- B. Neither WWM nor any related person of WWM recommends, buys, or sells for client accounts, securities in which WWM or any related person of WWM has a material financial interest.
- C. WWM and/or representatives of WWM may buy or sell securities, at or around the same time as when those securities are recommended to clients. This practice may create a situation where WWM and/or representatives of WWM are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if WWM did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of WWM’s clients) and other potentially abusive practices.

WWM has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of WWM’s “Access Persons.” WWM’s securities policy requires that Access Persons of WWM must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date WWM selects; provided, however that at any time that WWM has only one Access Person, he or she shall not be required to submit any securities report described above.

Item 12 Brokerage Practices

- A. **NFPAS**
WWM or representatives of WWM may provide brokerage accounts and services through our affiliate, NFPAS. WWM will oversee and direct the investments of your brokerage accounts subject to any limitations you may impose on in writing. WWM has an obligation to seek to obtain best execution for transactions in your account. To the extent you have imposed a limitation on brokerage selection, or have directed WWM to utilize a certain broker/dealer, WWM will not have the ability to negotiate commissions among various brokers or to obtain volume discounts. WWM also may not achieve best execution, and you may pay higher

commissions and transaction costs and receive less favorable net prices than other clients as a result.

WWM affiliates may receive compensation, in addition to the advisory fees charged to your account, when they execute portfolio transactions for you. WWM conducts these transactions in accordance with applicable rules and regulations and in a manner designed to treat you and other clients fairly and equitably over time. WWM policies and procedures require us to provide appropriate disclosures to you, such as compensation received for these transactions. Such transactions may include NFPAS acting as a selling agent on a best efforts basis for new issues of fixed income securities that you have purchased in your account. In this regard, NFPAS may rely upon their relationship with two third-party broker/dealers named Advisors Asset Management, Inc. (AAM) and SumRidge to complete transactions in fixed income securities. WWM affiliates may receive both normal and customary transaction-related compensation as a selling agent of fixed income securities, as well as advisory fees on the fixed income security in your advisory account. Through NFPAS's relationship with AAM and SumRidge, as a broker/dealer, NFPAS may also receive a percentage of the concessions AAM and SumRidge charge on fixed income security orders they execute. This arrangement may be deemed to create a conflict of interest since it results in increased compensation to WWM affiliates even though WWM is performing separate services for you.

To the extent WWM has waived any commission from the sale of a security or investment product, a third party may still provide additional compensation to NFPAS. This third-party compensation creates a conflict of interest since it could result in increased compensation for WWM or our affiliates.

NFPAS will allocate partially completed trades either in a pro-rata, a random fill or other method designed to treat you and all our clients fairly and equitably over time. The commissions NFPAS charges may be higher or lower than those charged by other broker/dealers. NFPAS corrects trade errors arising from transactions in your account at their expense; however, they reserve the right to retain any gains that may arise from correcting such errors.

NFPAS may effect agency-cross transactions for you as an advisory client subject to applicable rules and regulations. Agency-cross transactions take place when NFPAS causes a security to be transferred from one account to another. NFPAS will perform agency-cross transactions at an independently determined market price and without incurring brokerage commissions, although customary custodian fees and transfer fees still will apply and be received by them. In agency-cross transactions, NFPAS acts as broker/dealer for both buyer and seller of a security, though both may not be investment advisory clients of ours as well. NFPAS will not effect such agency transactions if they have absolute trading discretion over both parties. NFPAS will only perform cross-trades if they believe they are in the best interest of each client and after they obtain prior approval.

NFPAS obtains prior approval from you under their standard client agreements. NFPAS does not typically act in a principal capacity when initiating any trade order for advisory accounts; however, their respective clearing/custodial firms may do so when executing a trade order for you. A principal capacity means the clearing/custodial firm sells you the security from their own inventory rather than finding another seller in the market. NFPAS handles any principal trades in an advisory account in accordance with applicable law.

By choosing an Advisor Managed Account on one of WWM's Advisory Platforms, you direct WWM to use a certain broker for trades in your account, typically the custodian associated with the Advisory Platform. Not all advisers require clients to direct brokerage. By directing brokerage, NFPAS will not have authority to negotiate commissions among various brokers or to obtain volume discounts, and best execution may not be achieved. You may pay higher commissions or transaction costs and receive less favorable net prices than other clients. For trades in fixed income securities in your Advisor Managed Account, NFPAS may retain trading authority and remain obligated to obtain best execution of such trades in your account. In these circumstances, NFPAS will often use AAM and SumRidge to assist us in trading fixed income securities.

NFPAS may effect transactions for your account through broker/dealers that refer them advisory business. The use of such broker/dealers for trades in your account creates a conflict of interest since NFPAS has an incentive to increase referrals to their company. Through their relationship with AAM and SumRidge, they also receive a percentage of the concessions AAM and SumRidge charge on fixed income security orders executed by AAM and SumRidge on behalf of NFPAS firm. The use of AAM and SumRidge on trades for your account creates a conflict of interest since NFPAS has an incentive to increase compensation to their company. Commissions and fees may be higher or lower than those that may be charged by other broker/dealers.

NFPAS sponsors a Free Ticket Program in which they provide clients the opportunity to place trades for select mutual funds and ETFs at no cost to the advisor or client. Free Ticket Funds are exclusive to NFPAS advisors and affiliates, and can be purchased and exchanged at NFS without trading fees. Some participants of the Free Ticket Program may also be Select Providers. While there are no transaction costs associated with these mutual funds and ETFs, they may not provide the lowest overall costs over time when compared to mutual funds or ETFs with transaction fees. This relationship creates a conflict of interest as it results in increased compensation to NFPAS, your Advisor or our affiliates.

NFPAS has entered into a Securities Backed Lending (SBLOC) program with Bancorp and Banc of California. This program allows clients to collateralize their securities in order to obtain a line of credit. In consideration of the marketing of the products by NFPAS to its clients, Bancorp and Banc of California pay NFPAS quarterly revenue sharing payments based on the average daily outstanding balance (total loan amount) of the SBLOC. Additional details are available regarding this calculation upon request.

Fidelity

In the event that the client requests that WWM recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct WWM to use a specific broker-dealer/custodian), WWM may recommend that investment management accounts be maintained at Fidelity. WWM has a “soft dollar” arrangement with Fidelity. Under the terms of this arrangement, Fidelity provides certain New York Stock Exchange research services to WWM without monetary cost, based on the total assets of clients that use Fidelity for execution and/or custodial services.

Prior to engaging WWM to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with WWM setting forth the terms and conditions under which WWM shall manage the client’s assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that WWM considers in recommending Fidelity (or any other broker-dealer/custodian to clients) include historical relationship with WWM, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by WWM’s clients shall comply with WWM’s duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where WWM determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although WWM will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, WWM’s investment management fee. WWM’s best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Conflict of Interest Disclosure:

1. Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, WWM may receive from Fidelity, without cost (and/or at a discount) support services and/or products, certain of which assist WWM to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by WWM may be investment-related research, pricing information and

market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by WWM in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist WWM in managing and administering client accounts. Others do not directly provide such assistance, but rather assist WWM to manage and further develop its business enterprise.

Advisor's clients do not pay more for investment transactions effected and/or assets maintained at Fidelity as result of this arrangement. There is no corresponding commitment made by the Advisor to Fidelity or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

2. Although not a material consideration when determining whether to recommend that a client utilize the services of Fidelity, WWM may receive client referrals from Fidelity. Because WWM would receive an indirect economic benefit from any such referral, WWM may have an incentive to recommend Fidelity based upon its interest in receiving client referrals. Therefore, WWM has a conflict of interest in recommending to clients that they use Fidelity as custodian.
WWM's clients do not pay more for investment transactions effected and/or assets maintained at Fidelity as result of this arrangement.
3. WWM does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and WWM will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by WWM. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs WWM to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through WWM.

WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above arrangement.

4. In some cases, WWM or its Investment Adviser Representatives may absorb the cost of transaction fees for trading as a service to their clients. As a result, WWM or its Investment Adviser Representatives might have a financial incentive to recommend less frequent trading than is appropriate for a client.

WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above arrangement.

5. WWM may receive discounted, gratis and/or co-sponsorship attendance at conferences, meetings, and other educational and/or social events, or marketing support from other advisers, investment companies or funds to support WWM services to some or all of its clients.

WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above arrangement.

6. Regarding Retirement Rollovers: A client leaving an employer typically has four options (and may engage in a combination of these options): i) leave the money in the former employer's plan, if permitted, ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, iii) rollover to an IRA, or iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences).

WWM may recommend an investor roll over plan assets to an Individual Retirement Account (IRA) managed by an Investment Advisory Representative of WWM. As a result, WWM and its Investment Advisory Representatives may earn an asset-based fee. In contrast, a recommendation that a client or prospective client leave his or her plan assets with his or her old employer or roll the assets to a plan sponsored by a new employer will generally result in no compensation to WWM (unless WWM is engaged to monitor

and/or consult on the account while maintained at the existing plan). Therefore, WWM may have an economic incentive to encourage an investor to roll plan assets into an IRA that an Investment Advisor Representative of WWM will manage or encourage an investor to engage WWM to monitor and/or consult on the account maintained at the existing plan.

There are various factors that WWM may consider before recommending a rollover, including but not limited to: i) the investment options available in the plan versus the investment options available in an IRA, ii) fees and expenses in the plan versus the fees and expenses in an IRA, iii) the services and responsiveness of the plan's investment professionals versus WWM's, iv) strategies for the protection of assets from creditors and legal judgments, v) required minimum distributions and age considerations, and vi) employer stock tax consequences, if any. No client is under any obligation to rollover plan assets to an IRA managed by WWM or to engage WWM to monitor and/or consult on an account maintained at an existing plan.

WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding its prospective engagement and the corresponding conflict of interest presented by such engagement. To the extent that WWM provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless WWM decides to purchase or sell the same securities for several clients at approximately the same time. WWM may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among WWM's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. WWM does not receive any additional compensation or remuneration as a result of such aggregation.

Additionally, when a new account is established for a client, there is the possibility for fees, service charges and/or other expenses to be generated as a result of the account changes and/or transfer processes.

Item 13 Review of Accounts

- A. For those clients to whom WWM provides investment supervisory services, account reviews are conducted on an ongoing basis by WWM's Principals and Chief Compliance Officer. All investment advisory clients are advised that it remains their responsibility to advise WWM or its Investment Adviser

Representatives of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with WWM or its Investment Adviser Representatives on an annual basis.

- B. WWM may conduct account reviews separate from a periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. WWM may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. In order to help cover or defray the costs of transitioning from another RIA to WWM our advisors may receive various forms and amounts of transition assistance. Such transition assistance may include a promissory note loan, rent, technology services and equipment, legal expenses, administrative support, termination fees associated with moving accounts and regulatory services, payments based on production, reimbursement of fees, free or reduced-cost marketing material, attendance to conferences and events, and access to preferred pricing.
- B. We may issue payments in the form of loans to Advisors which may be forgivable based on years of service with WWM or the extent of their production with WWM. This practice creates a conflict of interest in that the Advisor has a financial incentive to recommend a client engage WWM for advisory services in order for the loan to be forgiven. However, If you engage WWM for an Advisor Managed Account, your Advisor will obtain the necessary financial data from you, assist you in determining the suitability for the Advisor Managed Account and help you set appropriate investment objectives. Your Advisor will then be able to purchase and sell securities in accordance with your investment objectives. WWM periodically reviews advisory accounts to ensure suitability and adherence to investment objectives.
- C. As discussed in Item 12.A above, the Advisor receives certain economic benefits from NFPAS.

DAs discussed in Item 12.B.1 above, WWM may receive certain economic benefits from Fidelity. WWM, without cost (and/or at a discount), may receive support services and/or products from Fidelity.

WWM's clients do not pay more for investment transactions effected and/or assets maintained at Fidelity as result of this arrangement. There is no corresponding commitment made by WWM to Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

WWM's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding perceived conflicts of interest any such arrangements may create.

- E. If a client is introduced to WWM by either an unaffiliated or an affiliated solicitor, WWM will generally pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from WWM's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to WWM by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of WWM's written brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between WWM and the solicitor, including the compensation to be received by the solicitor from WWM.

Item 15 Custody

We and our Advisors do not hold or maintain your assets. Third-party qualified custodians hold and maintain your assets, and those custodians provide account statements directly to you at your address of record at least quarterly. We urge you to compare the account statements you receive from your account custodian with any performance report or statements we, our service providers or our Advisors may create for you.

Though we do not maintain any client assets, we do have custody over certain accounts of clients as described below. Some of our Advisors act as a trustee for a trust account of a client. In addition, we take possession of physical security certificates from both our brokerage and advisory clients and pass them along to your account custodian as a value-add customer service.

Item 16 Investment Discretion

The client can determine to engage WWM to provide investment advisory services on a discretionary or non-discretionary basis. Prior to WWM assuming discretionary authority over a client's account, client shall be required to execute Investment Advisory Agreement, naming WWM as client's attorney and agent in fact, granting WWM and its Investment Adviser Representatives full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name for found in the discretionary account.

Clients who engage WWM on a discretionary basis may, at any time, impose restrictions, in writing, on WWM's discretionary authority (e.g., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe WWM's use of margin).

Item 17 Voting Client Securities

- A. WWM does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact WWM to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. WWM does not solicit fees of more than \$1,200 per client, six months or more in advance.
- B. WWM is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. WWM has not been the subject of a bankruptcy petition.