



**Form ADV Part 2A**

**Item 1  
Brochure Cover Page**

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**This brochure provides information about the qualifications and business practices of LWM Advisory Services, LLC. If you have any questions about the contents of this brochure, please contact us. 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 LWM Advisory Services, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration does not imply a certain level of skill or training.**

## **Item 2            Material Changes**

LWM Advisory Services, LLC has not made any material changes to its ADV Part 2A (“Brochure”) since its last amendment dated November 18, 2014.

LWM Advisory Services, LLC’s Brochure may be requested by contacting Tony DuBose at (954) 474-7100 or [cs@lwmfl.com](mailto:cs@lwmfl.com).

Additional information about LWM Advisory Services, LLC is also available via the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s website provides information about any person affiliated with LWM Advisory Services, LLC who is registered, or is required to be registered, as investment advisor representative of LWM Advisory Services, LLC.

### **Item 3            Table of Contents**

Item 2	Material Changes .....	1
Item 3	Table of Contents .....	2
Item 4	Advisory Business.....	3
Item 5	Fees and Compensation .....	7
Item 6	Performance Based Fees and Side by Side Management.....	10
Item 7	Types of Clients .....	10
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss .....	11
Item 9	Disciplinary Information.....	11
Item 10	Other Financial Industry Activities and Affiliations.....	11
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	12
Item 12	Brokerage Practices.....	13
Item 13	Review of Accounts .....	15
Item 14	Client Referrals and Other Compensation .....	16
Item 15	Custody .....	16
Item 16	Investment Discretion.....	16
Item 17	Voting Client Securities .....	16
Item 18	Financial Information .....	17

## Item 4      **Advisory Business**

LWM Advisory Services, LLC (the “Firm” or “Advisor”) is a limited liability corporation formed under Florida law and is registered as an investment advisor with the Securities and Exchange Commission (“SEC”) pursuant to the Investment Advisers Act of 1940.<sup>1</sup> The Firm was established in June 2014 by Tony DuBose, the Firm’s Managing Principal. The Advisor is wholly owned by Legacy Wealth Management, Inc. Tony DuBose is Legacy Wealth Management, Inc.’s sole shareholder and President.

The Firm provides advisory services that are tailored to its clients’ specific situations by following a disciplined consultative process. The Advisor analyzes and assesses each client’s current situation and determines recommendations for them on how to proceed in investing to meet their goals.

Advisory services include portfolio management, financial planning, and consulting services. This Brochure provides information about the Advisor and its advisory services.

The Advisor provides information in a separate disclosure brochure for its services offered through the Legacy Managed Portfolio II program. The Legacy Managed Portfolio II program services are similar to the services the Advisor provides in the Legacy Managed Portfolio I account, in that the Advisor provides investment advice and management to the client. Under the Legacy Managed Portfolio II program, the broker-dealer custodian’s execution and transaction charges are included in the advisory fee. If a client would like more information on this program, the client should contact their investment advisor representative (“IAR”) for a copy of the Wrap Fee Program Brochure that describes the program or go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The Advisor provides advisory services for the following types of investments: equity securities, warrants, options, debt securities, real estate investment trusts (“REIT”), mutual funds, closed end funds, exchange traded funds (“ETF”), exchange traded notes (“ETN”), unit investment trusts, private placements, limited partnerships, structured products, alternative investments, certificates of deposit (“CD”), master limited partnerships (“MLP”), annuities, and life insurance contracts.

### Legacy Managed Portfolio I Program

The Advisor provides ongoing investment advice and management of customized client portfolios on a discretionary or non-discretionary basis according to each client’s investment objective and financial situation. If a client selects non-discretionary investment management, LWM will not purchase or sell a security in their account without first obtaining the client’s authority to do so.

The Advisor’s advice is tailored to the individual needs of the client based on the client’s investment objectives. A client’s Investment Policy Statement may impose restrictions on investing in certain securities or groups of securities, or a client may impose such restrictions by indicating any restrictions in the Investment Advisory Agreement. The Advisor will conduct regular portfolio, investment, and planning reviews to help ensure a client’s financial objectives are consistent with the client’s investment portfolio.

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<sup>1</sup> Registration does not imply a certain level of skill or training.

As of December 31, 2014, the Advisor managed \$ 98,861,751 in client assets on a discretionary basis and \$5,349,448 on a non-discretionary basis.

If a client chooses to engage the Advisor's services, the client will enter into a written Investment Advisory Agreement and be charged an advisory fee for the Advisor's services. The client is charged separate fees for brokerage and execution services provided by the broker-dealer maintaining custody of the client's account.

#### *Separately Managed Accounts*

The Advisor provides clients with a list of investment advisory services of third party professional portfolio management firms for the individual management of client accounts. As part of this process, the Advisor assists clients in identifying an appropriate third party money manager. The Advisor provides initial due diligence on third party money managers and ongoing reviews of their management of clients' accounts.

In order to assist a client in the selection of a third party money manager, the Advisor typically gathers information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is important to note that the Advisor does not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third party money managers to clients.

The Advisor periodically reviews third party money managers' reports provided to the client, but no less often than on an annual basis. The Advisor's IARs may contact a client from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. The client will be expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The client may also directly contact the third party money manager managing the account or sponsoring the program.

#### ***Portfolio Management Services through LPL Financial***

When appropriate the Advisor has the ability to provide advisory services through certain programs sponsored by LPL Financial ("LPL"). Below is a brief description of each LPL advisory program available to us. Annualized fees for participation in LPL advisory programs vary up to maximum of 2.50%. For more information regarding the LPL programs, including more information on the advisory services and fees that apply, the types of investments available in the programs and the potential conflicts of interest presented by the programs please see the LPL Financial Form ADV Part 2 or the applicable LPL program's Wrap Fee Program Brochure and the applicable LPL Financial client agreement.

#### ***Manager Access Select Program ("MAS")***

MAS provides clients access to the investment advisory services of professional portfolio management firms for the individual management of client accounts. The Advisor will assist clients in identifying a third party portfolio manager (Portfolio Manager) from a list of Portfolio Managers made available by LPL Financial. The Portfolio Manager manages client's assets on a discretionary basis. The Advisor will provide initial and ongoing assistance regarding the Portfolio Manager selection process. A minimum account value of \$100,000 is

required for Manager Access Select, however, in certain instances, the minimum account size may be lower or higher. The Advisor has the ability and does execute exchanges among the MAS Portfolio Managers.

#### *Optimum Market Portfolios Program ("OMP")*

OMP offers clients the ability to participate in a professionally managed asset allocation program using Optimum Funds Class I shares. Under OMP, the client will authorize LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the client. The Advisor will assist the client in determining the suitability of OMP for the client and assist the client in setting an appropriate investment objective. The Advisor will have discretion to select a mutual fund asset allocation portfolio designed by LPL consistent with the client's investment objective. LPL will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for the client. LPL will also have authority to rebalance the account. A minimum account value of \$15,000 is required for OMP.

#### *Model Wealth Portfolios Program ("MWP")*

MWP offers clients a professionally managed mutual fund asset allocation program. The Advisor will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program and assist the client in setting an appropriate investment objective. The Advisor initiates the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL's Research Department consistent with the client's stated investment objective. LPL's Research Department is responsible for selecting the mutual funds within a model portfolio and for making changes to the mutual funds selected. The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds, including in certain circumstances exchange traded funds and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts.

The MWP program may make available model portfolios designed by strategists other than LPL's Research Department. If such models are made available, the Advisor will have discretion to choose among the available models designed by LPL and outside strategists. A minimum account value of \$100,000 is required for MWP.

#### *Personal Wealth Portfolios Program ("PWP")*

PWP offers clients an asset management account using asset allocation model portfolios designed by LPL Financial. The Advisor will have discretion for selecting the asset allocation model portfolio based on the client's investment objective. The Advisor will also have discretion for selecting third party money managers (PWP advisors) or mutual funds within each asset class of the model portfolio.

LPL Financial will act as the overlay portfolio manager on all PWP accounts and will be authorized to purchase and sell on a discretionary basis mutual funds, equity, and fixed income securities. A minimum account value of \$250,000 is required for PWP.

#### *Consulting Services*

The Advisor provides consulting services. The Advisor's advice takes into account information collected from the client such as financial status, investment objectives, and tax status, among other data. The Advisor will deliver to the client a written analysis or report as part of its services if requested in the Investment Advisory

Consulting Agreement. The Advisor tailors the consulting services to the individual needs of the client based on the client's investment objectives.

The Advisor does not have any discretionary investment authority when offering consulting services. The Advisor will make recommendations as to general types of investment products or securities that may be appropriate for a client to consider and may also provide recommendations regarding specific investments or securities.

For consulting services associated with retirement plans, the Advisor's recommendations will be limited to the investment options available within the client's retirement plan and other securities that may be available in brokerage windows or other similar plan arrangements that enable participants to select investments beyond those designated by the client's retirement plan (e.g. mutual funds, exchange traded funds, collective investment trusts, pooled separate accounts, allocations among annuity sub-accounts, publicly traded employer stock ("company stock")). The Advisor does not provide any advice or recommendations regarding any participant loans from a client's retirement plan assets.

The client retains the sole responsibility for determining whether to implement any recommendations made by the Advisor and for placing any resulting transactions. The Advisor does not provide ongoing consulting services, and does not have discretionary authority with respect to the client's assets.

A conflict of interest may exist between the Advisor and the interests of the client if a Consulting Services include recommendations for products or services the Advisor provides. A client is under no obligation to act upon the Advisor's recommendation. If a client elects to act on any of the Advisor's recommendations, the client is under no obligation to effect the transaction through the Advisor.

### Financial Planning

The Advisor provides clients with financial planning services to aid them in defining personal financial goals and objectives related to their investment objectives and risk tolerances.

Our approach begins by gathering data to analyze a client's current financial position and define the client's specific short and long-term financial objectives. The Advisor then develops strategies to achieve those objectives to help the client realize their life goals.

The client retains the sole responsibility for determining whether to implement any recommendations made by the Advisor and for placing any resulting transactions. The Advisor does not provide ongoing financial planning services, and does not have discretionary authority with respect to the client's assets unless the client enters into a portfolio management investment advisory agreement with the Advisor.

A conflict of interest may exist between the Advisor and the interests of the client if a Financial Plan includes recommendations for products or services the Advisor provides. A client is under no obligation to act upon the Advisor's recommendation. If a client elects to act on any of the Advisor's recommendations, the client is under no obligation to effect the transaction through the Advisor.

Financial planning differs from Consulting Services in that the Advisor will prepare a financial plan for a client and the term of advisory services will end, whereas consulting services generally do not include the preparation of a financial plan and may be long term in nature.

## Item 5 Fees and Compensation

### Legacy Managed Portfolio I Program

#### *Investment Advisory Fees*

Investment advisory fees for portfolio management services are based on the value of assets managed by the Advisor, calculated as a percentage of assets under management. This fee is compensation for advisory services and portfolio management rendered by the Advisor.

There is a minimum investment of \$100,000, although the Advisor may accept smaller accounts at its discretion. The Advisor may charge a fee of no more than 2.00% annually for its portfolio management services or in accordance with the following table:

<u>Total Assets Under Management</u>	<u>Maximum Annual Fee to Client</u>
\$100,000 - \$249,999	1.53%
\$250,000 - \$499,999	1.45%
\$500,000 - \$749,999	1.33%
\$750,000 - \$999,999	1.30%
\$1,000,000 - \$1,499,999	1.17%
\$1,500,000 - \$1,999,999	1.14%
\$2,000,000 - \$2,999,999	1.08%
\$3,000,000 - \$4,999,999	1.00%
\$5,000,000 - \$9,999,999	.91%
Greater than \$10,000,000	.85%

The amount of the investment advisory fee will be set out in the Investment Advisory Agreement executed by the client at the time the relationship is established.

The investment advisory fee is negotiated on a client-by-client basis depending on the size, complexity, and nature of the portfolio managed and will be set forth in the Investment Advisory Agreement. Because the investment advisory fees are negotiated, not all clients will pay the same fees. A client may pay a higher or lower fee depending on considerations such as the size of the client's account, the amount of time the client has maintained an account with the Advisor (or its affiliated representatives), and/or the combined market value of related portfolios. While the Advisor believes that its investment advisory fees are competitive, clients may find lower or higher fees for comparable services from other sources.

Investment advisory fees are charged quarterly in advance as a percentage of the portfolio value on the last business day of the previous quarter or the last value provided by the custodian. These asset-based fees are assessed on all billable assets under management, including securities, cash, and money market funds. The initial investment advisory fee will be billed and based on a client's account value at the time the account is established at the custodian. Fee adjustments will be processed for any deposits and withdrawals processed during the quarter. The initial fee will be prorated based upon the number of days from the first day of



management to the end of the quarter. Subsequently, investment advisory fees are determined on the first day of each quarter.

The Advisor may make amendments to the investment advisory fee outlined in the Investment Advisory Agreement at any time with at least 30 days written notice to the client.

#### *Automatic Debiting of Investment Advisory Fees*

Upon establishing an account with the Advisor, the client will authorize and direct the client's custodian broker-dealer to debit the client's account each investment advisory fee payable from the account, which will result in the client's custodian broker-dealer sending the investment advisory fee payable directly to the Advisor.

At the beginning of the quarter, the Advisor will direct the client's custodian broker-dealer to debit the client's designated account(s) the amount of the investment advisory fee. If the client's account does not maintain a sufficient cash or money market balance to cover the investment advisory fees or is restricted from automatic debiting of fees, the client may deposit additional funds (subject to certain restrictions for IRA accounts and Qualified Retirement Plans) or make payment in an alternative manner acceptable to the Advisor. If such funds are not deposited, certain securities in the client's account may be liquidated in an amount sufficient to cover such debits.

#### *Brokerage Account Fees*

The Advisor's investment advisory fees are separate from charges assessed by third parties, such as broker-dealers, custodians, or mutual fund companies.

A client may incur brokerage and other transaction costs charged by broker-dealer(s) executing the transactions and the custodians maintaining the client's assets. These costs may include, but are not limited to, brokerage transaction and money movement costs, commissions, ticket charges, fed fund wire fees, custodial fees, and margin interest. These costs are in addition to the Advisor's investment advisory fees and are not shared with the Advisor.

Mutual funds charge an investment management fee, which is in addition to the investment advisory fee a client pays to the Advisor. Some funds may also assess administrative fees and 12b-1 fees. The Advisor does not receive any portion of these fees. These fees are in addition to the investment advisory fees the Advisor charges. The client does not pay these fees directly; rather, they are deducted from the mutual funds' assets and will affect the performance of the investments. These funds' advisory, administrative, and 12b-1 fees are described in the funds' prospectuses. Mutual fund share prices and execution costs may differ based on share class. In certain instances, the Advisor will review the cost of a fund's share classes in conjunction with execution costs to assure that it meets its fiduciary duty to obtain best execution.

When investing in exchange traded products ("ETP"), e.g. ETF and ETN, a client will bear the ETP's proportionate share of fees and expenses as an investor in the ETP. The client does not pay these fees directly; rather they are deducted from the ETP's assets and will affect the performance of the investment.

The Advisor recommends that clients establish brokerage accounts with LPL Financial LLC (“LPL”), a FINRA-registered broker-dealer, member SIPC, to maintain custody of their assets and to effect trades for their accounts.

Choosing an alternate broker-dealer may result in additional expenses, fees, and lack of efficiency in reporting account information because the Advisor has established a relationship with these broker-dealers to facilitate certain additional services, which are outlined in the section “Brokerage Practices” below. For information about the factors the Advisor considers in selecting and/or recommending brokerage firms, see “Brokerage Practices” below.

### *Termination*

A client has the right to terminate the Investment Advisory Agreement for investment advisory services without penalty within five (5) business days after entering into an Investment Advisory Agreement. Thereafter, the Investment Advisory Agreement will terminate upon the Advisor’s receipt of the client’s written notice. The Advisor may cease providing investment advisory services upon its written notice of termination of the Investment Advisory Agreement to the client or upon the occurrence of certain events as described in the Investment Advisory Agreement.

Upon the effective date of termination, the client will be refunded fees on a prorated share based on the remaining days of the quarter that have been prepaid. However, if the account is closed within the first six months by the client or as a result of withdrawals that bring the account value below the required minimum, the Advisor reserves the right to retain the pre-paid quarterly investment advisory fee for the current quarter in order to cover the administrative costs of establishing the account (for example, the costs related to transferring positions in and out of the account, data entry in opening the account, reconciliation of positions in order to issue quarterly performance reports, and re-registration of positions).

### *Separately Managed Account Program Fees*

A client investing in separately managed account programs will pay an ongoing advisory fee to compensate the Advisor, as well as the third party money manager. The fee charged may be up to 2.50% annually. Client fees are payable quarterly in advance based on assets under management using the fee schedules set forth in the third party money manager(s)’ Disclosure Brochure(s).

The client may also pay custodial fees and transaction charges, depending on the custodian selected by the independent portfolio manager(s). There also may be additional fees of the underlying investments, such as mutual funds or ETPs, which will result in a reduction of that product’s net asset value.

Separate written disclosures provided to the client include a copy of the third party money manager’s Form ADV Part 2, all relevant Brochures, a Solicitation Disclosure Statement detailing the exact fees the Advisor is paid and a copy of the third party money manager’s privacy policy. The third party money managers the Advisor recommends will not directly charge a client a higher fee than they would have charged without the Advisor introducing the client to them.

LPL serves as program sponsor, investment adviser, and broker-dealer for the LPL advisory programs. The Advisor and LPL Financial may share in the account fee and other fees associated with program accounts. Fees for LPL advisory programs are payable quarterly in advance.

Termination provisions are also set out in the third party money manager(s)' Disclosure Brochure(s).

### Financial Planning and Consulting Fees

The Advisor charges hourly or flat rate fees for its financial planning and consulting services. The hourly charge is a maximum of \$250 per hour and the flat rate fee is no more than \$15,000. Fees are negotiated on a client-by-client basis depending on the size, complexity, and nature of the client's portfolio and will be set forth in the Financial Planning or Consulting Agreement. There is no minimum asset requirement for a financial planning or consulting engagement. Upon presentation of a completed financial plan to the client, the Advisor will present an invoice reflecting the fees owed for services. For consulting services, the client is required to pay at the time of consultation with the Advisor.

### *Termination*

A client has the right to terminate the Financial Planning or Investment Advisory Consulting Agreement without penalty within five (5) business days after entering into the Agreement. Thereafter, the Agreement will terminate upon the Advisor's receipt of the client's written notice. The Advisor may terminate providing investment advisory services upon written notice of termination to the client or upon the occurrence of certain events as described in the Financial Planning or Investment Advisory Consulting Agreement. The Advisor will present the client with an invoice for any services provided up to termination.

For financial planning services, the Financial Planning Agreement automatically terminates, unless otherwise agreed in writing, upon delivery of the financial plan.

For consulting services, the Investment Advisory Consulting Agreement automatically terminates, unless otherwise agreed in writing, upon final consultation with the client.

## **Item 6 Performance Based Fees and Side by Side Management**

### Performance-Based Fees

The Advisor does not accept performance-based fees, which are fees based on a share of capital gains or appreciation of the assets of a client.

### Side-By-Side Management

Side-by-side management refers to the practice of managing accounts for which an advisor charges performance-based fees while at the same time managing accounts that are not charged performance-based fees.

The Advisor does not participate in side-by-side management.

## **Item 7 Types of Clients**

The Advisor generally offers advisory services to individuals; pensions, Taft Hartley plans, and profit sharing plans including plans subject to Employee Retirement Income Security Act of 1974 ("ERISA"); for-profit and non-profit corporations, and other business entities; trusts; estates; and charitable organizations.

There is a minimum investment of \$100,000 for the Legacy Managed Portfolio program, although the Advisor may accept smaller accounts at its discretion.

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

The Advisor's investment strategies include both strategic and tactical asset allocation as well as an unconstrained approach. All our strategies begin with a top-down macroeconomic view of the capital markets and capital trends. The Advisor constructs portfolios based on our views of those markets over a three to five year time horizon but with watchful eye on how short-term events impact risk. Strategic and Tactical allocation models stay largely invested at all times while the unconstrained approach will utilize cash as a defensive tool during periods of high volatility and/or risk. The Advisor will also utilize hedging strategies where appropriate.

Resources include multiple third-party independent research (both paid and non-paid), economic conferences, due diligence meetings, and technical analysis. Factors the Advisor considers include, but are not limited to, market trend analysis, valuation considerations, capital fund flows, current economic conditions, and prevailing foreseeable risks and/or conflicts.

Clients are advised and should understand that:

- Investing in securities involves risk of loss that clients should be prepared to bear;
- Asset allocation does not ensure a profit or protect against a loss;
- Past performance is not a guarantee of future results;
- Market conditions, interest rates, and other investment related risks may cause losses in their portfolio;
- Risk parameters established for their portfolio are guidelines only – the selected risk parameters may be exceeded and index comparisons may outperform their portfolio;
- Their portfolio's value is subject to a variety of factors, such as liquidity and volatility of the securities markets; and
- There may be a higher level of risk with leveraged and inverse ETPs because, to accomplish their objectives, they may pursue a range of investment strategies through the use of swaps, futures contracts, and other derivative instruments.

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

Registered investment advisors are required to disclose specific information related to certain legal or regulatory events that may be material to choosing an advisor. The Advisor and its Covered Persons have not been the subject of any material legal or disciplinary proceedings.

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

Certain investment advisor representatives ("IAR") of LWM Advisory Services, LLC are also registered representatives with LPL, a registered broker-dealer with FINRA. An LWM Advisory Services, LLC IAR may receive commissions on securities transactions as a registered representative through his/her affiliation with LPL. Notwithstanding the IAR's affiliation with LPL, the Advisor is solely responsible for the investment advice rendered. Advisory services are provided separately and independently of the brokerage services the IARs offer through LPL unless otherwise disclosed.

The potential for the receipt of commissions or advisory fees may give a IAR an incentive to recommend an investment or investment services based on the compensation received, rather than on the client's needs. The Advisor addresses these conflicts by disclosing this potential conflict to clients to assure that their interests are considered and IARs must recommend securities products that are suitable for the client. Clients may direct any questions regarding the compensation their IAR receives when recommending a product their IAR. Clients are under no obligation to purchase investment products through their IAR.

Certain IARs are insurance licensed in one or more state and may recommend the purchase of insurance products through an affiliated company of LPL or other insurance companies and agencies. Such IARs may receive commissions for the sale of such insurance products. The ability to receive commissions from the sale of insurance products presents a conflict of interest, in that it gives an incentive to recommend a particular insurance product over a different insurance product or a different investment, based on the compensation received, rather than on a client's needs. The Advisor addresses these conflicts by disclosing this potential conflict to clients to assure that their interests are considered.

As discussed previously, certain Covered Persons of the Advisor are registered representatives of LPL. As a result of this relationship, LPL may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about a client of the Advisor, even if the client does not establish any account through LPL. If you would like a copy of the LPL privacy policy, please contact your IAR or Tony DuBose at (954) 474-7100 or [cs@lwmfl.com](mailto:cs@lwmfl.com).

Certain IARs are accountants with unaffiliated certified public accounts that provide accounting, bookkeeping, and taxation related services. Accounting services are billed separately according to an engagement letter agreed upon by the client.

Legacy Wealth Management, d.b.a Legacy Retirement Plan Advisors is a retirement plan consulting firm that provides plan sponsor due diligence support, participant education and investment fiduciary services. Account services are billed separately according to an engagement letter agreed upon by the client and are not offered through the Advisor.

LWM may receive compensation for referring clients to other investment advisors. The potential for the receipt of referral compensation may give the Advisor an incentive to refer a client based on the compensation received, rather than on the client's needs. The Advisor addresses these conflicts by delivering a disclosure statement to clients disclosing its compensation for this potential conflict to clients to assure that their interests are considered. Clients are under no obligation to engage an investment advisor that they are referred to by the Advisor. Prior to referring or selecting investment advisors for clients, LWM assures that they are properly licensed or registered as investment advisors.

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

LWM Advisory Services, LLC has adopted a Code of Ethics ("Code") pursuant to industry standards. The Code is predicated upon serving the best interest of our clients. All Covered Persons must at all times reflect the professional standards expected of those engaged in the investment advisory business, and shall act within the spirit and the letter of the federal, state, and local laws and regulations pertaining to investment advisors and the general conduct of business. These standards require all personnel to be judicious, accurate,

objective, and reasonable in dealing with both clients and other parties so that their personal integrity is unquestionable.

The Code of Ethics is certified annually with Covered Persons of the Firm. For a copy of the Code of Ethics, a written request should be sent to 1250 S. Pine Island Road, Ste. 350, Plantation, FL 33324, Attention: Tony DuBose.

On occasion, the Advisor may buy or sell securities that it recommends to clients or may recommend securities transactions in which the Advisor or its Covered Persons has some financial interest. This practice would create a conflict of interest if the transactions were structured to trade on the market causing an impact on recommendations made to the Advisor's clients. The Chief Compliance Officer reviews Covered Persons' personal transactions quarterly. The Advisor's Code of Ethics requires pre-approval of personal transactions in some cases. The Advisor believes that it has adopted sufficient controls so that personal transactions are consistent with advice given to clients.

## **Item 12 Brokerage Practices**

LWM Advisory Services, LLC does not provide brokerage services.

The Advisor may recommend that clients establish brokerage accounts with LPL, a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although the Advisor may recommend that clients establish accounts at LPL, it is a client's decision to custody assets with LPL or another custodian. The Advisor is independently owned and operated and is not affiliated with or supervised by LPL.

Clients may utilize the broker-dealer of their choice and have no obligation to purchase or sell securities through LPL. However, if a client does not use LPL, the Advisor will reserve the right not to accept the account. LPL is obligated to seek the best execution pursuant to FINRA Rule 2320 for all trades executed, however better executions may be available via another broker-dealer based on a number of factors including volume, order flow, and market making activity.

LPL's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in LPL's custody, LPL generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through LPL or that settle into LPL accounts.

### *Research & Other Soft Dollar Benefits*

LPL also makes available to the Advisor other products and services that benefit the Advisor but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of clients' accounts, including accounts not maintained at LPL.

LPL's products and services that assist the Advisor in managing and administering clients' accounts may include software and other technology that (i) provide access to client account data (such as trade

confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of the Advisor's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping, and client reporting.

Services provided by LPL to the Advisor may include research (including mutual fund research, third-party research, and LPL's proprietary research), brokerage, custody, and access to mutual funds and other investments that are available only to institutional investors or would require a significantly higher minimum initial investment. In addition, LPL makes available software and other technologies that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, provide research, pricing information, quotation services, and other market data, assist with contact management, facilitate payment of fees to the firm from client accounts, assist with performance reporting, facilitate trade allocation, and assist with back-office support, record-keeping, and client reporting. LPL also provides access to financial planning software, practice management consulting support, best execution assistance, consolidated statements assistance, marketing and educational materials, technological and information technology support, and LPL corporate discounts. Many of these services may be used to service all or a substantial number of the Advisor's accounts, including accounts not maintained at LPL.

LPL may provide the Advisor with other services intended to help the Advisor manage and further develop its business enterprise, including assistance in the following areas: consulting, publications and presentations, information technology, business succession, and marketing. LPL may also provide other benefits such as educational events or occasional business entertainment of the Advisor's personnel.

In evaluating whether to recommend that clients custody their assets at LPL, the Advisor may take into account the availability of some of the foregoing products, services, and other arrangements as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by LPL, which may create a potential conflict of interest.

The Advisor addresses this conflict by conducting quarterly reviews of a sampling of execution quality and annual reviews of commission rates, trade error rates, quality of client reporting, block trading, reputation, and financial strength of the broker-dealer. The quarterly and annual reviews include a comparison to other industry participants offering the same or similar services.

### Best Execution

In recommending broker-dealers, the Advisor considers "best execution." Best execution means in recommending a broker-dealer, the Advisor will comply with its fiduciary duty to obtain best execution and as defined by the Securities Exchange Act of 1934 and will take into account such relevant factors as (i) price; (ii) the broker-dealer's facilities, reliability, and financial responsibility; (iii) the ability of the broker-dealer to effect transactions, particularly with regard to such aspects as timing, order size, and execution of order; (iv) the research and related brokerage services provided by such broker-dealer to the Advisor, notwithstanding that a client's account may not be the direct or exclusive beneficiary of such services; and (v) any other factors the Advisor considers to be relevant.

### Aggregation of Orders

When the Advisor buys or sells the same security for more than one client, it may place concurrent orders with the brokerage firm to be executed together as a single “block” in order to facilitate orderly and efficient execution. Where orders are aggregated, each client’s account will be charged or credited with the average price per unit. The Advisor receives no additional compensation or remuneration from aggregating transactions.

### Directed Brokerage

LPL will be the primary broker/dealer and custodian the Advisor recommends due to the relationship that its associated persons have with LPL. LPL may limit or restrict the broker/dealer or custodian platforms for LPL registered representatives (that are also independently registered) due to LPL's duty to supervise the transactions implemented by those individuals.

If a client directs the Advisor to use a specific firm for brokerage or custodial services or maintains an account with LPL because their IAR is affiliated with LPL, the client should be aware that there may be brokerage and execution services available elsewhere at lower cost. Clients should consider whether directing brokerage to a particular broker-dealer firm may result in certain costs or disadvantages, such as higher commissions, less favorable executions, or being limited in investment options.

If a client’s account is invested in mutual funds or variable annuities, these directed brokerage arrangements might limit the investment options for the Advisor’s use in managing the client’s account. The reasons for a brokerage firm to limit these options are many, such as the brokerage firm offers only its proprietary investment products or is paid a higher commission when the volume of a particular product attains a certain level. In addition, with directed brokerage arrangements, the client is responsible for negotiating the brokerage firm’s commission rates and other fees.

## **Item 13      Review of Accounts**

For client accounts maintained at LPL, LPL will deliver account statements at least quarterly that include a summary of account performance. Portfolio performance summaries provide historical information regarding a client’s investments and should not be relied upon as predictive of future performance.

The value of securities held in a client’s portfolio will be valued by the custodian, broker-dealer, or other investment vendor. Some investments, such as alternative investments or private placements, values are based upon the value provided by the investment’s manager, which may be monthly, quarterly, but not less than annually; often, these values are estimates made by the alternative investment’s manager and may not be the liquidation value.

The Advisor’s Managing Principal reviews client account activity no less than quarterly. The level of review is determined by the complexity of the portfolio at the discretion of the Advisor’s Managing Principal. Other factors that may trigger review are changes in economic or market conditions, and individual client situations.



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

The Advisor may pay referral fees to or enter into solicitation arrangements with third parties (“Solicitors”) to offer the Advisor’s advisory services or programs. The Advisor enters into referral agreements with Solicitors pursuant to Rule 206(4)-3 of the Investment Advisers Act of 1940. The Advisor will compensate the Solicitor directly if a client enters into a relationship with the Advisor. This compensation is made up of a portion of the investment advisory fee the Advisor charges the client, which may be up to 25 basis points (.25%) of a client’s assets under management. A Solicitor will provide the client with a statement disclosing the terms of the Solicitor’s arrangement with the Advisor.

The Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest.

#### **Item 15            Custody**

The Advisor has custody of clients’ funds to the extent that it has the ability to deduct fees from clients’ accounts. The custodian will send quarterly account statements to clients. Neither the Advisor nor its associated persons will accept delivery of a client’s securities or funds in the name of the Advisor or its associated person.

Executing broker-dealers, custodians, or other investment vendors provide account statements and confirmations. The Advisor urges clients to compare statements received from custodians with any reports the Advisor may provide. If there are any differences, please contact the Advisor immediately for resolution.

#### **Item 16            Investment Discretion**

Clients who have entered into a discretionary Investment Advisory Agreement with the Advisor grant LWM Advisory Services, LLC power of attorney to exercise discretion over the selection of the investments, timing of placing the trade, and amount of securities to be bought or sold. This investment authority may be subject to specified investment objectives and guidelines and/or conditions imposed by the client in writing, as described above in “Advisory Business.”

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

The Advisor does not vote proxies on behalf of client securities. A client maintains exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities they beneficially own will be voted, and (ii) making all elections relative to mergers, acquisitions, tender offers, bankruptcy proceedings or other types of events pertaining to the client’s investments.

The Advisor does not render advice to or take any actions on behalf of clients with respect to any legal proceedings, including bankruptcies, and shareholder litigation, to which any securities or other investments held in client accounts, or the issuers thereof, become subject, and does not initiate or pursue legal proceedings, including without limitation shareholder litigation, on behalf of clients with respect to transactions, securities or other investments held in client accounts. The right to take any actions with

respect to legal proceedings, including shareholder litigation, with respect to transactions, securities or other investments held in a client account is expressly reserved to the client.

**Item 18        Financial Information**

The Advisor has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients nor has it been the subject of a bankruptcy proceeding.