

Financial Planning & Other Services

Brochure

MWA Financial Services, Inc.

1701 1st Avenue

Rock Island, IL 61204-4116

(309) 558-3100

www.modern-woodmen.org

April 20, 2017

Item 1 – Cover Page

This Financial Planning Brochure provides information about the qualifications and business practices of MWA Financial Services, Inc. (MWAFS). If you have any questions about the contents of this Financial Planning Brochure, please contact us at (309) 558-3100 and/or MWAFS.Compliance@Modern-Woodmen.org. The information in this Financial Planning Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

MWA Financial Services, Inc. is a Registered Investment Adviser, (Investment Adviser) or (IA) with the SEC. Investment Adviser Representatives (IAR) provide investment advice to clients on behalf of the Investment Adviser. SEC Registration does not constitute an endorsement of the firm by the Commission nor does it indicate that the IAR has attained any particular level of skill or training. The oral and written communications of an IA and/or IAR provide you with information to help you determine whether to hire or retain an IA.

Additional information about MWA Financial Services, Inc. (CRD # 112630) is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

The date of MWAFS' last annual update to this Brochure was March 29, 2016.

Summary of Material Changes

Following are the material changes made to this Brochure since the last annual update:

Item 1-Cover Page

Removed information regarding Massachusetts residents who desire additional information on MWAFS and its advisers as the firm is no longer registered in Massachusetts.

Item 4-Advisory Business

Combined the four levels of financial planning into one and added a more thorough description of what services are provided.

Removed statement explaining MWAFS obtains information from public sources and does not have inside private information about investments that are recommended as these statements are no longer applicable.

Item 5-Fees and Compensation

In the fee table, the "Fees and Commissions" column was removed as commissions will not be charged to the client as part of advisory business.

Also in the fee table, combined the four levels of financial planning into one. The fee range was also adjusted to match the various ranges in the previous Brochure's fee table.

Under Hourly Fees, added an explanation of how hourly fees are determined.

Under Assessment of Hourly Fees, added a statement explaining hourly fees cannot be deducted from any client's accounts for financial planning or other services.

Under Flat Fees, a section was added explaining how flat fees are determined.

Under Commission Based Fees, information that explains the other fees that may be incurred by the specific investments was updated.

Under Other Compensation, added statements regarding Investment Adviser Representative Licensure and MWAFS' primary revenue sources.

Item 7-Types of Clients

Added statement explaining that MWAFS reserves the right to waive the required minimum account balance on wrap accounts at Pershing.

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

Added statement explaining that frequent trading can affect an account's investment performance.

Item 9-Disciplinary Information

Updated the January 2016 allegations from the Missouri Securities Division with information that the representative noted in the allegations was censured by the Missouri Securities Division.

Item 10-Other Financial Industry Activities and Affiliations

Under the Independent Investment Adviser Representatives section, added information regarding their possible production requirements.

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

Under the Code of Ethics section, clarified that IARs must adhere to Modern Woodmen's Code of Conduct and MWAFS' Investment Adviser Representative Code of Ethics.

Also under the Code of Ethics section, the specific firm procedures regarding personal securities transactions were removed as the firm's procedures are explained in the paragraph on ensuring the Client's best interest is met.

Item 12-Brokerage Practices

Clarified the custodians used by Pershing and third-party managers.

Item 13-Review of Accounts

Added a paragraph explaining how financial plans are reviewed.

Added a paragraph explaining the quarterly review process of wrap accounts.

Item 15-Custody

Clarified the custodians used by Pershing and third-party managers.

Added a more detailed explanation of MWAFS' custody arrangement.

Item 16-Investment Discretion

Explained that neither MWAFS nor its Investment Adviser Representatives have discretionary authority for any accounts.

Item 17-Voting Client Securities

Explained clients may be able to delegate proxy voting when using third-party managers.

Item 3 – Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Material Changes	2
Item 3 – Table of Contents.....	5
Item 4 – Advisory Business	6
Item 5 – Fees and Compensation	8
Item 6 – Performance-Based Fees and Side-By-Side Management.....	12
Item 7 – Types of Clients	13
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	13
Item 9 – Disciplinary Information	15
Item 10 – Other Financial Industry Activities and Affiliations.....	15
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	16
Item 12 – Brokerage Practices.....	18
Item 13 – Review of Accounts	19
Item 14 – Client Referrals and Other Compensation	20
Item 15 – Custody	21
Item 16 – Investment Discretion	21
Item 17 – Voting Client Securities	21
Item 18 – Financial Information.....	22

Item 4 – Advisory Business

MWA Financial Services, Inc. (MWAFS) is a wholly owned subsidiary of Modern Woodmen of America, Inc. Modern Woodmen of America is the principal owner of MWAFS. It was established in the state of Illinois as a broker/dealer in 2001 and became a Registered Investment Adviser in February 2004.

As a Registered Investment Adviser, MWAFS offers the following products and services:

- Financial planning services
- Other approved products or services as requested by Client
- Portfolio management through our wrap fee programs (asset management services and managed account programs)
- Selection of other advisers

Information on portfolio management services using our wrap fee programs and selection of other advisers is described in the separate Wrap Fee Program Brochure. Clients may obtain a copy by contacting MWA Financial Services.

Information on financial planning services and other approved products or services are described in more detail in the following sections.

Financial Planning

The Client will be required to furnish for review, certain records and documents in order to complete a financial plan. These documents may include tax returns, current financial documents including W2s or 1099s, information on current retirement plans and insurance provided by Client's employer, mortgage information, insurance policies, statements reflecting current investments in Client's retirement and non-retirement accounts, copies of Client's wills or trusts and other documents that may be deemed pertinent. The client may impose restrictions on investing in certain securities or types of securities.

MWAFS's service are advisory only. Any information related to tax considerations affecting your financial arrangements or transactions is not intended to be tax advice and should not be relied on as such. Any tax advice received by the client is outside the terms of the Client Advisory Agreement.

Upon receipt of these documents, the Investment Adviser Representative (IAR) will make recommendations based on Client's current situation, expectations and investment objectives, as well as investment time horizon. The Client's risk tolerance (or ability to live comfortably with risk in association with Client's investments) will be taken into account. A written plan will then be

presented to the Client along with an outline of suggestions to improve Client's current financial situation, as well as suggested steps to help Client reach his/her investment goals.

Financial planning may cover any or all of the following areas:

- Retirement planning
- Education planning
- Asset allocation
- Estate planning
- Special needs planning
- Asset management
- Insurance needs analysis
- Other areas of importance to the Client

The financial plan chosen by the Client may be “comprehensive” or “modular” in structure. A comprehensive plan would focus on all areas listed that are pertinent to the Client. A modular plan would focus on only one or two areas of particular interest such as retirement or education planning. Other areas of concern to the Client may be reviewed by the IAR or outsourced to other experts for their review, but only with prior written approval of the Client. The financial plan may include specific financial and investment strategies, as well as specific product recommendations, including equity, fixed income and insurance products.

Comprehensive financial planning could include the following areas depending on the client’s needs and situation:

- Data Collection
- Plan Development
- Presentation and Recommendations
- Review of all investment accounts
- Asset allocation and rebalancing
- Insurance needs analysis

In all matters, the IAR’s planning services are analytical and advisory only and do not include legal or other professional services unless specifically stated. The IAR may work with Client’s legal, accounting, insurance or other professional advisers to ensure the coordination of all pieces involved in the financial planning and/or estate planning process as directed by the Client. The Adviser will rely upon information received from these professionals and is not required to verify the accuracy of any such information.

If securities or products are put in place as a part of the financial plan, commissions may or may not be assessed from the sale of products recommended during the financial planning process in addition

to financial planning fees. Commissions may vary depending on the investment product recommended.

At no time is the Client under any obligation to implement (with MWAFS or with any other firm) any or all of the suggestions as outlined in the financial plan. Implementation is solely at the Client's discretion. While the Adviser provides recommendations within the financial plan to assist the Client in reaching their stated goals, ownership of the plan remains with the client. It is the responsibility of the Client to notify MWAFS of any changes to their financial situation or objectives that may impact the focus of the financial plan as all recommendations developed by the IAR are based on that information. MWAFS and its IARs cannot guarantee the results of any recommendations. Choosing which recommendation to follow is the client's decision.

Other Planning Services

The IAR may also complete specific projects or services at the Client's request. Projects could include those such as financial product comparisons, reviews, or one-time and infrequent consultations.

Assets under Management

As of January 1, 2017 MWAFS managed \$11,446,620 of assets on a non-discretionary basis through its Investment Advisory business.

Item 5 – Fees and Compensation

The specific manner in which Financial Planning fees are charged is established in the Client Advisory Agreement (the Agreement) with MWAFS.

Depending on the type of service selected, the fee charged would fall under one of these two types;

- an hourly fee
- a flat fee

All fees assessed by MWAFS are subject to negotiation at the sole discretion of MWAFS.

This chart identifies the Adviser's service and fee schedule as stated in the Client Advisory Agreement:

Service Type	Service Description	Types of Fees	Amounts	Billing Method
☐ 3	Financial Planning Module	<input type="checkbox"/> Hourly	\$100-\$150 per hour	Billed upon completion
		<input type="checkbox"/> Flat	\$100-\$300 per module	50% in advance, 50% upon completion
☐ 4	Comprehensive Financial Planning	<input type="checkbox"/> Hourly	\$100-\$300 per hour	Billed upon completion
		<input type="checkbox"/> Flat	\$100-\$5000	50% in advance, 50% upon completion
☐ 5	Other Products and Services	<input type="checkbox"/> Hourly	\$100-\$300 per hour	Billed upon completion
		<input type="checkbox"/> Flat	\$250-\$5000	50% in advance, 50% upon completion
All fees assessed by MWAFS are subject to negotiation at the sole discretion of MWAFS.				

Hourly Fees

The Adviser may charge an hourly fee for their financial planning services or other services. Fees are based on an hourly rate of \$100 to \$300/hour. It is possible that the services offered may be obtained elsewhere for a lower charge.

The hourly rate is determined based on anticipated work to be done and the Client's specific financial situation and circumstances. Advisory services that are anticipated to be more complex will generally warrant more time spent and/or a higher hourly-rate. Less complex services will generally warrant less time spent and/or a lower rate. Since the Adviser cannot accurately determine the hourly fee amount until learning about Client's financial circumstances, it is the Adviser's practice to provide an initial, no obligation, no cost meeting, in order to become familiar with the Client's circumstances.

Adviser will obtain information from the Client verbally and from current documents approved for use by MWAFS. The information gathered during this session will assist the Adviser in determining the most appropriate course of action for the Client's financial and investment goals.

Assessment of Hourly Fees

Hourly fee(s) will be billed in arrears, as specific services are performed. Hourly fees will be calculated by multiplying the number of hours of service performed by the designated hourly rate. Billing will be in increments of fifteen (15) minutes.

Unless payment is received in full at the time the agreement is signed, an invoice will be mailed by the home office to the Client and payment shall be due and payable within 15 calendar days of the date of the invoice.

Hourly fees cannot be deducted from any client's accounts for financial planning or other services. The only fees that are permitted to be deducted directly from client's accounts are quarterly wrap fees as disclosed in the Wrap Fee Program Brochure.

The determination of the fee is between the IAR and the client and mutually agreed upon in the Client Advisory Agreement.

Flat Fees

The IAR may charge a fixed fee for their financial planning. The fixed fee range is from \$250 to \$5,000, depending upon the level and scope of the services required.

The flat fee is determined based on anticipated work to be done and the Client's specific financial situation and circumstances. Advisory services that are anticipated to be more complex will generally warrant a higher flat fee. Less complex services will generally warrant a lower flat fee. Since the Adviser cannot accurately determine the fee amount until learning about Client's financial circumstances, it is the Adviser's practice to provide an initial, no obligation, no cost meeting, in order to become familiar with the Client's circumstances.

Adviser will obtain information from the Client verbally and from current documents approved for use by MWAFS. The information gathered during this session will assist the Adviser in determining the fee amount for the services provided.

Assessment of Flat Fees

Upon the determination of a one-time flat fee arrangement, MWAFS may request advance payment of one half of the entire flat fee amount prior to performing the agreed upon advisory services. In such cases, MWAFS will not accept advance payments greater than \$1,200 and more than six months in advance. Financial plans are generally completed within six months of contract signing. Upon completion of the services, any unpaid portion of the initially agreed upon flat fee shall be due within 15 calendar days of the date of the invoice provided to the Client.

Flat fees cannot be deducted from any client's accounts for financial planning or other services. The only fees that are permitted to be deducted directly from client's accounts are quarterly wrap fees as disclosed in the Wrap Fee Program Brochure.

The determination of the fee is between the IAR and the client and mutually agreed upon in the Client Advisory Agreement.

Commission Based Fees

All fees paid to MWAFS for investment advisory services are separate and distinct from the fees and expenses charged by the specific investments recommended by the IAR. These fees and expenses may include initial or deferred sales charges, management fees, custodial fees, operational expenses or other fund expenses and are described in the prospectus. The amount of commissions charged for equity, bond, Unit Investment Trust (UIT), and Real Estate Investment Trust (REIT) transactions may vary depending on the investment purchased or sold, the share amount of the transaction, the dollar amount of the transaction, etc. The client may also incur fees associated with brokerage accounts, such as inactivity fees, transfer fees, closing fees, maintenance fees, etc. The Client should contact the IAR for a complete fee schedule or prospectus. For more information on brokerage services offered through MWAFS, please refer to "Item 12: Brokerage Practices".

A Client may invest in some investment products directly without the services of MWAFS. In that case, the Client would not receive the services provided by MWAFS, which are designed, among other things, to assist the Client in determining a portfolio of investments to make up an asset allocation appropriate to the Client's financial situation and objectives. The Client should review the fees charged by the investment product, the fees charged by MWAFS and the fees charged by any other investment firm chosen to fully understand the total amount of fees to be paid by the Client. Only then will the Client be able to fully evaluate the services being provided and the fees being paid.

Other Compensation

MWAFS is registered as a broker/dealer with FINRA and the SEC. It is also a Registered Investment Advisory firm, providing investment advice to certain customers as appropriate. Supervised persons with MWAFS may be associated with the Firm not only as Investment Adviser Representatives ("IAR") but also as Registered Representatives ("RR"). IARs may sell proprietary or non-proprietary annuity products, commission based mutual funds, no-load funds, fee-based brokerage accounts and fee-based managed accounts. However, the IAR may not be licensed to offer or sell all the securities products available through MWAFS. The IAR will disclose this information before making any recommendations. Generally speaking, MWAFS' revenue primarily comes from the selling of commission-based products, including asset-based distribution fees, in non-advisory accounts.

MWAFS and its Advisers have a fiduciary obligation to act in the Client's best interest, but do have an incentive to recommend certain investment products based on the compensation received rather than on a client's needs. There is a conflict of interest as MWAFS or the Adviser may be compensated at a higher rate on some products over others and thus may recommend the higher rate products. There are certain circumstances in which some products will be more suitable and appropriate in meeting the Client's needs where the adviser will receive greater compensation than if another product was used which could create a conflict of interest. The Adviser will disclose to the Client the differences in products, features and fees prior to finalizing any transaction.

In the event that MWAFS would become aware of a situation where a conflict of interest has occurred, or the Client's best interest is not being met, the firm would take steps to investigate the matter, gathering facts and information from relevant parties, including the Adviser, reviewing the applicable rules, etc. After the investigation, action deemed appropriate by MWAFS will be taken.

Termination of the Agreement

If the Client cancels the Agreement after MWAFS has completed the services requested, the Client shall be charged for the services completed. Should the Client terminate the Agreement within five business days after signing, no charges or penalties will be assessed. Client will be responsible for any fees or charges incurred by Client from third parties as a result of maintaining the account or for any securities transactions executed. The Client will receive a pro rata refund of any pre-paid financial planning fees attributable to any period after the date of termination via check from MWAFS.

Wrap fee refunds are outlined in the Wrap Fee Program brochure. Pershing refunds will be credited to the client via the same method used to distribute the proceeds of the account to the client (i.e. transfer, check, etc.).

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

MWAFS does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a Client). MWAFS also does not engage in side-by-side management (a situation where an adviser would manage accounts with performance-based fees and accounts that have other types of fees, such as flat or asset-based fees).

Item 7 – Types of Clients

MWAFS provides investment advisory services to individuals, trusts, high net worth individuals, corporations and other small businesses.

MWAFS will not provide investment advisory services to a state or local government as defined under SEC Rule 206(4)-5, commonly referred to as the Pay-to-Play rule.

Minimum account size for managed account programs will vary and may be negotiable at the discretion of the third-party manager and are outlined in their Form ADV Part 2. Fee-based brokerage accounts through Pershing have a \$50,000 required minimum account balance. MWA Financial Services reserves the right to waive the required minimum account balance. MWA Financial Services also reserves the right to request additional funds or securities be deposited whenever the asset value of the account falls below the \$50,000 minimum balance. See the Wrap Program Brochure for more information.

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

MWAFS primarily uses fundamental, technical and charting methods to analyze investments it recommends to Clients. Fundamental analysis makes use of economic and financial information in making investment decisions. Technical analysis uses past price movements of securities to determine investment recommendations. These price movements can be plotted to search for particular patterns which can also be used in developing investment recommendations. This is known as charting.

MWAFS cannot guarantee the analysis methods used will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that the client should be prepared to bear. The Client should understand that investment decisions made for their account by MWAFS and its Advisers are subject to various market, currency, economic, political and business risks. The investment recommendations made for you will not always be profitable nor can MWAFS guarantee any level of performance.

A list of all risks associated with the strategies, products and methodology MWAFS offers are listed below:

Fundamental Analysis Risk

Fundamental analysis, when used in isolation, has a number of risks:

- There are an infinite number of factors that can affect the earnings of a company, and its stock price, over time. These can include economic, political and social factors, in addition to the various company statistics.

- The data used may be out of date.
- It is difficult to give appropriate weightings to the factors.
- It assumes that the analyst is competent.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.

Technical Analysis risk

- Technical analysis is derived from the study of market participant behavior and its efficacy is a matter of controversy.
- Methods vary greatly and can be highly subjective; different technical analysts can sometimes make contradictory predictions from the same data.
- Models and rules can incur sufficiently high transaction costs.

Overall Risks

Clients need to remember that past performance is no guarantee of future results. All investments in securities carry some level of risk. You may lose some or all of the money you invest, including your principal, as the securities may increase or decrease in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.

Clients should consider the investment objectives, risks, charges and expenses of an investment before investing. Regardless of the method used to make recommendations, investment products may be subject to various market, interest rate, currency, economic, political and business risks and the purchase or sale of any investment products will not always result in a profitable performance. If the primary strategy involves frequent trading, this can affect the investment performance, particularly through increased brokerage and other transaction costs and taxes. Clients should consider how each investment fits into their overall investment program.

Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.

While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) a fund has been over a period of time. Generally, the more volatile a fund, the higher the investment risk. When evaluating volatility of an investment, the client should also consider the time horizon of the investment to align with financial goals.

Adviser does not guarantee the future performance of the investment products, strategies, or recommendations described in this Brochure.

Item 9 – Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of MWAFS or the integrity of our management. MWAFS adheres to high ethical standards for all Advisers and associates.

In January 2016, the Missouri Securities Division (the Division) alleged that a registered representative engaged in dishonest and unethical practices when he recommended the liquidation of an account to fund a Modern Woodmen of America fixed annuity, alleging the application for the annuity was completed without sufficiently determining the investor's actual net worth and knowingly entering inaccurate information in order to pass the suitability review. The Division alleged that MWAFS had failed to reasonably supervise the representative in this transaction. Without admitting or denying the findings, MWAFS consented to the order. As part of the order, MWAFS conducted additional training to all Missouri representatives, paid \$10,000 to the Investor Education and Protection Fund and \$5,000 for the cost of the investigation. The representative was censured by the Division.

Item 10 – Other Financial Industry Activities and Affiliations

MWAFS is registered as a broker/dealer with FINRA. MWAFS and/or its related persons are involved in other business activities including that of selling other financial products. MWAFS and/or its' related persons are involved in other business activities including that of selling other financial products. These activities include the offering of approved products which will result in commissions being received.

Modern Woodmen of America ("MWA"), a fraternal life insurance company and the parent company of MWAFS, owns another subsidiary, MWABank. Clients of MWAFS may also be Clients of Modern Woodmen of America and/or MWABank. MWAFS Clients are not required to do business with either company. MWABank does not maintain custody of any MWAFS Clients' securities or investment accounts.

In addition, MWAGIA, a general insurance agency, is a wholly owned subsidiary of MWAFS. IARs may offer insurance products to MWAFS Clients in connection with their association with MWAGIA. Some MWAFS clients may choose to purchase insurance products from MWAGIA; however they are not required to do so.

IARs must be contracted with Modern Woodmen of America prior to being registered with MWAFS unless he/she is considered an independent IAR with MWAFS. Please see Independent Adviser section below for more information. There is a conflict of interest as the IAR has a production

requirement with Modern Woodmen in order to retain their contract, which requires the sale of Modern Woodmen of America's proprietary products. Clients may choose to purchase insurance through Modern Woodmen or its subsidiaries; however there are approved non-proprietary products available.

Independent Investment Adviser Representatives

On a limited basis, MWAFS may allow certain other IARs to contract with them without being contracted with Modern Woodmen of America. These Independent Representatives that are contracted only with MWAFS, as registered representatives and investment adviser representatives, are not contracted with MWA and are not permitted to sell insurance and annuity products offered through MWA or its general insurance agency subsidiary, MWAGIA. However, they may offer insurance and annuity products through other approved companies. Independent IARs may have production requirements with their insurance company. Independent Brokers affiliated with the same insurance companies may not have the same requirements.

Third-Party Managers

There are some situations where the Client may desire comprehensive management of their accounts, such as is offered by third-party managers. In situations where it is appropriate, MWAFS may recommend their use. However, Clients are not required to use them. MWAFS receives compensation from those management firms for assisting and advising the Client. The fees assessed by these firms may be greater than if the third-party managers were not used. The IAR will inform the Client of the differences in available products, services and fees prior to finalizing the agreement.

The sale of securities and or insurance products will result in the Adviser receiving commissions for the sale of those products.

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

Code of Ethics

MWAFS and its' Investment Adviser Representatives adhere to the Modern Woodmen of America Code of Conduct policy. The Code of Conduct reflects commitment to the highest standards of behavior in every activity undertaken by MWAFS and its' IARs. The policy includes topics on honesty and integrity, workplace conduct, harassment and discrimination, confidentiality and privacy, conflicts of interest and gifts or gratuities. In addition, certain prohibited acts are covered, such as commingling and unauthorized use of funds, misrepresentation, replacements, rebating, forgery and

theft. Clients or prospective Clients may request a copy of the Modern Woodmen of America Code of Conduct by contacting MWA Financial Services.

MWAFS or its' related persons do not have a material financial interest in any firm whose securities or investment products they may recommend a Client buy or sell.

MWAFS' IARs may invest for their own accounts or have some direct or indirect financial interest in the same securities or other investments that they recommend for Client accounts. IARs may also engage in transactions for their own accounts that are the same as or different than transactions recommended for Client accounts. Because this presents a potential conflict of interest, MWAFS has adopted an Investment Adviser Code of Ethics, which includes the following topics:

- Standards of Business Conduct
- Insider Trading
- Client Privacy
- Personal Securities Transactions
- Gifts and Entertainment

The Code of Ethics is applicable to all Covered Persons that are supervised by the Investment Adviser and are affiliated with MWAFS for the purpose of effecting or servicing investment advisory activities. The MWAFS Investment Adviser Code of Ethics will be provided to any client or prospective client upon request to MWAFS or their Investment Adviser Representative.

With respect to personal trading, transactions are permitted if completed and reported in compliance with MWAFS' policy on personal securities transactions. Generally, personal securities transactions will not be executed when an order for the same or a related security is pending for the account of the Client. An MWAFS Designated Principal reviews reports of personal transactions in securities by MWAFS supervised persons on a daily basis. In the event that a review uncovers an instance of trading ahead, MWAFS management will be notified and appropriate action taken to ensure the best interest of the Client.

None of MWAFS' IARs may effect for themselves, their immediate family, other members of their household and any account in which the IAR holds a beneficial interest (referred to as "Covered Persons"), any transactions in a security which is being actively recommended to any of their Clients, unless in accordance with the following Firm Procedures:

It is the primary intent of the preceding procedures is to ensure that the best interests of the Firm's Clients are always served over that of the Firm's. Trading by or on behalf of the Firm and/or its Covered Persons that results in the interests of the Firm or its Covered Persons being served over that of its Clients could be considered a breach of the Firm's fiduciary duty and thus is aggressively discouraged.

It is MWAFS' policy that the firm will not affect any principal or agency cross transactions in securities for Client accounts. MWAFS will also not cross trades between Client accounts. Principal transactions are generally defined as transactions where an IAR, acting as a Principal for their own account, buys from or sells any security to any advisory Client from their own account. An agency cross transaction is defined as a transaction where an IAR, acts as broker for both the advisory Client and for another person on the other side of the transaction. Agency cross transactions may arise where an Investment Adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

MWAFS does not receive any soft dollar benefits from other brokers or third parties. Soft dollar benefits are research, products or services (other than executions of transactions), received by a broker/dealer in exchange for the firm directing trades to the other broker.

Advisers will inform clients that Pershing, LLC. is the recommended broker-dealer for fee-based brokerage accounts; however they are not required to use them. Pershing LLC is the custodian for all MWAFS brokerage accounts. MWAFS has agreements with several third-party management firms with which the client may choose to open a fee-based account. The third-party managers may use a different custodian other than Pershing LLC.

MWAFS financial planning Clients are not required to implement their financial plan through any specific broker-dealer.

MWAFS understands and acknowledges that at all times it owes a fiduciary duty to Clients to obtain best execution for their transactions and to seek the most competitive costs for such. MWAFS strives to keep the Client's total cost in each transaction as favorable as possible under the prevailing market conditions.

While the lowest possible transaction cost is one of the primary concerns when considering brokers or dealers to process Client transactions, other factors such as best execution, Client servicing, availability of research and educational materials, etc. also go into MWAFS' consideration and recommendation of other brokers or dealers. Thus Clients may experience individual transactions costs and commissions that may be higher or lower than costs charged by brokers or dealers not recommended by MWAFS for the delivery or performance of the same or similar services.

MWAFS does not consider whether a firm provides referrals as one of the criteria for recommending a particular firm.

Transactions for the Client's account generally will be effected independently, unless MWAFS decides to purchase or sell the same securities for several Clients at approximately the same time. MWAFS may (but is not obligated to) combine or "batch" such orders to obtain best execution and to negotiate more favorable transaction rates. To the extent that MWAFS elects to aggregate Client orders for the purchase or sale of securities, including securities in which MWAFS's principal(s) and/or associated person(s) may invest, MWAFS shall generally do so in accordance with the parameters set forth by the SEC. MWAFS will not receive any additional compensation as a result of the aggregation.

Item 13 – Review of Accounts

Financial Plans

Both modular and comprehensive financial plans are required to be submitted for Compliance review and approval prior to being presented to the client. In addition, the plans may be reviewed during on-site field audits by a Compliance Principal.

Fee-Based Wrap Accounts

The Firm will review Client holdings periodically. The Designated Principal shall review the customer holdings for best execution (where applicable), suitability and service.

Transaction suitability is reviewed by a Designated Principal through daily reports. The Designated Principal will review the executed transactions, comparing them to the Client's financial information, investment objective, and risk tolerance.

A quarterly review is done of all wrap accounts to monitor the account value, number of trades executed, cash and money market value, and the fees assessed. The review highlights those accounts that may be better off as non-advisory accounts. In the event that MWAFS would become aware of a situation where the client's best interest is potentially not being met, the firm would take steps to investigate the matter, gathering facts and information from relevant parties, including the IAR, reviewing the applicable rules, etc. After the investigation, action deemed appropriate by MWAFS will be taken. Neither MWAFS nor a third party reviews Investment Adviser Representative/Portfolio Manager performance information.

Events that may trigger further Client account reviews in addition to the standard quarterly review process may include, but would not be limited to, an account value less than the minimum required, a large amount of assets being held in a cash or money market account, or a very low amount of

activity in the account for an extended time period. A notable increase in the volume of requests by a Client to effect transactions in their accounts, where such transactions may appear to be inconsistent with the Client's previously stated investment objectives may also trigger additional review. Other factors may include requests by a Client to liquidate certain securities positions/contracts where such transactions may appear to be inconsistent with the Client's previously stated investment objectives. An additional triggering factor would be customer complaints.

Annually, the Advisers will be in contact with their Clients to review their accounts and update the Client information. It is to be explained that the Client should provide the Adviser with notice once the Client's investment objectives or financial situation changes. However, the Adviser is calling to ensure the Firm has the latest information for the Client.

Reviewers:

The following individuals are responsible for account reviews:

Pamela S. Fritz, Chief Compliance Officer, Chief Operations Officer

Michael J. Hetrick, Sr. Compliance RIA Principal

Nathan W. Neighbour, Compliance Principal

Ms. Fritz will employ the procedures noted above for each Client account subject to MWAFS' investment management services.

Client will receive a statement at least quarterly from the custodian of his/her account, detailing all transactions and fees deducted from the account for the calendar quarter. The statements and fees should be reviewed by the Client to ensure accuracy.

Item 14 – Client Referrals and Other Compensation

MWAFS generally prohibits its Advisers from receiving or paying finder's fees or referral fees for any securities business, with the following exception;

The fee paid to the Adviser by third-party managers is compensation for servicing the client's account. Because MWAFS is acting as a solicitor for the third-party firm, a portion of the fee may be considered a referral fee for recommending the client use the third-party manager. Please also see the section on Managed Account Programs under Item 4 of the Wrap Program Brochure for more information.

Additional Compensation

Other than the exception noted above, MWAFS and its Advisers do not have any other arrangements, oral or in writing, where they are paid cash by or receive some economic benefit (including commissions, equipment or non-research services) from a non-Client in connection with giving advice to Clients.

MWAFS and its Advisers have no agreements, oral or in writing, where they directly or indirectly compensate any person for Client referrals.

Item 15 – Custody

MWAFS does not have physical custody of any accounts or assets. Custody is maintained by the qualified custodian. MWAFS generally uses Pershing as the custodian and/or broker-dealer for all client accounts. However, MWAFS does have the ability to withdraw client funds to pay quarterly advisory fees. While MWAFS and its IARs do not accept authority to take possession of client assets, this level of account access is considered “custody” under Advisers Act rules.

Third-party money managers may use custodians other than Pershing. Clients should receive monthly or quarterly statements from the qualified custodian that holds and maintains the Client’s investment assets. MWAFS urges Clients to carefully review such statements and compare them to the account statements that the IAR may provide to you. Adviser-created statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Discrepancies should be brought to the attention of the Adviser or MWAFS.

Item 16 – Investment Discretion

MWAFS and its IARs do not accept discretionary authority for any accounts.

The third-party money manager and/or custodians may have discretion over your account. Their Form ADV Part 2 details this in full.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, MWAFS and its Advisers do not have any authority to and do not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. The Adviser may provide advice to Clients regarding the Clients’ voting of proxies. The custodian will forward you copies of all proxies and shareholder communications relating to your account assets. In instances when a third-party

manager is used, clients may be able to delegate proxy voting to the third-party manager. The proxy voting policy is set forth in the third-party manager's brochure.

Item 18 – Financial Information

Upon request, the Adviser will provide you with information or disclosures about MWAFS's financial condition. MWAFS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.

In no event shall MWAFS charge advisory fees that are both in excess of twelve hundred dollars and more than six months in advance of advisory services rendered.