



Part 2A Appendix 1 of Form ADV  
Wrap Fee Program Brochure

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This wrap fee program brochure provides information about the qualifications and business practices of CONCERT Wealth Management, Inc., and the Madison Park Advisors group. If you have any questions about the contents of this brochure, please contact us at the telephone number or email address above.

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 CONCERT Wealth Management, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The use of the term registered investment adviser does not imply a certain level of skill or training.

**January 30, 2017**

## **Item 2 – Material Changes**

We may update this Brochure at any time but are required to promptly send clients a copy of certain material changes to our disclosures upon doing so. In addition, we will also deliver an annual summary of material changes that occur to the Brochure along with an offer to provide you with a current version. The following material changes have been made to this Brochure:

Wrap Fee disclosure, Madison Park Advisors

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## **Item 4 – Services, Fees and Compensation**

### **Services Offered in the FEE OFFSET PROGRAM**

The Adviser provides investment advisory services to its clients on a discretionary or non-discretionary basis. The advisory services include, among other things, providing advice regarding asset allocation and the selection of investments. Account management or supervision is guided by the stated objectives of the client. In addition, the Adviser considers the client's risk profile and financial status prior to making any recommendations.

The Adviser may recommend that clients establish brokerage accounts with TD Ameritrade, (the Custodian) a registered broker-dealer, member SIPC, to maintain custody of clients' assets and provide other brokerage services.

The Adviser offsets a portion of the fees charged by the Custodian for custodial and brokerage related services. This includes various brokerage costs related to transactions, retirement plan and administration fees. However, this does not cover mutual funds expenses as disclosed in the prospectuses, mark-ups, mark-downs, transfer fees, and wire fees among other fees.

The Custodian also makes available to the Adviser other products and services that benefit the Adviser but may not benefit its clients' accounts. Some of these other products and services assist the Adviser in managing and administering clients' accounts. These include software and other technology, allocation of aggregated trade orders for multiple client accounts, research, pricing information and other market data, facilitate payment of Adviser's fees from its clients' accounts, and assist with back-office functions, recordkeeping, and client reporting.

The Custodian also makes available to the Adviser other services intended to help Adviser manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. The Custodian may also make available, arrange, and/or pay for these types of services rendered to the Adviser by independent third parties. The Custodian may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Adviser.

Based on the availability of the aforementioned benefits and services the Adviser has an incentive to require that clients use The Custodian which is a potential conflict of interest.

It is likely that the Adviser from time to time will affect securities transactions and pay a commission that exceeds the commission another broker-dealer would have charged. Generally the Adviser will determine in good faith that such commissions are reasonable in relation to the value of the services provided by The Custodian, viewed in terms of either the particular transaction or the overall relationship.

### **Annualized Fees**

The Adviser is compensated for investment management or supervisory services based on clients' assets under management. Fees are paid quarterly in advance and are non-negotiable. Fees are due on the first day of the calendar quarter, and are based on the account's asset value as of the last business day of the prior calendar quarter. Fees are prorated for accounts opened during the quarter. In addition, related accounts can be aggregated to establish the amount of assets under management on which fees will be based. Related accounts may include but are not limited to siblings, children, parents, and in-laws. The annual fee rate may be negotiated by the IAR, at the sole discretion of the IAR. The maximum fees are listed in the Schedule A example below:

#### SCHEDULE A (example) **ASSET MANAGEMENT FEE OPTION**

Total Client Fee	Maximum Account Fee	Asset Size
_____	2.50 %	Of the first \$249,999.99
_____	2.00%	\$250,000 - \$499,999.99
_____	1.50%	\$500,000 - \$999,999.99
_____	1.00%	+\$1,000,000

### **REFUNDS**

A client will have a period of five (5) business days from the date of signing the investment advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, either party may terminate the investment advisory agreement with 30 days written notice.

### ***GENERAL DISCLOSURES***

Fees may be more or less than the cost of purchasing the same services separately or from a different source. The factors to be considered by clients in determining the reasonableness of the fees charged include but may not be limited to the following:

- Transaction costs and/or other miscellaneous fees and taxes and/or charges as well as commissions or markups and markdowns on the purchase and/or sale of securities.
- Gathering information on Portfolio Managers and/or Mutual Funds (“Due Diligence”) and the ongoing monitoring of their business and performance.
- The value of the consulting service provided the Adviser in designing and monitoring the client’s asset mix and periodically rebalancing.
- Clients must provide the Adviser with notice if their investment strategies or objectives change

### **Item 5 – Account Requirements and Types of Clients**

The Adviser provides advisory services to:

- Individual – Trusts, estates, 401(k) plans and IRAs of a household count as one individual.
- High net worth individual – An individual who is a “qualified client” under rule 205-3 of the Advisers Act of 1940 or is a “qualified purchaser”.
- Charitable or nonprofit organizations – This may include social welfare organizations, agricultural/horticultural organizations, labor organizations, business leagues or trade associations and entities that operate for purposes that are religious, artistic, literary, charitable, scientific, educational or in the interest of public safety.
- Banks or thrift institutions
- Business entities including sole proprietorships
- Investment companies including mutual funds
- Pension and profit sharing plans (other than plan participants)
- State or municipal government entities
- Other

### **Account Minimums**

The Adviser does not impose a minimum account requirement on clients.

## **Item 6 – Portfolio Manager Selection and Evaluation**

### **A. Selecting/Reviewing Portfolio Managers**

The Madison Park Advisors group is the manager for this wrap fee program.

#### **1. Standards Used to Calculate Portfolio Manager Performance**

The Advisor will use industry standards to calculate portfolio manager performance.

#### **2. Review of Performance Information**

The Advisor reviews the performance information to determine and verify its accuracy and compliance with presentation standards. The performance information is reviewed monthly and is reviewed by the Advisor.

### **B. Related Persons**

No related persons act as a portfolio manager for the wrap fee program as described in this brochure. As such, there are no conflicts of interest with related persons and the Advisor will not select any related persons as portfolio managers for this wrap fee program.

### **C. Advisory Business, Performance-Based Fees, Side-By-Side Management, Methods of Analysis, Investment Strategies, Risk of Loss, Voting Client Securities**

The Advisor offers investment supervisory services to its wrap fee program participants as detailed in Section 4 above, and limits investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, third party money managers, REITs, insurance products including annuities, private placements, government securities. The Advisor may use other securities as well to help diversify a portfolio when applicable.

#### **Investment Supervisory Services**

The Advisor offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Investment Supervisory Services include, but are not limited to, the following:

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

The Advisor evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. The Advisor will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are reviewed with each client.

#### **Performance-Based Fees and Side-By-Side Management**

Neither the Firm nor any of its supervised persons charges a performance-based fee that is, a fee based on a share of capital gains on or capital appreciation of the assets of a client.

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

The accounts are managed using various types of investment strategies. Portfolio Managers will perform security analysis and methods used may include charting, fundamental, technical, or cyclical analysis. The main sources of information that the PM may use include financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, SEC filings and company press releases.

*Charting:* In this type of technical analysis, the Portfolio Manager will review charts of market and security activity in an attempt to identify when the market is moving up or down and to attempt to predict how long the trend may last and when that trend might reverse.

*Fundamental Analysis:* The Portfolio Manager attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

*Technical Analysis:* The Portfolio Manager analyzes past market movements and applies that analysis to the present to supplement its fundamental research and to recognize recurring patterns of investor behavior and attempt to predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk that a poorly-managed or financially unsound company may underperform regardless of market movement.

*Cyclical Analysis:* In this type of technical analysis, the Portfolio Manager measures the movements of a particular stock against the overall market in an attempt to predict the price movement of that security.

Certain advisory strategies may consist of portfolios being either fully or primarily invested in money market funds and/or short-term bond funds, depending on the client's unique financial needs and/or our economic market outlook.

## **Risk of Loss**

Each investment style, strategy, and investment entails varying degrees of risk. There can be no assurance that a particular investment, style or strategy will be successful or that clients will not suffer losses. Results generated by or for each account will differ, and the investment advice will differ from client to client. Investment performance is not guaranteed, and the Portfolio Manager's past performance with respect to a client's account or other accounts does not predict future performance. The investment strategies used to manage accounts may include long-term purchases, short term purchases, selling securities within 30 days, short sales, margin transactions, and option writing.

*Margin risk:* The Portfolio Manager may direct the purchase of securities for clients with money borrowed from the client's brokerage account. This allows the client to buy more stock than the client would be able to with the cash that is available, and allows the PM to purchase new or additional securities for the client without selling other holdings. Leverage increases a portfolio's risk as price swings are amplified in a margin account and clients can lose more funds than deposited if the value of securities decline.

*Options risks:* An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells their option in the

secondary market nor exercises it prior to its expiration will necessarily lose their entire investment in the option. An option writer may be assigned an exercise at any time during the period the option is exercisable.

Starting with the day it is purchased, an American-style option is subject to being exercised by the option holder at any time until the option expires. This means that the option writer is subject to being assigned an exercise at any time after they have written the option, until the option expires or until they have closed out their option position in a closing transaction. By contrast, the writer of an European-style or capped option is subject to assignment only when the option is exercisable or, in the case of a capped option, when the automatic exercise value of the underlying interest hits the cap price. For more information regarding the risks of options, please read the Characteristics and Risks of Standardized Options brochure, which can be found at [www.optionsclearing.com](http://www.optionsclearing.com). The information available on, or that can be accessed through, [www.optionsclearing.com](http://www.optionsclearing.com) is not part of this Form.

### **Voting Client Securities**

We do not vote proxies on behalf of clients. Clients who own voting shares of a company, retain the authority for the proxy voting for those securities held in their account(s) with the following possible exceptions: 1) For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), the plan fiduciary specifically keeps the authority and responsibility for the voting of any proxies for securities held in plan accounts. 2) For accounts managed by a third party advisor (money manager), clients may sign proxy voting authority over to that third party advisor. In either of those instances, it will be indicated in the contract how the client may obtain a copy of the proxy voting policies and procedures of that particular fiduciary. Proxy voting materials received at by us will either be forwarded to client, or we will contact the sender to redeliver, or will confirm client receipt as applicable.

### **Item 7 – Client Information Provided To Portfolio Managers**

As described in “Item 4. Services, Fees and Compensation”, Clients inform their Portfolio Manager of their investment objectives, risk tolerance, and investment time horizon as well as any applicable investment policies, guidelines, or reasonable restrictions. Since the Wrap Fee accounts are managed by the Madison Park Advisors Group, communication between Clients and the Portfolio Manager occurs on a regular basis. Third party managers may receive such Client information including, but not limited to, factors related to their risk tolerance, investment objectives, investment time horizon and any other relevant investment constraints. Such information is communicated to the third party managers by CWM on a periodic basis or as Client circumstances require.

### **Item 8 – Client Contact With Portfolio Managers**

Clients are encouraged to contact their Portfolio Managers directly, or, if a third party money manager is used, it may be appropriate for Clients to alternatively contact their Advisor.

## **Item 9 – Additional Information**

### **Disciplinary Information Summary**

1. From 2010 through 2013, Concert Global Group Limited (“Concert Global”) and its CEO, Felipe Luna, raised approximately \$2.2 million through unregistered offers and sales of its common stock to investors, including several of Concert Wealth Management, Inc.’s (“Concert Wealth”) advisory clients. In soliciting investments, Concert Global, and its then-CFO supervised by Luna, provided investors with materially misleading private placement memoranda (“PPMs”). These PPMs (1) overstated Concert Global’s subsidiaries’ assets under management, (2) overstated Concert Global’s financial results, and (3) misrepresented or failed to disclose conflicts of interest arising from the potential use of offering proceeds to pay several affiliated entities. Concert Wealth also failed to implement adequate policies and procedures to address the disclosure of possible conflicts of interests between the various Luna-controlled entities.

<sup>1</sup> The findings herein are pursuant to Respondent’s Offers of Settlement and are not binding on any or person or entity in this or any other proceeding.

### **Respondents**

2. **Concert Global Group Limited** (“Concert Global”) is a California corporation with its principal place of business in San Jose, California. Concert Global is the parent company and 100% owner of Commission-registered investment adviser Concert Wealth Management, Inc. During the relevant timeframe, Felipe Luna served as Concert Global’s CEO and controlled Concert Global through his family trust’s ownership of approximately 56% of Concert Global’s shares.

3. **Concert Wealth Management, Inc.** (“Concert Wealth”) is a California corporation with its principal place of business in San Jose, California. Concert Wealth has been registered as an investment adviser with the Commission since June 21, 2007. From 2010 to 2013, Concert Wealth primarily provided investment advice to individual retail investors. During that period, Concert Wealth grew from approximately \$800 million to \$1.5 billion in assets under management.

4. **Felipe Luna** (“Luna”), age 48, is a resident of San Jose, California. Luna is CEO and Chairman of the Board of Concert Global; through his family trust, Luna also owns approximately 56% of Concert Global. Luna was also the President of Concert Wealth, oversaw its operations, and provided investment advice to advisory clients. Luna has been an investment adviser representative since 2002 and has been associated with Concert Wealth since 2006. Luna received a salary from Concert Global, which generated revenues from the advisory fees remitted to it by Concert Wealth.

### **Facts**

#### **A. Concert Global Raised Money From Investors By Making Material Misrepresentations and Omissions**

5. At all relevant times, Concert Global was the parent holding company for Concert Wealth, a Commission-registered investment adviser which primarily provided investment advice to individual retail investors. From 2010 to 2013, Luna sought to grow Concert Global and Concert Wealth by adding new investment advisers and their books of business to Concert Wealth’s



investment advisory platform. To induce investment advisers to join Concert Wealth, Concert Global helped finance certain of those advisers' start-up costs as well as build-out their branch offices. In order to pay for these costs, two entities that Luna controlled provided loans to Concert Global; these loans were in addition to a pre-existing loan to Concert Global from Luna's family trust, which was later converted into preferred stock.

6. In order to sustain Concert Global's rate of growth and to continue funding Concert Wealth's addition of branch offices, Luna directed Concert Global to raise money by selling its common stock. To that end, Luna and a prior Concert Global CFO solicited Luna's family members and friends, some of whom were Concert Wealth's advisory clients, to invest in the offerings through in-person meetings and by providing them with private placement memoranda ("PPMs") describing the offering. Luna and Concert Global's then-CFO each individually met with prospective investors, and the CFO provided PPMs to investors.

7. Concert Global ultimately raised \$2.2 million from approximately 21 investors in multiple states, including 12 of Concert Wealth's advisory clients. During the same time period, Concert Wealth's assets under management grew from \$800 million to \$1.5 billion. Concert Global used the offering proceeds for general corporate purposes, to repay the loans previously issued by the Luna-affiliated entities, and to pay quarterly dividends on Luna's preferred stock.

8. As Concert Global's CEO, Luna was responsible for approving, and ensuring the accuracy of, the PPMs that were provided to investors. Luna also supervised the then-CFO, who prepared the PPMs and provided them to investors at Luna's direction. During the process, Luna approved – without reviewing for accuracy – erroneous PPMs prepared by the then-CFO. These PPMs contained materially false and/or misleading information that overstated Concert Global's subsidiaries' total assets under management by approximately \$1 billion and overstated certain of Concert Global's financial results, including its revenues (in at least one instance by approximately \$1 million – an overstatement of approximately 50%) and earnings (in at least one instance by approximately \$500,000 – presenting a profit as opposed to a loss). Concert Global's PPMs also failed to disclose that Concert Global could use, and in fact was using, the offering proceeds to repay its debt to related entities that Luna controlled and to pay quarterly dividends to Luna on his preferred stock.

9. Luna knew, or should have known, that Concert Global's PPMs were materially false and misleading. Among other things, Luna, as CEO, was aware of Concert Global's subsidiaries' correct assets under management and its financial condition (including its earnings and net profits), as well as the ongoing payments to entities that he controlled or owned. By failing to review the PPMs but nonetheless approving them to be distributed to investors, Luna failed to exercise reasonable care in describing the investment opportunity in Concert Global to investors, including several of his and Concert Wealth's advisory clients.

#### B. Concert Global Engaged in an Unregistered Offering of Concert Global's Common Shares

10. Concert Global and Luna also offered and sold the Concert Global securities without a registration statement or an applicable exemption from registration. From September 2010 through July 2011, Concert Global and Luna raised over \$1 million through common stock sales to 12 investors in a 12 month period. No registration statement was filed or in effect for the offerings, and Concert Global and Luna offered the shares through the use of interstate facilities, including by sending emails to client and receiving investments through wire transactions. Concert Global and

Luna made no efforts to comply with any registration requirement in connection with the offerings, nor did they rely on any exemption from registration.

### C. Concert Wealth Failed to Implement Adequate Policies and Procedures

11. The Advisers Act requires that registered investment advisers adopt and implement written policies and procedures reasonably designed to prevent violations of the statute. While Concert Wealth did adopt some written compliance policies and procedures, they did not address situations in which investment advice could be conflicted because of related party transactions. Concert Wealth had no policies concerning selling securities of its parent entity to advisory clients and no policies to ensure the accuracy of offering documents. Concert Wealth's policy simply directed its advisers to "avoid any action that might conflict with our interests of our clients." Luna supervised the compliance department and, accordingly, was responsible for ensuring the adequacy of Concert Wealth's written policies and procedures.

### Violations

12. As a result of the conduct described above, Concert Global and Luna violated Sections 17(a)(2) and 17(a)(3) of the Securities Act. Section 17(a)(2) makes it unlawful, in the offer or sale of securities, to obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. Section 17(a)(3) makes it unlawful, in the offer or sale of securities, to engage in any transaction, practice or course of business that operates as a fraud or deceit upon the purchaser. Sections 17(a)(2) and 17(a)(3) of the Securities Act do not require a showing of scienter, negligence is sufficient. *See Aaron v. SEC*, 446 U.S. 680, 697, 701-02 (1980).

13. As a result of the conduct described above, Concert Global and Luna violated Sections 5(a) and 5(c) of the Securities Act, which prohibit the offers and sales of unregistered securities absent an applicable exemption from registration.

14. As a result of the conduct described above, Concert Wealth and Luna willfully<sup>2</sup> violated Sections 206(2) of the Advisers Act, which makes it "unlawful for any investment adviser. . . directly or indirectly to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client." A violation of Section 206(2) of the Advisers Act may rest on a finding of simple negligence. *SEC v. Steadman*, 967 F.2d 636, 643 n.5 (D.C. Cir. 1992) (citing *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180, 195 (1963)). Proof of scienter is not required to establish a violation of Section 206(2) of the Advisers Act.

15. As a result of the conduct described above, Concert Wealth willfully violated, and Luna caused Concert Wealth's violation of, Section 206(4) of the Advisers Act, and Rule 206(4)-7 promulgated thereunder, which requires that all investment advisers "[a]dopt and implement written policies and procedures reasonably designed to prevent violation" of the Advisers Act and the rules thereunder by the investment adviser and its supervised persons.

<sup>2</sup>A willful violation of the securities laws means merely "that the person charged with the duty knows what he is doing." *Wonsover v. SEC*, 205 F.3d 408, 414 (D.C. Cir. 2000) (quoting *Hughes v. SEC*, 174 F.2d 969, 977 (D.C. Cir. 1949)). There is no requirement that the actor "also be aware that he is violating one of the Rules or Acts." *Id.* (quoting *Gearhart & Otis, Inc. v. SEC*, 348 F.2d 798, 803 (D.C. Cir. 1965)).

## **Respondents' Remedial Efforts**

16. In determining to accept the Offer, the Commission considered remedial acts promptly undertaken by Respondents and cooperation afforded the Commission staff. Concert Global sent its investors corrective disclosures. Concert Wealth engaged a compliance consultant to address concerns identified by the Commission Exam staff, and to give guidance on Concert Global's compliance policies and procedures.

## **Undertakings**

17. Respondent Luna has undertaken to, in connection with his Offer, return 100,000 preferred shares he owns through the Luna Family Trust to Concert Global within thirty (30) days of the entry of this Order. Luna shall notify the Commission staff in writing that the shares have been returned.

18. Continued Retention of Compliance Consultant. Concert Wealth currently retains a compliance consultant to render compliance services. Concert Wealth shall continue to retain, at its expense, either the Consultant or an independent compliance consultant, to render compliance services for a period of at least three (3) years from the entry of this Order. The scope of the engagement of Concert Wealth's current compliance consultant or independent compliance consultant must include at least the same responsibilities as detailed in Concert Wealth's July 7, 2015 contract with its current compliance consultant, including comprehensive annual reviews and assessments of the adequacy of processes, policies and procedures concerning how Concert Wealth addresses conflicts and potential conflicts of interest. To the extent Concert Wealth's current compliance consultant has already made recommendations for changes in or improvements to Concert Wealth's policies and procedures and/or disclosures to clients, Concert Wealth shall adopt and implement all such recommendations. Concert Wealth also shall adopt and implement all recommendations that result from the Consultant's annual compliance reviews over the next three (3) years from the entry of this Order.

19. Recordkeeping. Concert Wealth shall preserve for a period of not less than six (6) years from the end of fiscal year last used, the first two (2) years in an easily accessible place, any record of Concert Wealth's compliance with the undertakings set forth in this Order.

20. Notice to Advisory Clients. Within ten (10) days of the entry of this Order, Concert Wealth shall post prominently on the homepage of Concert Wealth's website a summary of this Order in a form and location acceptable to the Commission staff, with a hyperlink to the entire Order, for a period of twelve (12) months. Within thirty (30) days of the entry of this Order, Concert Wealth shall provide to each of Concert Wealth's existing advisory clients as of the date of the Order via mail, email, or such other method as may be acceptable to the Commission staff, a copy of the Form ADV which incorporates the paragraphs contained in Section III of this Order. Furthermore, for a period of twelve (12) months from the entry of this Order, to the extent that Concert Wealth is required to deliver a brochure to a client and/or prospective client pursuant to Rule 204-3 of the Advisers Act, Concert Wealth shall also provide the Form ADV which incorporates the paragraphs contained in Section III of this Order to such client and/or prospective client.

21. Deadlines. For good cause shown, the Commission staff may extend any of the procedural dates relating to the undertakings. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered to be the last day.

22. Certification of Compliance. Concert Wealth shall certify, in writing, its compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Concert Wealth agrees to provide such evidence. The certification and supporting material shall be submitted to Jennifer J. Lee, Assistant Regional Director, Securities and Exchange Commission, 44 Montgomery Street, Suite 2800, San Francisco, CA 94104, or such other address as the Commission staff may provide, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of completion of all of the undertakings.

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

CONCERT Wealth Management, Inc. may offer investment programs and platforms under the name of CONCERT Capital Management. CONCERT Global Group Ltd. is the holding company for CONCERT Wealth Management, Inc. and other affiliates. CONCERT Wealth Management, Inc. does business under other names, which are listed in the ADV Part 1.

CONCERT Advisor Services, LLC provides back-office support for CONCERT Wealth Management and also assists registered persons transitioning from a broker-dealer sponsored platform to an independent investment advisory model. Omniscient Holdings, Inc., developed and offers Omniscient Enterprise Advisor, a contact relationship management database solution designed for investment advisors. Any compensation earned by affiliates is separate from CONCERT Wealth Management, however a conflict of interest may exist where there is an incentive to refer clients to an affiliate.

Some of our IARs are also securities representatives of registered broker-dealers/ members of the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). In this capacity these dually registered persons may recommend securities, or other products, and receive normal securities transactions commissions if products are purchased through any Firms with which these associated persons are affiliated. Thus, a conflict of interest may exist between the interests of associated persons and those of the advisory clients. However, clients are under no obligation to act upon any recommendations of the associated persons or effect any transactions through the associated persons unless they decide to follow the recommendations.

Some of our IARs may also be licensed insurance agents of various insurance companies. In these capacities they may receive insurance commissions if insurance products are purchased through them. Thus, a conflict of interest may exist between their interests and the interests of their clients. However, the clients of those IARs/insurance agents are under no obligation to act upon any recommendations, or effect any transactions through them unless they decide to follow the recommendations.

## **A. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading, Review of Accounts, Client Referrals and Other Compensation, Financial Information**

### **Code of Ethics**

The Firm has adopted a Code of Ethics that sets forth the basic policies and procedures of ethical conduct for all managers, officers, and employees of the Firm. In addition, the Code of Ethics governs personal trading of each employee deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of the Firm are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of the Firm or its affiliates. We may from time to time purchase or sell products that we may recommend to clients. We collect and maintain records of securities holdings and securities transactions effected by Access Persons which are reviewed to identify and resolve potential conflicts of interest. Our Policies and Procedures and Code of Ethics are available upon request.

### **Participating or Interest in Client Transactions**

Neither the Firm nor any associated person acting as a principal, buys securities from (or sells securities to) clients, acts as general partner in a partnership in which the Firm solicits client investments, or acts as an investment advisor to an investment company that the Firm recommends to clients.

In their capacity as registered representatives or principals of various broker-dealers, associated persons of the Firm may receive payments from certain mutual funds distributed pursuant to a 12b-1 distribution plan, or other such plans, as compensation for administrative services, representing a separate financial interest. As such, a conflict of interest may exist with respect to recommendations to buy or sell securities. In all cases, recommendations are made in the best interests of the client.

The Firm does not permit insider trading and has implemented procedures to ensure that its policy regarding insider trading is being observed by associated persons.

Neither the Firm nor any associated person recommends that clients buy from or sell securities to other clients.

### **Review of Accounts**

The Firm has IARs that operate independently but has a policy that account reviews are conducted no less than quarterly. More frequent and ongoing reviews are dependent on circumstances of the client, particular investments, market activity, or other events that affect portfolio management. There is currently no limit on the number of accounts that can be reviewed by an IAR.

Brokerage statements are generated no less than quarterly and the account custodian sends copies directly to clients. These reports list the account positions, activity in the account over the covered period and other related information. The custodian also sends conFirmations following each brokerage account transaction unless conFirmations have been waived.

Financial plans are reviewed annually, unless circumstances determine otherwise. Events that trigger more frequent review of financial plans include changes in a client's situation, or events that may affect market activity over the life of the plan.

### **Client Referrals and Other Compensation**

The Firm does not have an arrangement under which it or its associated persons compensate others for client referrals, nor does the Firm receive any economic benefit for providing advisory services to clients from a person who is not a client. This includes sales awards or prizes. However; from time to time, the Firm may engage an advisor representative who already has already engaged solicitors to whom he/she will pay cash or a portion of the fees paid by clients referred by those solicitors. All solicitors who refer clients will be in compliance with the requirements of the jurisdiction where they operate. When applicable, the solicitors will be licensed as investment advisors or notice filed in the appropriate jurisdictions.

Whenever the Firm compensates solicitors for referrals, the effected clients will receive a disclosure document discussing the referral fees paid and informing the client about whether the client or the Firm pays the fee.

On occasion, the Firm may refer clients to other professionals for services that the Firm is unable to perform. In turn, the Firm may receive referrals from these Firms. Although there is no direct monetary benefit derived from these arrangements, they are mutually beneficial and provide an indirect benefit. The Firm will never base its referrals solely on any formal or informal arrangement.

### **Financial Information**

There is no financial condition that is reasonably likely to impair the Adviser's ability to meet its contractual commitments to its clients.