

Item 1: Cover Page

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FORM ADV PART 2A

FIRM BROCHURE December 14, 2018

This brochure provides information about the qualifications and business practices of Motley Fool Wealth Management, LLC. ("MFWM") a registered investment adviser. **Registration does not imply a certain level of skill or training but only indicates that MFWM has registered its business with state and federal regulatory authorities, including the United States Securities and Exchange Commission (our SEC number is 801-77616).** 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. If you have any questions about the contents of this brochure, please contact us by email at help@foolwealth.com.

Item 2 Material Changes

This amendment to the Motley Fool Wealth Management Brochure is dated December 14, 2018 and replaces the previous brochure, which was filed on December 15, 2017. Items 4, 8, 10, 11, and 14 of Part 2A have been revised or updated to reflect the following material changes:

- From time to time, Motley Fool Wealth Management, LLC (“MFWM”) may offer compensation to current clients who recommend MFWM’s services. In addition, MFWM may enter into agreements to pay third parties to solicit and/or refer prospective clients who may need or find value in the investment services provided by MFWM.
- Under certain circumstances and when deemed in a client’s best interest, MFWM may recommend to clients certain mutual funds and exchange traded funds that are managed by Motley Fool Asset Management (“MFAM”), an affiliated investment adviser, or otherwise refer clients to MFAM. Neither MFWM nor any of its employees receive compensation for recommending these funds. However, the purchase and holding of these funds by clients may enhance the profitability of affiliated businesses, which may indirectly benefit MFWM.
- The risk disclosure in Item 8 has been revised to reflect operational and trading risks associated with the MFWM’s business.
- Motley Fool Ventures Management LLC is a newly formed investment advisers to certain private investment vehicles and is an affiliate of MFWM by virtue of sharing a common parent company.
- As of November 30, 2018, MFWM has \$ 1,509,494,031 under management.

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Item 4 Advisory Business:

A. The Firm - Motley Fool Wealth Management, LLC

Motley Fool Wealth Management, LLC (“MFWM” or “we”), formerly known as Motley Fool Financial Planning, is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”) since February 12, 2013. MFWM changed its name on March 18, 2014.

MFWM is a wholly-owned subsidiary of The Motley Fool Holdings Inc. (“TMF Holdings”). MFWM has two indirect owners, David H. Gardner and Thomas M. Gardner, who each own 30% or more of TMF Holdings.

B. Advisory Services Offered

MFWM provides nondiscretionary advice and discretionary account management services, based in part upon Clients’ responses to online questionnaires regarding their financial and portfolio information, risk tolerance levels, time to retirement, need to access assets, their current holdings and any additional information provided by the Client (the “Profile”). The advisory services made available to a Client will vary depending on the type of offering or package purchased by the Client.

MFWM services are provided to Clients pursuant to an Investment Advisory Agreement, which permits either the Client or MFWM to terminate the agreement with notice.

1. Nondiscretionary Advisory Services

The nondiscretionary advice offered by MFWM consists of financial planning, review and counseling, and is based upon the Client’s personal situation and goals, as communicated to MFWM through the Profile and any information provided by the Client in emails, telephone calls or face-to-face meetings. **Since these services rely heavily on the information provided to us by the Client, if the Client provides inaccurate or incomplete information at any point, MFWM’s advice may not be fully tailored to that Client’s needs.**

MFWM may also make available to certain Clients reports and other written materials, and provide access to seminars, speaking engagements and webcasts.

a. Financial Review & Counseling. MFWM offers certain Clients financial counseling services (“Counseling Services”), which may include one or more of the following:

- Meetings and consultations with a financial planner;
- Reviewing the Client’s online questionnaire inputs and advising on possible changes;
- Assisting the Client in determining which Model Portfolios (as defined below) in MFWM’s separately managed account or “*Personal Portfolio*” program to follow and providing related asset allocation advice;

- Answering specific questions that a Client may have about financial goals and circumstances, including meeting retirement goals and the suitability of current investments; and/or
- Counseling on tax efficiency and general tax considerations.

Consultations are generally conducted via telephone or email, but a Client may also request to meet with MFWM in-person. Face-to-face meetings are by appointment only and take place at MFWM's offices.

- b. Financial Planning Services. MFWM's financial planning service is a mix of nondiscretionary services ("Planning Services"). At the inception of the financial planning engagement, MFWM will conduct an initial analysis of the Client's financial circumstances and advise the Client on the suitability of the Planning Service. If we determine that the Planning Service is not suitable for a Client, MFWM may decline to provide the Planning Services and fully refund the Client.

Each Client is matched with a planning team that MFWM believes is best suited to meet the Client's needs (as determined from the Profile and other information provided by the Client) and that team will create and, to the extent practicable, help implement the Client's financial plans. The Client's planning team will be available for regular consultations. Consultations can take place via telephone, video chat or in-person in MFWM's offices. Depending on the Client's needs, our Planning Services may include one or more of the following:

- Retirement savings and income planning;
- Investment planning;
- Estate planning;
- Tax planning;
- Risk management and insurance planning; and
- Education planning.

- c. Reports, Seminars and Speaking Engagements. From time-to-time, MFWM may make available to certain Clients reports (generally in the form of quarterly updates), newsletters and other written materials (collectively, "Reports"). Other than its quarterly updates, MFWM may not distribute Reports on a set schedule. Rather, other types of Reports will be distributed by MFWM in its discretion, based upon (among other things) noteworthy developments in financial markets and changes to MFWM's market outlook.

Through these Reports, MFWM may publish some of its research and its evaluation of certain companies, asset allocation strategies, and other investment and financial planning information. These Reports are intended to assist Clients in analyzing current and potential investments opportunities, asset allocation strategies, and financial planning techniques. Reports may also be structured as educational tools for those Clients participating in these services, and are intended to help Clients understand general market trends and MFWM's

investment philosophy and outlook. **Reports are not intended to and do not provide individualized investment or financial planning advice.**

MFWM may also provide access to seminars, speaking engagements and webcasts on an “as announced” basis for those Clients seeking general advice on investments and other areas of personal finance. The content of these seminars will vary depending upon the topical nature of the content and, in MFWM’s judgement, the relevance to its participating Client basis. These seminars are purely educational in nature. Information presented will not be based on any individual Client needs, nor does MFWM provide individualized investment advice to attendees during these seminars.

2. Discretionary Account Management

- a. Model Portfolios & Asset Allocation. MFWM’s separately managed account program (the “*Personal Portfolio* Program” or “Program”) enables Clients to own individually tailored portfolios that employ a mix of strategies and asset classes (the “Model Portfolios”). Each Model Portfolio focuses on a particular investment strategy (such as long term buy and hold), type of security (such as growth stocks) or asset class (such as international equities). The Model Portfolios represent different investing strategies and asset classes that allow Clients to hold balanced and diverse portfolios through various stages in their lives. Rather than choosing a portfolio comprised primarily of our traditional stock-based Model Portfolios, Clients may elect a portfolio comprised exclusively of exchange traded funds. We refer to our Model Portfolios that exclusively utilize exchange traded funds (“ETFs”) as “Index-Based Model Portfolios.” **Currently, MFWM does not offer clients blended portfolios consisting of both Index-Based Model Portfolios and stock-based Model Portfolios (except that this limitation does not apply to Fixed Income Model Portfolios, which are ETF-based and can be utilized in most Client portfolios).** Unless we make an explicit exception below, all references to “Model Portfolios” include such Index-Based Model Portfolios. MFWM may on occasion modify or revise the Model Portfolios when it feels it is in the best interests of our Clients.

Using a Client’s Profile, MFWM will create a portfolio that allocates the Client’s assets across Model Portfolios or, based on a Client’s election, Index-Based Model Portfolios (the “Allocated Approach”). The exact allocations will be based on the Client’s risk tolerances, needs and goals. A Client may choose to reject MFWM’s Allocated Approach. Instead, a Client may choose an account following one Model Portfolio, with an optional allocation to the Fixed Income Model Portfolio (for ease of reference, these account structures, which may or may not have an allocation to Fixed Income, are referred to as “Single Strategy Accounts”). Not all the Model Portfolios are made available in Single Strategy Accounts. Generally, a Client cannot create a Single Strategy Account following an Index-Based Model Portfolio. Clients may also choose to adjust the allocations within our Allocated Approach, but generally will not be able to remove a Model Portfolio entirely from the Allocated Approach unless the Client chooses a Single Strategy Account (subject to the

restriction discussed above with respect to Index-Based Model Portfolios in Single Strategy Accounts).

For temporary defensive purposes in times of adverse or unstable market, economic or political conditions, or if MFWM does not believe, in its exclusive investment discretion, that there are suitable investments at that time, a portion of a Client's account may consist of un-invested cash. In addition, the various short strategies utilized by our Pro Model Portfolio may generate cash. Although permitted to do so at the portfolio manager's discretion, MFWM generally does not create leverage in Client Accounts by reinvesting the cash proceeds of short sales and, as a consequence, Clients may see a cash balance in their Account after MFWM executes a short sale. The cash balances associated with short sales that are not reinvested act as collateral for the short position, and Clients do not earn interest on it.

Depending on the account size and Model Portfolio strategies, amounts of un-invested cash may be significant. Holding significant amounts of cash may be inconsistent with the account's investment strategies, and the account might not achieve its investment objective.

- b. Basis of Advice. MFWM performs its own research by obtaining information from a wide variety of sources, including research prepared and distributed by its affiliates, including investment newsletter services ("Affiliated Research"). AFFILIATED RESEARCH DOES NOT REPRESENT THE SOLE BASIS OF MFWM'S ADVICE, AND ALL INVESTMENT DECISIONS FOR YOUR ACCOUNT ARE MADE INDEPENDENTLY BY THE PORTFOLIO MANAGERS AT MFWM. ACCORDINGLY, MODEL PORTFOLIOS AND CLIENT ACCOUNTS MAY DIVERGE COMPLETELY FROM OUR AFFILIATES' RESPECTIVE STRATEGIES AND RECOMMENDATIONS.
- c. Rebalancing & Advice Updates. MFWM's President and personnel working on his behalf periodically review the asset allocation advice. As part of its rebalancing program, MFWM may, in its sole discretion, modify allocations to Model Portfolios within a Client's Account to reflect, among other things, the need for reduced market risks, lower portfolio volatility, or for other reasons that MFWM believes are in a Client's best interest. While adjustments to allocations during rebalancing may result in the addition and/or removal of Model Portfolios from a Client's account, MFWM will only adjust a Client's allocation within the constraints of their current risk score or objective. For example, a moderate portfolio may be reallocated based on our capital market expectations, but will remain a moderate portfolio. Clients will receive advance notice of allocation changes five to ten business days prior to rebalancing. Clients that do not wish to participate in the MFWM's rebalancing program may opt-out at any time.

In order to further ensure that our advice remains properly tailored, Clients are encouraged to promptly update their Profile should any information change with respect to their risk tolerance, needs or goals. MFWM will annually seek Client confirmation that the information in their Profile remains accurate.

- d. Discretionary Authority & Fiduciary Status. With respect to all of its services, MFWM has a fiduciary duty that requires it to act in the best interests of Clients and to place the interests of Clients before its own. MFWM acts as the Program's sponsor and manages the accounts for Clients on a discretionary basis, meaning that Clients have granted MFWM full and exclusive authority to manage the accounts in accordance with MFWM's asset allocation determinations (including deviations from original allocations associated with MFWM's rebalancing program as described above) and the chosen Model Portfolios.

With respect to Retirement Accounts (defined below), MFWM reasonably expects to provide services as a "fiduciary" (as that term is defined in Section 3(21)(A) of Employee Retirement Income Security Act of 1974 ("ERISA") and/or Section 4975 of the Internal Revenue Code (the "Code"), and MFWM will act in a manner consistent with the requirements of a fiduciary under ERISA and the Code. For purposes of this Brochure, the term "Retirement Account" covers: (i) "employee benefits plans" (as defined under Section 3(3) of ERISA), which include pension, profit sharing or welfare plans sponsored by private employers; and (ii) individual retirement accounts ("IRAs") (as defined in Section 4975 of the Code).

- e. Brokerage, Trading & Custody. Brokerage and custody services for the Program are provided exclusively by Interactive Brokers, LLC ("IB").

Unless instructed otherwise, MFWM generally refrains from trading securities in a Client's account until the Client transfers or deposits in full his or her indicated funding amount (the "Anticipated Funding Amount"). Upon receiving the full Anticipated Funding Amount (and assuming that the account has been properly configured by the Client for trading at IB), MFWM will generally begin placing trades for that Client account within two (2) business days.

After this initial investment period, additional investments are subject to a \$150 minimum. Additional investment amounts will be invested weekly according to MFWM's cash sweep schedule. **As such, these additional amounts may remain un-invested (in cash) for a period of up to five (5) business days.** Clients desiring to have additional amounts invested prior to MFWM's cash sweep schedule may contact MFWM to request expedited investment.

C. Tailored Advice and Investment Restrictions

1. Nondiscretionary Advisory Services

Certain of MFWM's nondiscretionary services include general asset allocation advice, goal modeling as well as guidance on other financial-related matters such as retirement, estate, tax, education and risk management and insurance planning. Our advice is based on the information conveyed to us by the Client. We do not, and cannot, verify that such information is accurate or complete. It is the Clients' responsibility to update their information if their situations change.

Neither the Reports issued by MFWM, nor the content of its seminars, speaking engagements and webcasts, are intended to provide individualized investment or financial planning advice.

2. Personal Portfolio Program

Using the Profile, MFWM will advise each Client on the suitability of the Program and the appropriate allocation across the Model Portfolios, along with the appropriate investment minimums associated with each account. A Client may disagree with these assessments and open an account by first acknowledging receipt of such advice and willingness to nonetheless participate in the Program with revised, Client-directed allocations and/or open a Single Strategy Account.

A Client may impose reasonable restrictions on the management of his or her account at any time, but the processing of such restrictions can take up to four business days. Consequently, there could be a delay between when a restriction is entered and when it is implemented, resulting in trades made on a Client's behalf. In the event a Client restricts a security that is currently held in his or her account, MFWM will refrain from all trading activity in that security. We will not sell any shares that have subsequently been placed on restriction. **In addition, if a Client is paying an asset-based fee for access to the Program, the fee will continue to accrue and be payable with respect to assets restricted by the Client. For this reason and potential operational issues, MFWM encourages Clients to transfer restricted assets out of their account at IB.**

MFWM reserves the right to decline or cease management of an account if it deems a Client's restrictions to be unreasonable.

WITH RESPECT TO ALL THE ADVISORY SERVICES WE OFFER, MFWM DOES NOT GUARANTEE OR ENSURE THE SUCCESS OF ANY FINANCIAL PLAN OR INVESTMENT. ALTHOUGH WE TAKE POSSIBLE TAX CONSEQUENCES INTO CONSIDERATION WHEN PROVIDING OUR NONDISCRETIONARY ADVICE, MFWM DOES NOT PROVIDE LEGAL OR TAX ADVICE. CLIENTS WHO NEED SUCH ADVICE SHOULD CONSULT LEGAL AND TAX PROFESSIONALS.

D. Wrap Fee Programs

Not applicable.

E. Assets Under Management

As of November 30, 2018, MFWM has \$ 1,509,494,031 under management.

Item 5 Fees and Compensation:

A. MFWM Compensation for Advisory Services

1. Discretionary Management

Clients pay an annual asset-based fee (the “Asset-Based Fee”) that is calculated as a percentage of the market value of the assets in the Client’s accounts. The Asset-Based Fees paid to MFWM vary based on the type of strategy and offering made available to the Client.

- a. Stock-Based Portfolios. The calculation of the Asset-Based Fee for our stock-based portfolios is detailed in the chart below.

Client’s Aggregate Assets	Annual Fee
First \$1,000,000	0.95% of aggregate assets
Amounts over \$1,000,000	0.75% of aggregate assets

- b. Index-Based Portfolios. The calculation of the Asset-Based Fee for our index-based portfolios is detailed in the chart below.

Client’s Aggregate Assets	Annual Fee
First \$1,000,000	0.40% of aggregate assets
Amounts over \$1,000,000	0.30% of aggregate assets

From time to time, and under agreed upon specific situations (which may involve investment strategy, account servicing requirements and other material aspects of a Client’s overall relationship with MFWM and its affiliates), MFWM may agree to a lower Asset-Based Fee on a case by case basis. MFWM may change its fee for new Clients from time to time, and MFWM is under no obligation to adjust existing Client fees and/or provide refunds.

The accounts that are eligible to be combined for breakpoint purposes (“Aggregate Assets”) are those accounts in the name of the Client or accounts having the same address as the Client. If an account is in the name of an adult member of the Client’s household, that individual generally must be: (1) the Client’s spouse; (2) the Client’s parents, grandparents and great-grandparents; (3) the Client’s children, grandchildren, greatgrandchildren and their spouses; (4) the Client’s siblings and their spouses; and (5) an individual whose relationship to the Client, while not listed in the foregoing, is similar to one of the enumerated relationships. The adjusted Asset-Based Fee will be applied to all combined accounts. **Clients are not permitted**

to combine stock-based and index-based accounts for purposes of calculating breakpoints.

Clients paying an Asset-Based Fee agree to instruct IB to deduct the applicable fee directly from the Client's account. MFWM charges the Asset-Based Fee after services have been rendered, at the end of each calendar month, and the Asset-Based Fee is debited from Client accounts in the subsequent month. Fees are charged at one-twelfth of the applicable annual rate.

The Asset-Based Fee will begin accruing on the day following the Client's transfer or deposit of securities or cash into his or her account at IB. Unless instructed otherwise, MFWM will generally refrain from trading securities in a Client's account until the Client transfers or deposits in full his or her indicated funding amount. **During any period in which a Client's account is only partially funded, the Asset-Based Fee will accrue and be payable to MFWM even though MFWM has refrained from trading securities on the Client's behalf. Similarly, the Asset-Based Fee will accrue and be payable with respect to assets restricted by the Client.**

2. Fee Disclosure for Retirement Accounts

In accordance with applicable law, MFWM is required to provide certain information regarding our services and compensation to assist fiduciaries and plan sponsors of those Retirement Accounts that are subject to the requirements of ERISA in assessing the reasonableness of their plan's contracts or arrangements with MFWM, including the reasonableness of MFWM's compensation. This information (the services provided as well as the fees) is provided to Retirement Account Clients at the outset of the advisory relationship and is set forth in this Brochure and in the Client Investment Advisory Agreement (including any fee table and other exhibits, and then at least annually to the extent that there are changes to any investment-related disclosures for services provided as a fiduciary under ERISA).

3. Fees for Nondiscretionary Advisory Services

- a. Planning Services. The fee for Planning Services is comprised of: (i) a one-time, up-front fee (the "Up-Front Fee"); and (ii) a final payment upon completion of the advisory services (the "Final Payment"). The Up-Front Fee is payable in advance at the inception of our advisory relationship, and the Final Payment will be due and payable upon delivery of the Financial Plan. Generally, the Up-Front Fee will not exceed \$500, and the combined fee for MFWM's full suite of nondiscretionary services will not exceed \$9,000. Specific pricing and payment terms (including available discounts) are set forth in the Financial Planning Addendum to the Investment Advisory Agreement.
- b. Consultation Services. MFWM offers ongoing Consultation Services on a retainer basis ("Retainer Services"). MFWM's Retainer Services are available to clients at a monthly rate of \$49 (the "Retainer"). Payment of the Retainer will begin on the month following the establishment of the advisory relationship, and will be due and payable on the first

business day of each month. Depending on the terms of a particular *Personal Portfolio* offering, MFWM may also offer limited Consultation Services in connection with the onboarding of *Personal Portfolio* Program Clients for an up-front fee of \$99, which is refundable upon account funding.

B. Underlying Fund Fees & Expenses

Model Portfolios utilized in MFWM's *Personal Portfolio* Program may from time to time include securities (such as mutual funds and ETFs) that are subject to fees and expenses that are passed along to the Client. Index-Based Model Portfolios that exclusively utilize ETFs will have higher fund-related fees and expenses. In addition, stock-based portfolios that include allocations to the International, Fixed Income and Pro Model Portfolios will have higher fund-related fees and expenses. The fund-related fees and expenses associated with Client accounts utilizing these Model Portfolios may be significant, and could range from 0.10 to 0.20% of assets under management.

C. Other Fees

MFWM does not offer any brokerage or custodian services. Clients bear any custodian, brokerage, insurance, mutual fund, and other fees related to transactions they choose to execute after receiving any nondiscretionary advice from MFWM.

Clients participating in the *Personal Portfolio* Program must open an IB account, or move their existing IB account into the Program. Clients will pay IB's transaction fees, account fees and other miscellaneous charges.

D. Compensation for the Sale of Securities

MFWM and its personnel do not accept compensation for the sale of securities or other investment products.

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

MFWM does not charge performance-based fees.

Item 7 Types of Clients:

Our Clients may include individual investors, trusts, business entities (such as limited partnerships, limited liability companies and corporations), pension and profit sharing plans, plan participants, charitable organizations and other entities. Pursuant to our Investment Advisory Agreement, Clients must consent to receiving all notices and information about MFWM's services electronically, including amendments to the Investment Advisory Agreement.

To participate in the *Personal Portfolio* Program, a Client must have an IB account. The account minimums in the *Personal Portfolio* Program depend upon the Model Portfolio(s) and generally range from \$15,000 to \$500,000. Model Portfolios following more sophisticated strategies may require higher minimums. Index-Based Model Portfolios may have lower account minimums.

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

A. Methods of Analysis and Investment Strategies

1. Financial Plans

Clients utilizing MFWM's Planning Services will be provided with a report that may include, depending on the scope of services, one or more of the following: (a) risk management assessments, (b) retirement sufficiency calculations, (c) investment reviews, (d) estate and tax planning, and (e) educational planning. The main source of information used by MFWM advisors in preparing the plan is the information provided by the Client. We may also use third party financial planning software to help create financial plans and answer specific financial planning questions.

2. Personal Portfolio Program

Several of the Model Portfolios share the same investment philosophies as certain real money portfolio services published by our affiliate, The Motley Fool, LLC ("TMF"). However, MFWM's Model Portfolios do not attempt to track these (or any) TMF services and, as such, Model Portfolios and Client accounts may diverge completely from TMF's services. -Each of these Model Portfolios embody a specific strategy or area of focus. They are as follows:

- Long term buy and hold
- Growth investing
- Stable income (dividends)
- Hedged equity investing and equity substitutes
- Domestic stocks
- Domestic small/mid-cap stocks
- International stocks and Depositary Receipts (such as ADRs)
- Fixed income

Clients may also own portfolios consisting exclusively of Index-Based Model Portfolios. Index-Based Model Portfolios focuses on the following asset classes:

- Domestic large-cap stocks
- Domestic mid-cap stocks
- Domestic small-cap stocks
- International developed market stocks
- International emerging market stocks
- REITS

- Domestic bonds
- Treasury Inflation Protected Securities (TIPS)
- Municipal bonds

Using the Allocated Approach, MFWM will invest a Client's assets across the Model Portfolios to match the Client's risk profile, financial needs and goals. Currently, MFWM does not offer clients blended portfolios consisting of both Index-Based Model Portfolios and stock-based Model Portfolios.

MFWM will determine the minimum investment amount that would allow a Client to follow a chosen Model Portfolio. The holdings, recommended allocations and strategies used in the Model Portfolio are taken into account when arriving at the suggested minimums. Generally, Index-Based Model Portfolios have lower investment minimums.

MFWM determines a Client's suitability by comparing the Client's Profile (including investable assets) to both MFWM's allocation guidance and if applicable, the Model Portfolios' minimum investment requirement.

B. Risk of Loss

All investments, include government debt, involve risk. MFWM does not guarantee the results of any of its advice or account management. Significant losses can occur from investing in securities, or by following any investment strategy, including those recommended or applied by MFWM. The financial markets may change, sometimes rapidly and unpredictably, and Clients (or MFWM acting on behalf of Clients) may not have the ability to avoid or prevent losses.

Clients participating in the *Personal Portfolio* Program should also be aware that their individual account results may not exactly match the performance of the Model Portfolios. Such variance is due to a number of factors including without limitation differences in trade prices, transaction fees, market activity, any restrictions they have imposed on their accounts, and the amount and the timing of deposits or withdrawals a Client makes to an account.

If a Client transfers an existing portfolio into their Account, MFWM will sell the holdings that are not part of the Model Portfolios being followed by the Client and the proceeds will be reallocated accordingly. Similarly, MFWM may at times be required to sell or reduce positions in Client accounts in order to maintain allocations that are similar to those of the Model Portfolios. These transactions may generate unwanted tax consequences. Clients should consult with their personal tax advisors regarding the possible consequences of MFWM's recommendations and security trades.

C. Asset Allocation Risk

MFWM allocates its Clients' assets across some or all of the Model Portfolios, each of which embody a specific strategy or area of focus. As a result, Client assets are generally invested in a combination of strategies and securities. Whether Clients achieve their investment objective

depends largely upon MFWM selecting the best mix of strategies and investments. There is the risk that the MFWM's evaluations and assumptions regarding its Allocated Approach may be incorrect. Client accounts more heavily invested in stocks may make it more difficult to preserve principal during periods of stock market volatility. A Model Portfolio's use of a particular investment style might not be successful when that style is out of favor, and the performance of a Client's account may be adversely affected by MFWM's asset allocation decisions.

D. Operational & Trading Risk

Operational risk, such as breakdowns or malfunctioning of essential systems and controls can impact our ability to perform key functions, including managing Client Accounts. Personnel and organizational changes can materially affect such risks.

Similarly, disruptions in the electronic trading and other systems at IB (resulting from system upgrades or other reasons) and troubles at the exchanges through which orders are executed (resulting from, among other things, extreme market volatility) could interrupt trading and availability of timely execution could diminish substantially. If this occurs during periods of volatility, substantial losses may be incurred.

E. Equity Risk

1. Equity Risk in General. The stock of any company may not perform as well as expected, and may lose value, because of factors related to the company, including adverse developments regarding the company's business, poor management decisions, or changes in the company's industry or popularity of its goods and services. In the event a company becomes insolvent, stock holders will generally have lowest priority among owners of that company's obligations as to the distribution of the company's assets. Stocks may also be affected by general market and economic factors, even when their companies' respective business fundamentals are unchanged.
2. Small and Mid—Capitalization Companies. The securities of smaller companies may involve greater risks than do those of larger, more established companies, because the small companies may, for example, lack the management experience, financial resources, product diversification and competitive strength of larger companies, and their trading may be more volatile.
3. Real Estate Investment Trusts (REITS). REITs are pooled investment vehicles that manage a portfolio of real estate or real estate-related loans to earn profits for their shareholders. REITs are generally classified as equity REITs, mortgage REITs, or a combination of equity and mortgage REITs. Equity REITs invest the majority of their assets directly in real property, such as shopping centers, nursing homes, office buildings, apartment complexes, and hotels, and derive income primarily from the collection of rents. Equity REITs can also realize capital gains by selling properties that have appreciated in value. Mortgage REITs invest the majority of their assets in real estate mortgages and derive income from the collection of interest payments. REITs can be subject to extreme volatility because of fluctuations in the demand for

real estate, changes in interest rates, and adverse economic conditions. Similar to regulated investment companies, REITs generally are not subject to federal income tax on income distributed to shareholders, provided they comply with certain requirements. The failure of a REIT to continue to qualify as a REIT for tax purposes can materially affect its value. An investor indirectly bears its proportionate share of any expenses paid by a REIT in which he or she invests.

4. Foreign and Emerging Market Investments. Investing in securities of foreign companies involves risks generally not associated with investments in the securities of U.S. companies, including the risks associated with fluctuations in foreign currency exchange rates, unreliable and untimely information about issuers, and political and economic instability. Investing in emerging market countries involves risks in addition to and greater than those generally associated with investing in more developed foreign markets. In many less-developed markets, there is less governmental supervision and regulation of business and industry practices, stock exchanges, brokers, and listed companies than there is in more developed markets. The securities markets of certain countries in which MFWM may recommend investment may also be smaller, less liquid, and subject to greater price volatility than those of more developed markets.
5. Depository Receipt Risk. American Depositary Receipts (“ADRs”) are typically trust receipts issued by a U.S. bank or trust company that evidence an indirect interest in underlying securities issued by a foreign entity. Global Depositary Receipts (“GDRs”), European Depositary Receipts (“EDRs”), and other types of depository receipts are typically issued by non-U.S. banks or financial institutions to evidence an interest in underlying securities issued by either a U.S. or a non-U.S. entity. Investments in non-U.S. issuers through ADRs, GDRs, EDRs, and other types of depository receipts generally involve risks applicable to other types of investments in non-U.S. issuers. Investments in depository receipts may be less liquid and more volatile than the underlying securities in their primary trading market. If a depository receipt is denominated in a different currency than its underlying securities, a portfolio will be subject to the currency risk of both the investment in the depository receipt and the underlying security. There may be less publicly available information regarding the issuer of the securities underlying a depository receipt than if those securities were traded directly in U.S. securities markets. Depository receipts may or may not be sponsored by the issuers of the underlying securities, and information regarding issuers of securities underlying unsponsored depository receipts may be more limited than for sponsored depository receipts. The values of depository receipts may decline for a number of reasons relating to the issuers or sponsors of the depository receipts, including, but not limited to, insolvency of the issuer or sponsor. Holders of depository receipts may have limited or no rights to take action with respect to the underlying securities or to compel the issuer of the receipts to take action.
6. Options Trading and Short Selling. Shorting securities or writing option contracts involve additional risks. With short sales and certain forms of option trades, the risk of loss is hypothetically unlimited as investors who short may be required to purchase shares to cover at any time, and at any price. Options can be used to create leverage, which can increase the risk

of total loss, since smaller fluctuations in value will have significant effects on the owner's portfolio. Writing options and shorting stocks also involves the risk of timing, where the counter party assigns the option holder shares or forces the short seller to cover a short, which may not allow the strategy to play out.

7. Dividend Risk. There is no guarantee that the issuers of the stocks will declare dividends in the future or that, if dividends are declared, they will remain at their current levels or increase over time. High-dividend stocks may not experience high earnings growth or capital appreciation. A Client's performance during a broad market advance could suffer because dividend paying stocks may not experience the same capital appreciation as non-dividend paying stocks.

F. Fixed Income Risk

1. Fixed Income Risk in General. While often considered to be safer investments, fixed income securities do carry risks. For example, changes in interest rate levels generally cause fluctuations in the prices of fixed-income securities. So, if interest rates rise, the prices of these securities usually fall. Also, subsequent to the purchase of a fixed-income security, the ratings or credit quality of such security (and that of its issuer) may deteriorate, which could negatively affect the market price. Depending on the features of the fixed income investment, other risks such as inflation and lack of liquidity, may affect its market value.
2. Inflation-Indexed Bonds. Unlike a conventional bond, whose issuer makes regular fixed interest payments and repays the face value of the bond at maturity, an inflation-indexed bond provides principal and interest payments that are adjusted over time to reflect a rise (inflation) or a drop (deflation) in the general price level for goods and services. Although inflation-indexed bonds seek to provide inflation protection, their prices may decline when interest rates rise and vice versa. In the event of deflation, the U.S. Treasury has guaranteed that it will repay at least the face value of an inflation-indexed bond issued by the U.S. government. However, if an inflation-indexed bond is purchased at a premium, deflation could result in a loss. Any increase in principal for an inflation-indexed bond resulting from inflation adjustments is considered by the Internal Revenue Service to be taxable income in the year it occurs. An ETF holding an inflation-indexed bond pays out (to shareholders) both interest income and the income attributable to principal adjustments in the form of cash or reinvested shares, and the shareholders must pay taxes on the distributions.
3. Municipal Bonds. Municipal bonds can be significantly affected by political or economic changes as well as uncertainties in the municipal market related to taxation, legislative changes or the rights of municipal security holders, including in connection with an issuer insolvency. Municipal securities backed by current or anticipated revenues from a specific project or specific assets can be negatively affected by the inability to collect revenues for the project or from the assets. Certain municipal bonds may provide exposure to the transportation industry and utilities sector. The transportation industry may be adversely affected by economic changes, increases in fuel and operating costs, labor relations, insurance costs and government

regulations. The utilities sector is subject to significant government regulation and oversight, and may be adversely affected by increases in fuel and operating costs, rising costs of financing capital construction and the cost of complying with U.S. federal and state regulations, among other factors.

G. Exchange Traded Fund Risk & Index Tracking Risk

1. Exchange Traded Fund Risk. Investments in investment companies or other investment vehicles may include index-based unit investment trusts such as ETFs. Such index-based investments sometimes hold substantially all of their assets in securities representing a specific index. With respect to certain strategies, MFWM may use ETFs designed to track an index as a way of gaining exposure to equity or fixed-income markets, or a particular segment of such markets.

When MFWM utilizes ETFs, Clients will incur their pro rata share of the expenses of the ETF, such as investment advisory and other management expenses. In addition, Clients will be subject to those risks affecting the ETF, including the effects of business and regulatory developments that affect ETFs or the investment company industry generally, as well as the possibility that the value of the underlying securities held by the ETF could decrease or the portfolio becomes illiquid.

ETF shares are listed for trading on a national securities exchange and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF share typically will approximate its net asset value (NAV), there may be times when the market price and the NAV differ significantly. Thus, we may pay more or less than the NAV when we buy ETF shares on the secondary market, and we may receive more or less than NAV when you sell those shares. Trading of ETF shares may be halted by the activation of individual or market-wide trading halts (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage).

Certain ETFs may hold common portfolio positions, thereby reducing the diversification benefits of an asset allocation style. ETFs may engage in investment strategies or invest in specific investments in which MFWM would not engage or invest directly. The performance of those ETFs, in turn, depends upon the performance of the securities in which they invest.

2. Index Tracking Risk. Index-Based Model Portfolios seek to track the performance of an index (i.e., achieve a high degree of correlation with an index) by investing in ETFs. However, the return of an ETF may not match the return of its index for a number of reasons. For example, the return on the sample of securities purchased by an ETF (or the return on securities not included in the index), to replicate the performance of the index may not correlate precisely with the return of the index. Each ETF incurs a number of operating expenses not applicable to its index, and incurs costs in buying and selling securities. In addition, an ETF may not be fully invested at times, either as a result of cash flows into or out of the ETF or reserves of cash held by the ETF to meet redemptions. Changes in the composition of an index and regulatory

requirements also may impact an ETF's ability to match the return of its index. Index tracking risk may be heightened during times of increased market volatility or other unusual market conditions.

Item 9 Disciplinary Information:

Neither MFWM nor any supervised person has been involved in any legal or disciplinary event that is material to a Client's or prospective Client's evaluations of MFWM's advisor business or the integrity of our management.

Item 10 Other Financial Industry Activities and Affiliates

A. Broker-Dealer Registration

Neither MFWM nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Commodities Registration

Neither MFWM nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Related Persons

MFWM is a wholly-owned subsidiary of TMF Holdings. In addition to TMF, TMF Holdings also owns:

- Motley Fool Asset Management LLC ("MFAM"), which is the investment adviser to mutual funds and exchange traded funds (the "Motley Fool Funds"); and
- Motley Fool Ventures Management LLC, which is the investment adviser solely to venture capital funds.

Pursuant to a shared services agreement, MFAM personnel perform research and asset management services for the *Personal Portfolios*. The two firms have procedures in place to ensure that both the Motley Fool Funds' team and the *Personal Portfolio* team receive recommendation and other portfolio information at the same time. Trading procedures for the Motley Fool Funds and the *Personal Portfolios* are separate with no overlap.

Under certain circumstances (such as when a potential client cannot meet the minimum account sizes associated with the *Personal Portfolio* Program) and when deemed in a Client's best interest, MFWM may recommend the Motley Fool Funds, or otherwise refer clients to MFAM. Neither MFWM nor any of its employees receive compensation for recommending the Motley Fool Funds. MFWM does not buy Motley Fool Funds for *Personal Portfolio* Clients.

D. Other Investment Advisers

Other than the recommendations and referrals discussed above with respect to MFAM and the Motley Fool Funds, MFWM does not recommend or select other investment advisers for its Clients, and it does not have other business relationships with those advisers that create a material conflict of interest.

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

A. Code of Ethics

In accordance with Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act"), MFWM has approved and adopted a Code of Ethics (the "Code"). The Code establishes rules of conduct for all MFWM's officers, employees and other persons under the supervision of MFWM, and is assigned to govern securities trading by employees and their households.

The Code further sets forth policies and procedures that are reasonably designed to prevent Access Persons, as defined in the Code, from engaging in conduct prohibited by the Advisers Act and establishes reporting requirements for Supervised Persons.

The Code explains that MFWM and its officers and employees have a fiduciary duty to MFWM's Clients to place the Clients ahead of their personal interests. The Code is based upon the following principles:

- MFWM and its personnel must at all times place the interests of our clients first. All personal securities transactions must be conducted in a manner consistent with the Code and avoid any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility.
- Employees must not take any inappropriate advantage of their positions at MFWM. Independence in the process of making investment recommendations must be maintained at all times.
- MFWM and its employees must never take unfair advantage of their relationship with any affiliates that are in the publishing or investment business.

More specifically, the Code of Ethics provides that covered persons must:

- 1) Comply with all applicable laws and regulations;
- 2) On an annual and quarterly basis, disclose to our Compliance Officer all holdings in “covered securities,” including:
 - a. Debt and equity securities;
 - b. Options on securities, on indices, and on currencies;
 - c. All forms of limited partnership and limited liability company interests, including interests in private investment funds (such as hedge funds), and interests in investment clubs;
 - d. Foreign unit trusts and foreign mutual funds;
 - e. any mutual fund for which MFAM serves as an investment adviser or sub-adviser, or any mutual fund whose investment adviser controls, is controlled by or under common control with MFAM or MFWM; and
 - f. ETFs.
- 3) Receive pre-clearance from our Compliance Officer (or his designee) for transactions in covered securities (with limited exceptions).

MFWM will provide a copy of its Code of Ethics to any Client or prospective client upon request.

B. Conflicts of Interest

During discussions with our Certified Financial Planners, they may provide advice with respect to 401(k) rollovers into Accounts that are managed by MFWM. Such recommendations pose potential conflicts of interest in that rolling retirement savings into a MFWM managed account will generate ongoing asset-based fees for MFWM that it would not otherwise receive.

MFWM personnel may buy or sell securities that MFWM recommends to Clients, and personnel may have positions in securities that MFWM recommends. Such investment actions by MFWM personnel pose potential conflicts of interest in that the personnel may benefit from price movements of recommended securities. Our Chief Compliance Officer monitors the personal securities trading of MFWM’s personnel to monitor for violations of the Code.

TMF publishes opinions and recommendations regarding the purchase and sale of securities. These opinions and recommendations are published on TMF’s website and through newsletter services. TMF’s opinions and recommendations may affect the prices of securities held by Clients or the prices at which Clients and MFWM (acting on behalf of Clients) can purchase

or sell particular securities. MFWM has no advance or nonpublic knowledge of TMF's recommendations or opinions. MFWM receives TMF's trade alerts and other publications via email at the same time as other TMF subscribers.

As described above under Item 10.C., MFWM may recommend Motley Fool Funds to Clients, or otherwise refer Clients to MFAM. Neither MFWM nor any of its employees receive compensation for recommending Motley Fool Funds. However, the purchase and holding of Motley Fool Funds by Clients may enhance the profitability of affiliated businesses, which may indirectly benefit MFWM.

Item 12 Brokerage Practices:

A. Broker Selection

1. Nondiscretionary advisory services.

The Clients who receive nondiscretionary investment advice from MFWM and wish to implement our recommendations or advice must do so through brokers and agents of their choosing. MFWM does not recommend, request or require that a Client execute transactions through a specified broker-dealer.

2. Personal Portfolio Program.

Brokerage services for the *Personal Portfolio* Program are provided exclusively by IB, including custody of the accounts in the Program. To participate in the *Personal Portfolio* Program, Clients must either open an account with IB or transfer their existing IB account into the Program. Clients are subject to IB's transaction fees, account fees and other miscellaneous charges.

When selecting a broker and custodian for the Program, MFWM considered a number of factors including:

- Commissions and fees both in aggregate and on a per-share basis
- Ability to provide both transaction execution and asset custodial services
- Execution, clearance and settlement capabilities
- Trading capabilities including the ability to handle large block and volumes of trade
- Technology
- Responsiveness
- Quality of services
- Reputation

MFWM periodically reviews the quality of services provided by IB, along with their policies and controls designed to, among other things, ensure compliance with applicable law.

Clients should be aware that some other advisers may utilize multiple brokerages. Also, without the ability to use different brokerages, MFWM may at times be unable to achieve most favorable execution of Client transactions. Under such circumstances, trades may cost Clients more than they otherwise would have.

MFWM and IB are unaffiliated entities. IB, like other broker-dealers, may from time-to-time pay TMF to display advertisements on TMF's website, fool.com. Any advertising arrangement between IB and TMF is separate from the agreement between IB and MFWM.

B. Soft Dollars

MFWM does not engage in any "soft dollar" practices. IB does provide MFWM with technology, software and other services to assist MFWM in managing and administering Clients' accounts. These services, which may only indirectly benefit Clients, include without limitation:

- Applying MFWM branding to account statements and Client online interfaces;
- Allocating Clients' investments across multiple Accounts; and
- Ability to restrict tickers, based on reasonable restrictions imposed by the Clients.

C. Order Aggregation and Allocation

MFWM may aggregate orders for a Client's account with similar orders being made contemporaneously for other Clients' accounts. When transactions are so aggregated, they may be traded in multiple blocks and as each deployed portion of the order is filled, it is allocated among the participating Clients' accounts in accordance with the proprietary algorithm established by IB. The algorithm is meant to spread trades over time and/or brokers to get best execution, and Clients in each trade block get an average price. Consequently, the price obtained may be less favorable to the Client than it would be if similar transactions were not being made at the same time.

In order to ensure that MFWM can timely trade for a Client account by, among other things, including Client trades in aggregated orders, Clients are encouraged to configure their account at IB as a "margin" as opposed to "cash" account. When an account is not enabled for margining, MFWM may be required to wait three business days following the sale of securities for a Client account before MFWM can reinvest the proceeds of that sale in additional securities.

Item 13 Review of Accounts:

A. Financial planning and counseling

Financial plans are not automatically updated. Therefore, financial planning and counseling Clients are urged to contact MFWM if their financial circumstances change and to check in on annual basis to determine whether the financial plan or advice previously provided needs updating.

B. *Personal Portfolio Program*

Clients will receive trade notifications as well as quarterly written account statements from IB (copies of which MFWM will have access to). The quarterly statements describe all account

activity and detail the account returns for the previous quarter. Clients are also able to access this information directly on the IB website, using their IB username and password.

MFWM may also provide Clients with periodic reports on market conditions, investment performance and other investment topics. Clients are strongly encouraged to compare all statements or reports received from MFWM against their brokerage account statements received from IB. Discrepancies between statements or reports received from MFWM and IB should be reported to MFWM and IB immediately.

Item 14 Client Referrals and Other Compensation:

Some of MFWM's clients are subscribers to TMF's Motley Fool One newsletter service, and TMF pays MFWM to provide its services to them.

MFWM may offer compensation to current Clients who recommend MFWM's services. In addition, MFWM may enter into agreements to pay third parties to solicit and/or refer prospective Clients who may need or find value in the investment services provided by MFWM. Each agreement, to the extent required by the Advisers Act, will comply with Rule 206(4)-3 under the Advisers Act, and all compensation for such solicitation and/or referrals will be paid in accordance with applicable law. Prospective Clients will be advised of such compensation prior to opening an account, and MFWM supervises these referral activities. Clients are not charged any fees nor do they incur any additional costs for being referred to MFWM.

Item 15 Custody:

Custody and brokerage services are provided exclusively by IB. In the event that IB account documentation purports to give MFWM broad authorization to transfer funds or securities out of a Client's Account, these authorizations are broader than those in the Client's Investment Advisory Agreement with MFWM, and MFWM's authority is specifically limited to the authority set forth in the Investment Advisory Agreement regardless of broader authorization in IB's documentation.

Clients will receive quarterly statements from IB, as the custodian of the Accounts. Such information can also be accessed on the IB site with a Client's username and password. Clients are urged to carefully review all statements and other notices received from IB.

Item 16 Investment Discretion:

Under the terms of the Investment Advisory Agreement, *Personal Portfolio* Clients grant MFWM full authority and designate MFWM as their agent and attorney-in-fact to buy, sell, pledge, lend and otherwise deal in securities and contracts relating to securities on their behalf in their applicable accounts. Similarly, Clients have the option of granting a Limited Power of Attorney to open *Personal Portfolio* accounts on the Client's behalf, initiate ACAT transfers to the Client's account and handle other related account opening matters. In addition, as part of the account opening or transferring process, IB requires that Clients enter into a Discretionary Authority/Limited Power of Attorney Agreement, designating MFWM as the investment manager with the power to execute trades, request information, receive account statements and confirmations, and generally manage the IB account on the Clients' behalf.

Item 17 Voting Client Securities:

MFWM does not have, and does not accept, authority to vote Client securities. For Retirement Accounts that are maintained on behalf of a plan subject to ERISA, MFWM will verify that the plan documents state that the right to vote proxies has been reserved to the plan trustees, and that the plan trustees will maintain exclusive responsibility for determining all proxy voting decisions.

Item 18 Financial Information:

A. Financial Condition

The majority of MFWM's Clients in the *Personal Portfolio* Program pay a flat advisory fee that is subject to a refund. If a significant number of Clients request refunds of their flat advisory fee, MFWM may not be able to continue to render services to its Clients, and may not have the financial resources to meet all refund requests without financial support from an affiliate.

B. No Bankruptcy Petitions

MFWM has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19 Requirements for State-Registered Advisers:

Not applicable.

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Member
Motley Fool Wealth Management, LLC

We have audited the accompanying statement of financial condition of Motley Fool Wealth Management, LLC (a Delaware limited liability corporation) as of September 30, 2018, and the related notes to the financial statement.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of Motley Fool Wealth Management, LLC as of September 30, 2018 in accordance with accounting principles generally accepted in the United States of America.

GRANT THORNTON LLP

Arlington, Virginia
December 12, 2018



Statement of Financial Condition
(With Report of Independent Certified Public
Accountants Thereon)

Motley Fool Wealth Management, LLC

(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

(SEC File No. 801-77616)

September 30, 2018

Motley Fool Wealth Management, LLC
(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

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Motley Fool Wealth Management, LLC

(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

Statement of Financial Condition

September 30, 2018

ASSETS

Cash and cash equivalents	\$	299,489
Marketable securities, at fair value		3,366,533
Accounts receivable		241,419
Prepaid expenses and other current assets		<u>74,379</u>
Total Assets	\$	<u>3,981,820</u>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Accounts payable	\$	2,235
Accrued expenses		94,540
Accrued payroll, benefits and taxes		174,238
Deferred revenue		<u>656</u>
Total Liabilities		271,669

COMMITMENTS AND CONTINGENCIES

MEMBER'S EQUITY

Member's advances payable		2,976,469
Accumulated deficit		(331,313)
Accumulated other comprehensive income		<u>1,064,995</u>
Total Member's Equity		<u>3,710,151</u>
Total Liabilities and Member's Equity	\$	<u>3,981,820</u>

Motley Fool Wealth Management, LLC

(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

Notes to Statement of Financial Condition

September 30, 2018

NOTE A—ORGANIZATION AND NATURE OF OPERATIONS

Motley Fool Wealth Management, LLC (the Company) was formed on January 3, 2013, and is a wholly owned subsidiary of The Motley Fool Holdings, Inc. (TMFHI).

The Company is a registered investment advisor with the Securities and Exchange Commission (SEC). The Company offers financial advisory services including providing investing advice, financial planning and managing assets on behalf of individual investors. The Company provides these services through a variety of online tools and direct interaction with customers, some of which are currently provided in conjunction with subscriptions to services provided by a sister corporation, The Motley Fool, LLC (TMF), another wholly owned subsidiary of TMFHI.

TMF is a provider of financial education and independent advice intended to help consumers make better financial decisions.

The Company and the affiliated entities are headquartered in Alexandria, Virginia.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the statement of financial condition in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the statement of financial condition. Actual results could differ from those estimates.

Cash and Cash Equivalents

As of September 30, 2018, cash and cash equivalents consisted of money market accounts totaling \$299,489. The Company considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents. Cash held in banks periodically exceeds the Federal Deposit Insurance Corporation's (FDIC) insurance coverage of \$250,000, and as a result, there is a concentration of credit risk related to amounts in excess of FDIC insurance coverage.

Motley Fool Wealth Management, LLC

(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

Notes to Statement of Financial Condition—Continued

September 30, 2018

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Investments and Fair Value Measurements

The Company has investments classified as available-for-sale which have been reported in the statement of financial condition at fair values, or at carrying amounts that approximate fair values. Management determines the appropriate classification of its investments at the time of purchase and reevaluates the designation at each balance sheet date. Fair values are determined as the last reported sales price on the valuation date. The unrealized gains and losses are recorded in accumulated other comprehensive income on the statement of financial condition. Realized gains and losses are determined using the specific identification method and are a component of the accumulated deficit on the statement of financial condition.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1** - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to assess.
- Level 2** - inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3** - inputs are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The Company has evaluated its investments and classified them as Level 1 investments.

Dividends are recorded on the ex-dividend date and interest is recorded on the accrual basis.

Motley Fool Wealth Management, LLC
(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

Notes to Statement of Financial Condition—Continued

September 30, 2018

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents, investments and accounts receivable. The Company's cash transactions are processed through a reputable commercial bank. To date, the Company has not incurred losses related to cash and cash equivalents. The Company's investments are in a variety of equity securities and, by policy, the Company limits its credit exposure through diversification and by restricting its investments to highly rated securities. Accounts receivable consist primarily of balances due for advisory fees collected by the brokerage firm that serves as custodian for the Company's managed accounts.

Income Taxes

The Company is a Delaware limited liability company and is a "pass-through" entity under the Internal Revenue Code for tax purposes and, as such, is not directly subject to federal income taxes and most state income taxes. Instead, the participating member is required to report their respective proportionate share of taxable income or loss, tax deductions and credits on their respective income tax returns.

The Company recognizes the financial statement benefit of an income tax position only after determining that the relevant taxing authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statement is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant taxing authority. The Company applies the uncertain tax position guidance to all tax positions in the tax returns filed, as well as any un-filed tax positions. The Company has chosen to treat interest and penalties related to unrecognized tax benefits as income tax expense and as an increase to the income tax liability. Based on Company's evaluation to date, there have been no uncertain tax positions identified and as such no penalties or interest have been recognized.

The Company is subject to U.S., state and local tax examinations by tax authorities for all tax years since formation in 2013. For returns that have been filed, the statute of limitations would be three to four years depending on the jurisdiction. The Company is not currently under examination by any taxing authorities.

Motley Fool Wealth Management, LLC
(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

Notes to Statement of Financial Condition—Continued

September 30, 2018

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Subsequent Events

The Company has evaluated the statement of financial condition for subsequent events through December 12, 2018, the date the statement of financial condition was available to be issued. The Company is not aware of any subsequent events which would require additional recognition or disclosure in the statement of financial condition.

NOTE C—MARKETABLE SECURITIES, AT FAIR VALUE

The Company held \$3,366,533 of marketable securities at September 30, 2018, primarily consisting of equity securities. The marketable securities have a cost basis of \$2,276,668 and are presented inclusive of unrealized gains of \$1,089,865 on the statement of financial condition. All of the investment balances are classified as available-for-sale and are measured at fair value using Level 1 inputs.

The available-for-sale securities include \$204,641 of cash in money market funds, \$1,409 in dividend receivables, and \$209 in interest receivables designated for future investment as of September 30, 2018.

NOTE D—ACCOUNTS RECEIVABLE

As of September 30, 2018, the Company's accounts receivable included \$239,920 for advisory fees collected by the custodian for its managed accounts, Interactive Brokers, LLC (IB). The advisory fees for a given month are calculated daily, then collected by IB from client accounts and remitted to the Company, typically within the first five business days of the following month. No allowance for uncollected accounts is considered necessary.

Motley Fool Wealth Management, LLC
(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

Notes to Statement of Financial Condition—Continued

September 30, 2018

NOTE E—CLEARING AGREEMENT

For separately managed accounts (SMA), the Company establishes a direct brokerage relationship with clients. Direct brokerage transactions are cleared with and for customers on a fully disclosed basis with (IB). Client SMA funds and securities are maintained by IB.

NOTE F—DEFINED CONTRIBUTION PLAN

The Company participates in a defined contribution retirement plan covering all eligible full-time employees. The plan is sponsored and administered by TMFHI through The Motley Fool Holdings, Inc. 401K Plan. TMFHI's Board of Directors determines the contributions made by the Company annually. As of September 30, 2018, the Company had \$17,564 in contributions payable and is included as part of Accrued payroll, benefits and taxes in the statement of financial condition.

NOTE G—RELATED PARTY TRANSACTIONS

The Company is dependent upon continued financial support from its parent and sole member, TMFHI. TMFHI has agreed to provide such support to the extent necessary to fund the Company's operations. At September 30, 2018, TMFHI had made cumulative advances to the Company of \$2,976,469. The advances are due on demand and are non-interest bearing. The advances have been classified within member's equity in the accompanying statement of financial condition due to their expected long-term nature. TMFHI does not intend to demand repayment for the foreseeable future.

Some of the fee income generated by the Company is inter-company management fee income allocated from TMFHI and affiliates.

This financial statement includes allocations from TMFHI and its affiliates for certain general and administrative expenses such as rent, legal services, insurance, and employee benefits. Allocations are based primarily on an estimate of the percentage of these costs from TMFHI and affiliates that are attributable to the efforts to support the Company based on Management's judgement.

Motley Fool Wealth Management, LLC

(A Wholly Owned Subsidiary of The Motley Fool Holdings, Inc.)

Notes to Statement of Financial Condition—Continued

September 30, 2018

NOTE G—RELATED PARTY TRANSACTIONS—Continued

Management believes that the method used to allocate the costs and expenses is reasonable; however, such allocated amounts may or may not necessarily be indicative of what actual expenses would have been incurred had the Company operated independently of TMFHI.

Funds are advanced from time to time by TMFHI and its subsidiaries to the Company for funding the Company's operations.

NOTE H—CONTINGENCIES

The Company is subject to lawsuits, investigations, and claims arising out of the ordinary course of business. In the opinion of legal counsel and management, resolution of these matters, if disposed of unfavorably, will not have a material adverse effect on the Company's statement of financial condition. The Company intends to defend itself vigorously in these matters.