

**Item 1: Cover Sheet**

**INFORMATIONAL BROCHURE**



**MWM GROUP LLC**

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**March 3, 2022**

**This brochure provides information about the qualifications and business practices of MWM Group LLC. If you have any questions about the contents of this brochure, please contact us at 718-696-4000. 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. MWM Group LLC is a registered investment adviser. Registration as an investment adviser does not imply any special degree of skill or training, or any sort of approval by any regulatory authority of an adviser's investment methods.**

**Additional information about MWM Group LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Statement of Material Changes**

Since the last update, filed on March 26, 2021, Item 1 has materially changed to to update the firm's address from 24 Mariner Way to 335 Washington Avenue.

**Item 3: Table of Contents**

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INFORMATIONAL BROCHURE  
MWM GROUP LLC

**Item 4:        Advisory Business**

MWM Group LLC (“MWM Group”) has been in business since 2012. The firm is owned by RAM Asset Trust along with Dubby Munk and Jeremy Jakobovits. Sara Glaz is the firm’s Chief Compliance Officer.

MWM Group provides personalized financial planning and/or investment management services. Clients advised may include individuals, trusts, estates, pension and profit sharing plans, foundations, and corporations.

Financial Planning

Some clients may elect to engage MWM Group to provide financial planning services. For these engagements, the client will supply to MWM Group information including income, investments, savings, insurance, age and many other items that are helpful to the firm in assessing your financial goals. The information is typically provided during personal interviews and supplemented with written information. Once the information is received, we will discuss your financial needs and goals with you, and compare your current financial situation with the goals you state. Once these are compared, we will create a financial and/or investment plan to help you meet your goals.

The plan is intended to be a suggested blueprint of how to meet your goals. Not every plan will be the same for every client. Each one is specific to the client who requested it. Because the plan is based on information supplied by you, it is very important that you accurately and completely communicate to us the information we need. Also, your circumstances and needs may change as your engagement with us progresses. It is very important that you continually update us with any changes so that if the updates require changes to your plan, we can make those changes. Otherwise, your plan may no longer be accurate.

Asset Management

MWM Group requires each client to place at least \$25,000 with the firm. This minimum may be waived in the discretion of MWM Group.

Asset management services will generally be provided on a “discretionary” basis. When MWM Group is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive statements at least quarterly from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and MWM Group.

In limited circumstances and as a courtesy to certain clients, some clients may be permitted to have MWM Group manage their accounts on a non-discretionary basis. Non-Discretionary accounts require the client’s pre-approval before any trade is implemented in the account.

If you request MWM Group may recommend the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from MWM Group. If you engage any professional recommended by MWM Group, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

#### Assets Under Management

As of February 23, 2022, MWM Group had \$266,849,363 in discretionary assets under management across 743 accounts.

#### Wrap Program

For some clients, MWM Group may include certain transactional costs in the client's management fee. Fees included in the wrap fee include transaction fees for the purchase or sale of securities, but do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs, mark-ups and mark-downs, spreads, odd-lot differentials, fees charged by regulatory agencies, and any transaction fees for securities trades executed by a broker-dealer other than Schwab Advisor Services. Because MWM Group manages client assets both directly (where MWM Group makes and implements recommendations involving the purchase or sale of securities) and indirectly (involving the selection, hiring and termination (where applicable) of one or more managers), the fees covered in the wrap program may differ according to the investment style(s) in which the client is participating. To the extent a third party manager is utilized, the fees payable to such managers will be in addition to the fees payable to MWM Group, and therefore not included in the wrap program. Therefore, there is no difference between how MWM Group manages wrap fee accounts and how MWM Group manages other accounts.

Because of the nature of a wrap fee program, the wrap fee program client may pay more or less than if the client had compensated MWM Group outside of the wrap fee program. For example, if a client's account is rarely traded, the transaction fees the client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees. MWM Group receives a portion of the wrap fee for our services.

For clients in the wrap program whose assets are managed directly by MWM Group and not by a third party manager, transaction fees are paid to various broker-dealers, mutual funds and ETFs. The remainder of the wrap fee is the management fee payable to MWM Group. The amount payable to MWM Group varies depending upon the amount of trading in a client's account. The more transactions in the account, the greater the amount of transaction fees, and therefore the less compensation to MWM Group. Accordingly, MWM Group has a financial incentive to avoid trading the account. This creates a conflict of interest between the firm and its wrap clients. MWM Group attempts to mitigate this conflict by requiring that the firm's employees acknowledge their fiduciary duty to place client interests ahead of their own and by periodically comparing wrap program client performance against any clients who are not in the wrap program.

MWM Group will receive no additional compensation for offering the wrap fee program.

Clients should refer to the accompanying Wrap Brochure.

## **Item 5: Fees and Compensation**

### **A. Fees Charged**

All clients will be required to execute a written agreement that will describe the type of services to be provided and the fees, among other items.

#### Financial Planning

Financial planning fees can be hourly, fixed fee basis, or included with asset management services. Our hourly charges range from \$200 to \$500 per hour, depending upon the nature of the engagement and the professional providing the service. Fixed fees will be between \$2,000 and \$10,000. The fee range stated is a guide. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable, and will depend on the anticipated complexity of your plan.

#### Asset Management

Generally, fees vary from 0.35% to 2.50% per annum of the net value of a client's accounts managed by MWM Group. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, the investment program in which the assets are managed, complexity of asset structures, and other factors.

### **B. Fee Payment**

Fees for financial planning and/or consulting will be billed to each client. If the client terminates the agreement prior to completion of the services, any unearned fees will be returned to the client.

Investment advisory fees will be debited directly from each client's account. The advisory fee is paid quarterly, in advance, and the value used for the fee calculation is the net value as of the last market day of the previous quarter. This means that if your annual fee is 1.00%, then each quarter we will multiply the value of your account by 1.00% then divide by 4 to calculate our fee. The value used to calculate MWM Group's fee will include any allocation to cash or cash-like instruments, such as money market funds or accounts, of the client's investable assets. Investable cash means cash that is in client account as an asset allocation. Cash that is not in investable cash is cash that has been identified by the client as designated for a specific purpose. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to MWM Group.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, clients will receive a bill itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets the fee is based upon, and the time period covered by the fee. The invoice will also state that the fee was not independently calculated by the custodian. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

### **C. Other Fees**

There are a number of other fees that can be associated with holding and investing in securities. If you are not participating in MWM Group's Wrap Program, you will be responsible for fees including transaction fees for the purchase or sale of a mutual fund or exchange traded fund, or commissions for the purchase or sale of a stock. Expenses of a fund will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. Expenses of a fund will not be included in management

fees, as they are deducted from the value of the shares by the mutual fund manager. When selecting mutual funds that have multiple share classes for recommendation to clients, MWM Group will take into account the internal fees and expenses associated with each share class, and it is MWM Group policy to choose the lowest-cost share class available, absent circumstances that dictate otherwise. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. MWM Group can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

#### D. *Pro-rata Fees*

If you become a client during a quarter, you will pay a management fee for the number of days left in that quarter. If you terminate our relationship during a quarter, you will be refunded the portion of the prepaid management fee for the remainder of the quarter. Once your notice of termination is received, we will refund the unearned fees to you in whatever way you direct (check, wire back to your account). MWM Group will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within 30 (thirty) days of termination may be “de-linked”, meaning they will no longer be visible to MWM Group and will become a retail account with the custodian.

#### E. *Compensation for the Sale of Securities.*

To permit MWM Group clients to have access to as many investment solutions as possible, certain professionals of MWM Group may be registered representatives of Purshe Kaplan Sterling Investments (“PKS”), a FINRA member broker-dealer. The relationship with PKS allows these professionals to provide additional products to clients’ portfolios that would not otherwise be available. Because PKS supervises the activities of these professionals as registered representatives of PKS, the relationship may be deemed material. However, PKS is not affiliated with MWM Group or considered a related party. PKS does not make investment decisions for client accounts. Registered representative status enables these professionals to receive customary commissions for the sales of various securities, including those he recommends to clients. In addition, when mutual funds are utilized, depending on the share class selected, the registered representatives also receive additional ongoing 12b-1 fees from the mutual fund company for mutual fund purchases during the period you maintain the mutual fund investment. Commissions charged and 12b-1 fees received for these products will not offset management fees owed to MWM Group.

Receipt of commissions and 12b-1 fees for investment products that are recommended to clients gives rise to a conflict of interest for the representative, in that the individual who will receive the commissions is also the individual that is recommending that the client purchase a given product. There is an additional conflict of interest when registered representative is selecting a more expensive 12b-1 fee paying mutual fund share class when a lower-cost share class is available for the same fund. These conflicts are disclosed to clients verbally and in this brochure. Clients are advised that they may choose to implement any investment recommendation through another broker-dealer that is not affiliated with MWM Group. MWM Group attempts to mitigate this conflict by requiring that all investment recommendations have a sound basis for the recommendation, and by requiring employees to acknowledge their fiduciary responsibility toward each client.

**Item 6: Performance-Based Fees**

MWM Group will not charge performance based fees.

**Item 7: Types of Clients**

Clients advised may include individuals, trusts, estates, pension and profit sharing plans, foundations, and corporations. MWM Group requires each client to place at least \$25,000 with the firm. This minimum may be waived in the discretion of MWM Group.

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

It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

Methods of Analysis and Investment Strategies

Each client's portfolio will be invested according to that client's investment objectives. We determine these objectives by interviewing the client and/or asking the client to put these objectives in writing. Once we ascertain the objectives for each account, we will determine the appropriate investment strategy for each account, and plan a transition for the client's assets from their current accounts to accounts managed by MWM Group.

MWM Group's transition plans will involve the placement of each client's assets in one or more of MWM Group's proprietary asset allocation strategies:

*Managed Account Program*

In this strategy, the client grants MWM Group discretion to choose one or more third party managers to directly manage the assets in the client's account. In determining which managers may be appropriate, MWM Group seeks managers who demonstrate knowledge and expertise in a particular investment strategy. No assets will be allocated to third party managers for non-discretionary accounts without the prior permission for the client. Permission for such allocations will be obtained for each allocation.

MWM Group typically utilizes managers that have been researched by Schwab Advisor Services, and are on Schwab's Managed Account Platform. Based on a client's individual circumstances and needs, we will determine which selected money manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance and the investment philosophy of the selected money manager. We encourage clients to review each third-party manager's disclosure document regarding the particular characteristics of any program and managers selected by us.

We will regularly and continuously monitor the performance of the selected money managers. If we determine that a particular selected money manager is not providing sufficient management services to the client, or are not managing the client's portfolio in a manner consistent with the client's investment objectives, we will remove the client's assets from that selected money manager and place the client's assets with another money manager at our discretion and without prior consent from the client, unless the client is non-discretionary. Permission for non-discretionary accounts will be obtained before placing the client's assets with another money manager.

MWM Group will obtain appropriate due diligence on all independent third-party managers, making reasonable inquiries into their performance calculations, policies and procedures, code of ethics policies and other operational and compliance matters to account for performance and risk management. We examine the experience, expertise, investment philosophies and past performance of third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

#### *Frontier Program and Advisor Program*

In the Frontier Program, client accounts are generally invested in a range of mutual funds. In some limited circumstances, client assets may also be invested in stocks, bonds, or ETFs.

In the Advisor Program, client accounts are generally invested in a range of Exchange Traded Funds (ETFs). Some chosen ETFs will be considered part of an equity (stock) portfolio, and others will be considered part of a fixed income (bond) portfolio.

In the case of both the Frontier Program and Advisor Program, MWM Group will periodically recommend securities transactions in the strategy to meet the needs of each client. It is important to remember that because market conditions can vary greatly, guidelines are not necessarily strict rules. Rather, we review accounts individually, and may deviate from the guidelines as we believe necessary in a given environment. For example, if a given Advisor Program client is intended to have a 70% equity mix and a 30% bond mix, and the equity markets drop markedly on a given day, MWM Group may not immediately sell bonds in order to "rebalance" the portfolio and bring the equity portion back to 70%, as this may meet guidelines, but is unlikely to be in the client's best interest.

The specific securities we recommend for each strategy and therefore each account will depend on market conditions and our research at the time. Specific mutual funds are chosen based on where its investment objective fits into the asset allocation recommended by MWM Group, its risk parameters, past performance, peer rankings, fees, expenses, and any other aspects of the fund MWM Group deems relevant to that particular fund. We base our conclusions on predominantly publicly available research, such as regulatory filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses. We will also utilize technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future.

With each the Frontier Program and Advisor Programs, MWM Group has created various asset allocation models, which call for various percentage allocations to security types, sectors, or securities. All client accounts in each model within each strategy are generally managed on a *pari passu* basis. In other words, all accounts managed within each model within each strategy are managed in a like manner, side by side with one another, and not individually considered. Accordingly, while a client may request limitations on MWM Group's discretionary authority, some requested limitations may not be possible to achieve within the given strategy. In this case, the client and the firm will mutually agree to either terminate the engagement, accept the asset allocations in the strategy, or have the client's assets placed in another strategy.

The asset allocation strategy in which the client's assets are placed may change from time to time, dependent upon the client's investment objectives and financial circumstances. Clients should inform MWM Group as soon as possible of changes in their circumstances that may affect the client's risk tolerance or investment objectives, as these changes may trigger a change in how the firm manages the client's assets.

There are no limits to the types of securities that may be placed in a strategy, or that MWM Group may evaluate for a client or for inclusion in a strategy. However, investment types are most typically mutual funds for the Frontier Program, and ETFs for the Advisor Program.

As assets are transitioned from a client's prior adviser to MWM Group, there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by MWM Group. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. In the event an investment in a client account is unable to be unwound for a period of time, MWM Group will monitor the investment as part of its services to the client. MWM Group may suggest that a given investment be moved to a separate account.

Additionally, part of the MWM Group process includes, where appropriate, involving multiple generations in order to facilitate family financial planning. This can increase the financial education of the later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. MWM Group attempts to minimize these conflicts by treating each household as its own fiduciary relationship. Information can only be shared across generations with each household's consent.

Most mutual funds offer different share classes with vary fee structures, including share classes with sales load, sales charges, or 12b-1 fees. 12b-1 fees are deducted from the mutual funds' assets on an ongoing basis, and are paid to broker-dealers and registered representatives whose clients own those shares to cover fund distribution and shareholder services. This receipt of fees presents a potential conflict of interest, as MWM Group has an incentive to recommend more expensive share classes to clients based on the compensation received, rather than based upon the client's needs. However, it is MWM Group policy that when specific funds offer more than one share class, MWM Group will select the lowest-cost share class available to the client, absent circumstances that dictate otherwise.

Additionally, as assets are transitioned from a client's prior advisors to MWM Group, clients may hold legacy securities and may place restrictions on individual security types. Legacy securities are those that a client owned prior to or separate from its MWM Group portfolio. If a client transitions mutual fund shares to MWM Group that are not the lowest-cost share class, and MWM Group is not recommending disposing of the security altogether, MWM Group will attempt to convert such mutual fund share classes into the lowest-cost share classes the client is eligible for, taking into account any adverse tax consequences associated with such conversion.

### Risk Factors

There are always risks to investing. Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear. It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.

- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Tax Risks Related to Short Term Trading:** Clients should note that MWM Group may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. MWM Group endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Risks Specific to Sub-Advisors and Other Managers.** If we invest some of your assets with another advisor, including a private placement, there are additional risks. These include risks that the other manager is not as qualified as we believe them to be, that the investments they use are not as liquid as we would normally use in your portfolio, or that their risk management guidelines are more liberal than we would normally employ.
- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.
- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.
- **Concentration Risk.** While MWM Group selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector specific issue analysis. This means that a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.

- **Transition Risk.** As assets are transitioned from a client's prior advisers to MWM Group there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by MWM Group. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of MWM Group may adversely affect the client's account values, as MWM Group's recommendations may not be able to be fully implemented.
- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.
- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.

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

None to report.

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

##### **A. Broker-dealer**

Please refer to Item 5E.

##### **B. Futures Commission Merchant/Commodity Trading Advisor**

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

##### **C. Relationship with Related Persons**

Certain professionals of Munk Group are separately licensed as independent insurance agents for purposes of servicing existing clients that have insurance products. Munk Group does not intend to sell new insurance products but has the ability to do so if warranted. As such, these professionals may conduct insurance product transactions for Munk Group clients in their capacity as licensed insurance agents and will receive customary commissions for these transactions in addition to any compensation received from advisory services. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. These certain professionals therefore have an incentive to recommend insurance products based on the compensation to be received. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage Munk Group to implement any insurance recommendations. Munk Group attempts to mitigate this conflict of interest by disclosing the conflict to clients and informing the clients that they are always free to

purchase insurance products through other agents that are not affiliated with Munk Group, or to determine not to purchase the insurance product at all. Munk Group also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of Munk Group, which requires that employees put the interests of clients ahead of their own

**D. Recommendations of Other Advisers**

See response to Item 8 regarding third-party managers.

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

- A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.
- B. Not applicable. MWM Group does not recommend to clients that they invest in any security in which MWM Group or any principal thereof has any financial interest.
- C. On occasion, an employee of MWM Group may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.
- D. On occasion, an employee of MWM Group may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

**Item 12: Brokerage Practices**

**A. Recommendation of Broker-Dealer**

MWM Group may be deemed to have custody if a client grants MWM Group authority to debit fees directly from their accounts or money movement authority (see Item 15 below). Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. MWM Group recommends that investment accounts be held in custody by Schwab Advisor Services ("Schwab"), which is a qualified custodian. MWM Group is independently owned and operated and is not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when MWM Group instructs them to, which MWM Group does in accordance with its agreement with you. While MWM Group recommends that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. MWM Group does not open the account for you, although MWM Group may assist you in doing so. Even though your account is maintained at Schwab, we may use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

## How we select brokers/custodians

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including both quantitative (Ex: costs) and qualitative (execution, reputation, service) factors. We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to MWM Group as part of our evaluation of these broker-dealers.

## Your brokerage and custody costs

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How we select brokers/custodians").

## Products and services available to us from Schwab:

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like MWM Group. They provide MWM Group and our clients with access to its institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help MWM Group manage or administer our clients' accounts, while others help MWM Group manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to MWM Group. Following is a more detailed description of Schwab's support services:

### *Services that benefit you*

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

### *Services that may not directly benefit you.*

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts

- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

*Services that generally benefit only us.*

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Assistance related to the transition of client assets from prior firms

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel. The services provided are based on our commitment to maintain at least \$82 Million in assets in custody with Schwab.

Our interest in Schwab's services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. We may have an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to MWM Group as part of our evaluation of these broker-dealers.

#### B. Aggregating Trades

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, executed one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, ¼ of a share, or a position in the account of less than 1%.)

### Item 13: Review of Accounts

All accounts will be reviewed by one of MWM Group's licensed professionals, on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

All clients will receive a report from MWM Group at least annually. This report will include valuations, performance and asset allocations, as well as any other item MWM Group deems important or relevant for a particular client.

We encourage you to compare the information on your reports prepared by MWM Group against the information in the statements provided directly from Schwab and alert us of any discrepancies.

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

MWM Group does not currently utilize solicitors (someone compensated by MWM Group for referring clients to MWM Group).

Schwab provides us with some non-cash benefits (not available to retail customers) in return for placing client assets with them or executing trades through them. Such non-cash benefits are referred to as “soft dollars”. Currently, these benefits come in the form of investment research and sponsored attendance at various investment seminars. We may also receive such items as investment software, books and research reports. These products, services, or educational seminars are items that will play a role in determining how to invest client accounts. If there is any item that has a multi-use aspect, mixed between investment and non-investment purposes, MWM Group will determine a reasonable allocation of investment to non-investment use and soft dollars will be allocated only to the investment portion of the product (and we will pay the remaining cost). MWM Group receives a benefit from these services, as otherwise we would be compiling the same research ourselves. This may cause a conflict of interest as we may want to place more client accounts with a broker-dealer/custodian such as Schwab, solely because of these added benefits. As such, MWM Group may have an incentive to select or recommend a broker-dealer based on interests in receiving the research or other products or services, rather than on clients’ interest in receiving most favorable execution. MWM Group attempts to mitigate this potential conflict by performing regular reviews of execution services and value clients receive to ensure clients are receiving the best possible value for costs paid. However, the value to all of our clients of these benefits is included in our evaluation of custodians. Products and services received via soft dollars will generally be used for the benefit of all clients. However, it is possible that a given client’s trades will generate soft dollars that acquire products and/or services that are not ultimately utilized for that same client’s account. Soft dollars provide additional value, and are accordingly considered in determining which broker-dealer or custodian to utilize as part of our best execution analysis.

#### **Item 15: Custody**

There are two avenues through which MWM Group has custody of client funds; by directly debiting its fees from client accounts pursuant to applicable agreements granting such right, and potentially by permitting clients to issue standing letters of authorization (“SLOAs”). SLOAs permit a client to issue one document that directs MWM Group to make distributions out of the client’s account(s).

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. Each quarter, clients will receive a bill itemizing the fees to be debited, including the formula used to calculate the fee, the amount of assets the fee is based, and the time period covered by the fee. The invoice will also state that the fee was not independently calculated by the custodian. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your reports prepared by MWM Group against the information in the statements provided directly from Schwab. Please alert us of any discrepancies.

In addition to the account custodian's custody procedures, clients issuing SLOAs will be requested to confirm, in writing, that the accounts to which funds are distributed are parties unrelated to MWM Group or Schwab.

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

Asset management services can be provided on a "discretionary" basis. When MWM Group is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive statements at least quarterly from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and MWM Group.

We generally recommend that clients utilize Schwab Advisor Services to act as the broker-dealer/custodian for their accounts. However, the client may use another broker-dealer if the client wishes to do so. MWM Group will not, however, direct trades through another broker-dealer aside from Schwab Advisor Services in exchange for any sort of fee-sharing or commission-splitting.

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

Copies of our Proxy Voting Policies and procedures are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. MWM Group will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. MWM Group will not give clients advice on how to vote proxies.

#### **Item 18: Financial Information**

MWM Group does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.