

# **TOTAL WEALTH ADVISORS, LLC**

## **WRAP PROGRAM BROCHURE (APPENDIX 1 TO FIRM BROCHURE)**

**March 30, 2022**

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This wrap fee program brochure provides information about the qualifications and business practices of Total Wealth Advisors, LLC. If you have any questions about the contents of this brochure, please contact Paul McCoy at (612) 294-9208. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Total Wealth Advisors, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Firm is 164633.

## **ITEM 2 - MATERIAL CHANGES**

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Our last annual update to this brochure was on March 30, 2021. Since that filing, we became registered with the U.S. Securities and Exchange Commission on May 21, 2021. We are no longer registered with any individual states.

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## **ITEM 4 - SERVICES, FEES AND COMPENSATION**

### **SERVICES**

Total Wealth Advisors, LLC (“TWA”) works with each client to determine his/her objectives, time frame, risk parameters and other investment considerations. Once these are determined TWA recommends one of its equity, bond or municipal portfolios.

#### *Equity Portfolios*

Aggressive Growth – This portfolio seeks long term growth of capital with investments primarily in growth mutual funds.

Moderately Aggressive – This portfolio seeks long term capital appreciation with investments in growth and value based mutual funds.

Moderate – This portfolio’s primary investment objective is to seek long-term capital appreciation. As a secondary objective and to the extent consistent with its primary investment objective, it seeks current income.

Moderately Conservative – This portfolio seeks long-term return through a balance between income and the potential for long-term capital growth.

Conservative – This portfolio seeks to preserve principal, achieve price stability and some long-term capital growth.

#### *Bond Portfolios*

Short Term Bond Portfolio – This portfolio is design for investor with a time horizon under two years and who would like taxable interest income. The portfolio is comprised of various bonds and/or bond funds.

Intermediate Term Bond Portfolio – This portfolio is design for investor with a time horizon between two and five years and who would like taxable interest income. The portfolio is comprised of various bonds and/or bond funds.

Long Term Bond Portfolio – This portfolio is design for investor with a time horizon over five years and who would like taxable interest income. The portfolio is comprised of various bonds and/or bond funds.

#### *Municipal Portfolios*

Short Term Municipal Bond Portfolio – This portfolio is design for investor with a time horizon under two years and who would like non-taxable interest income. The portfolio is comprised of various municipal bonds and/or municipal bond funds.

Intermediate Term Municipal Bond Portfolio – This portfolio is design for investor with a time horizon between two and five years and who would like non-taxable interest income. The portfolio is comprised of various municipal bonds and/or municipal bond funds.

Long Term Municipal Bond Portfolio – This portfolio is design for investors with a time horizon over five years and who would like non-taxable interest income. The portfolio is comprised of various municipal bonds and/or municipal bond funds.

## **FEES**

TWA's annual management fee for each portfolio is based on a percentage of assets under management. The fee is calculated and billed on a quarterly basis in advance and based upon the following fee schedule:

☐ Tiered

☐ Not Tiered

<b>Custodian Reported Assets</b>	<b>Annual fee</b>
\$0 to \$249,999	1.75%
\$250,000 to \$499,999	1.50%
\$500,000 to \$999,999	1.25%
\$1,000,000 to \$1,999,999	.95%
\$2,000,000 and above	Negotiable

Negotiated Fee

\_\_\_\_\_ %

The Account's initial fee will be calculated based upon the initial deposit as reported by its custodian and it will be prorated the number of days in the initial quarter. The initial quarter's fees are deduction at the end of the quarter. After the initial billing period, the fee will be calculated based upon the Account's previous quarter end value as reported by the custodian. It will be deducted at the beginning of each quarter (in advance). The fee may be tiered (as selected above). A tiered fee means the applicable rate will be applied to the custodian reported value in each applicable range of account value. For example, an account with a quarter end value of \$300,000 will be charged at a rate of 1.75% for the first \$249,999 and 1.50% for the remaining \$50,001. The Adviser allows the Client to negotiate a lower fee by combining the value of multiple accounts. The additional accounts may include immediate family members' accounts who live in the same household as the Client.

The fee covers ticket charges for buys and sells that are charged by the client's custodian. The fee is separate and distinct from other related costs and expenses that are incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, as disclosed in a fund's prospectus, which are separate and distinct from the fee. Such charges, fees and commissions are exclusive of and in addition to our fee. TWA does not receive any portion of these commissions, fees, and costs. For additional information on our brokerage practices please see Item 12, below.

### **Termination of Portfolio Management Services**

A client may terminate the portfolio management agreement for any reason within the first five (5) business days after signing the contract without any cost or penalty. Thereafter, the contract may be terminated at any time by giving ten (10) days written notice to the firm at Total Wealth Advisors, LLC, 80 South Eighth Street., Suite 4900, Minneapolis, MN 55402. Upon written notice of termination, TWA's management fees will be calculated based upon the termination date and any unearned excess fees will be refunded to the client.

### **Retirement Rollover Conflicts of Interest**

When we recommend you rollover a retirement account for us to manage, this creates a financial incentive because we charge a fee for our services. We attempt to mitigate the conflict of interest by acting in your best interest and applying an impartial conduct standard to all rollovers. Please

note that you are not under any obligation to roll over a retirement account to an account managed by us.

### **Other Types of Fees and Charges**

Program accounts will incur additional fees and charges from parties other than us as noted below. These fees and charges are in addition to the advisory fee paid to us. We do not share in any portion of these third party fees.

There are other fees and charges that are imposed by other third parties that apply to investments in program accounts. Some of these fees and charges are described below.

- If a client's assets are invested in mutual funds or other pooled investment products, clients should be aware that there will be two layers of advisory fees and expenses for those assets. Client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. Client will also pay us the advisory fee with respect to those assets. Most of the mutual funds available in the program may be purchased directly. Therefore, clients could generally avoid the second layer of fees by not using our management services and by making their own investment decisions.
- Certain mutual funds impose fees and charges such as contingent deferred sales charges, early redemption fees and charges for frequent trading. These charges may apply if client transfers into or purchases such a fund with the applicable charges in a program account.
- Although only no-load and load-waived mutual funds can be purchased in a program account, client should understand that some mutual funds pay asset-based sales charges or service fees (e.g., 12b-1 fees) to the custodian with respect to account holdings.
- If client holds a variable annuity as part of an account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor.

Further information regarding fees assessed by a mutual fund, or variable annuity is available in the appropriate prospectus, which is available upon request from us or from the product sponsor directly.

### **Other Important Considerations**

- The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. The advisory fee may cost the client more than purchasing the program services separately, for example, paying an advisory fee plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the type and size of the account, historical and or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the client.
- The advisory fee also may cost the client more than if assets were held in a traditional brokerage account. In a brokerage account, a client is charged a commission for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If the client plans to follow a buy and hold strategy for the account or does not wish

to purchase ongoing investment advice or management services, the client should consider opening a brokerage account rather than a program account.

- The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with TWA.

## **ITEM 5 - ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

TWA services are offered to individuals, high net worth individuals, pension and profit-sharing plans, corporations and other business entities. TWA does not require a minimum account size to become a client.

## **ITEM 6 - PORTFOLIO MANAGER SELECTION AND EVALUATION**

In the wrap program, TWA does not select, review or recommend other investment advisors or portfolio managers. TWA, through its associated persons, is responsible for the investment advice and management offered to clients. For more information about associated person managing the account, client should refer to the Brochure Supplement (ADV Part 2B) for the associated person, which client should have received along with this Brochure at the time client opened the account.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

TWA uses a combination of Asset Allocation and Fundamental Analysis in its clients' portfolio.

Asset Allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon among various asset classes. The asset classes typically include equities, fixed income, and cash and equivalents. Each class has different levels of risk and return, so each will behave differently over time.

Fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's *actual* business and its future prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental analysis on industries or the economy as a whole. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements. The risk associated with fundamental analysis is that despite that appearance that a security is undervalued, it may not rise in value as predicted.

TWA's analysis of securities and advice relating thereto may be based upon information obtained from financial newspapers and magazines, research materials prepared by others, corporate ratings services, and annual reports, prospectuses and filings made with the Securities and Exchange Commission. TWA also uses computer models for performance analysis, asset allocation and risk management.

TWA recommends a variety of securities. These may include stocks, bonds, MLPs, mutual funds, REITS, ETFs, options, and alternative investments. The types of mutual funds include but are not limited to Large Cap Growth, Large Cap Value, Mid Cap Growth, Mid Cap Value, Small Cap Growth, Small Cap Value, Bond Funds, International Funds, Real Estate Funds; and Money Market Funds and Cash.

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear**. While TWA recommends portfolios that are designed to provide appropriate investment diversification, some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies typically seek to balance risks and rewards to achieve investment objectives. Clients need to ask questions about risks they do not understand. TWA would be pleased to discuss them.

TWA strives to render its best judgment on behalf of its clients. Still, TWA cannot assure or guarantee clients that investments will be profitable or assure that no losses will occur in an investment portfolio. Past performance is an important consideration with respect to any investment or investment adviser but is not a reliable predictor of future performance. TWA continuously strives to provide long-term investment performance, but many economic and market variables beyond our control can affect the performance of an investment portfolio.

An investment could lose money over short or even long periods. A client should expect his/her account value and returns to fluctuate within a wide range, like the fluctuations of the overall stock and bond markets. The client's account performance could be hurt by:

**Stock market risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

**Interest rate risk:** The chance that bond prices overall will decline because of rising interest rates. Interest rate risk will vary for the client, depending on the amount of client assets invested in bonds.

**Manager risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.

**International investing risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, and regulatory and financial reporting standards, that differ from those of the U.S.

**Terrorism risk:** The chance that stock domestic and international stock prices will decline due to a terrorist event.

**Political risk:** The chance that a change in government may affect stock prices of domestic or international stocks.

**Natural risks:** The chance that a natural catastrophe (earthquakes, hurricanes, etc.) may affect stock prices of domestic or international stocks.

**Options risk:** Like other securities - including stocks, bonds, and mutual funds - options carry no guarantees, and a person must be aware that it is possible to lose all of the principal he/she invests, and sometimes more. As an option holder, a person risks the entire amount of the premium he/she paid pay. But as an options writer, a person takes on a much higher level of risk. For example, if a person writes an uncovered call, he/she faces unlimited potential loss, since



there is no cap on how high a stock price can rise. However, since initial options investments usually requires less capital than equivalent stock positions, a potential cash loss as an options investor are usually smaller than if someone bought the underlying stock or sold the stock short. The exception to this general rule occurs when an option is used to provide leverage: Percentage returns are often high, but it is important to remember that percentage losses can be high as well.

**Leveraged and inverse fund risks:** A number of factors may hinder a leveraged or inverse fund's ability to achieve correlation with its benchmark index, including fees, expenses, transaction costs, use of margin or other leveraged investment techniques, index rebalancing, and other factors described in the prospectus. The effects of leverage and compounding, however, are the two primary reasons why the return of an index over the specified rebalancing period does not translate into the return of a leveraged or inverse fund held for *longer* than the rebalancing period (and, remember, a leveraged or inverse fund does not typically *attempt* to track an index over any period longer than the rebalancing period, which is most commonly one day). Compounding and leverage are likely to have a significant effect on long-term performance, whether positive or negative. This is one reason why a leveraged or inverse fund that closely tracks the daily performance of an index will not necessarily track the long-term performance of that index. When held for longer than one day, a leveraged or inverse fund that seeks to achieve a multiple of the daily return of a benchmark index can even have negative performance over a period in which the benchmark index achieved positive returns. This divergence tends to be particularly pronounced in volatile markets but can also occur in relatively "flat" markets.

**Tax status risk:** REITS must be organized and operated and intend to continue to be organized and to operate, in a manner that will enable them to qualify as a REIT for federal income tax purposes. No assurance can be given that a REIT qualifies or will continue to qualify as a REIT. If a REIT fails to qualify, it will be subject to federal income tax at regular corporate rates. Therefore, if a REIT fails to qualify, the funds available for distribution to stockholders would be reduced substantially for each of the years involved.

**Liquidity risk:** One common risk associated with private placements and REITs is a relative lack of liquidity due to the highly customized nature of the investment. Moreover, the full extent of returns is often not realized until maturity. Because of this, these products tend to be more of a buy-and-hold investment decision rather than a means of getting in and out of a position with speed and efficiency.

**Credit risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.

**Inflation risk:** This is the risk that inflation will undermine the performance of your investment and/or the future purchasing power of your assets.

**Portfolio concentration:** Accounts not diversified among a wide range of types of securities, countries or industry sectors may have more volatility and are considered to have more risk than accounts that are invested in a greater number of securities because changes in the value of a single security may have more of a significant effect, either negative or positive. Accordingly, portfolios are subject to more rapid changes in value than would be the case if client maintained a more diversified portfolio.

Clients need to ask questions about risks they do not understand. TWA would be pleased to discuss them.

### **VOTING CLIENT SECURITIES**

We do not accept authority to vote client securities. Clients retain the right to vote all proxies that are solicited for securities held in the account. Clients will receive proxies or other solicitations from the custodian of assets. If clients have questions regarding the solicitation, they should contact us or the contact person that the issuer identifies in the proxy materials. In addition, we do not accept authority to take action with respect to legal proceedings relating to securities held in the account.

### **ITEM 7 - CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

In our wrap program, we are responsible for account management; there is no separate portfolio manager involved. We obtain the necessary financial data from the client and assist the client in setting an appropriate investment objective for the account. We obtain this information by having the client complete an advisory agreement and other documentation. Clients are encouraged to contact us if there have been any changes in the client's financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Client should be aware that the investment objective selected for the program is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Client should further be aware that achievement of the stated investment objective is a long-term goal for the account.

### **ITEM 8 - CLIENT CONTACT WITH PORTFOLIO MANAGERS**

Client should contact us at any time with questions regarding program account.

### **ITEM 9 - ADDITIONAL INFORMATION**

#### **DISCIPLINARY INFORMATION**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would be material to a client's evaluation of the Adviser or the integrity of its management. TWA has no information applicable to this Item because it and its owner has never been the subject of any administrative, civil, criminal or self-regulatory proceedings.

#### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

TWA does not have any other industry affiliations.

#### **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

##### ***Our Approach to Conflicts of Interest***

Conflicts of interest that may arise in the course of providing investment management services are described throughout this brochure, as are some of our policies and procedures designed to address specific conflicts of interest, such as TWA's Code of Ethics and personal trading practices.

TWA has a compliance program in place that is intended to identify, mitigate and, in some instances, prevent actual and potential conflicts of interest, ensure compliance with legal and regulatory requirements and ensure compliance with client investment guidelines and restrictions. TWA's compliance program includes written policies and procedures that it believes are reasonably designed to prevent violations of applicable law and regulations.

### ***Code of Ethics***

TWA's Code of Ethics establishes ideals for ethical conduct upon fundamental principles of openness, integrity, honesty, and trust. TWA will provide a copy of its Code of Ethics to any client or prospective client upon request; simply call TWA at (651) 260-0525.

TWA's Code of Ethics covers all supervised persons and it describes TWA's high standard of business conduct, and fiduciary duty to TWA's clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended

This section is only intended to provide current and potential clients with a description of the TWA's Code of Ethics. If you wish to review the Code of Ethics in its entirety, you may request a copy in writing. Your request will be provided promptly.

### ***Participation or Interest in Client Transactions***

TWA does not have a material interest in any securities. Additionally, it is TWA's policy that it will not affect any principal or agency cross securities transactions for client accounts. TWA will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

### ***Personal Trading***

TWA's associates, may, from time to time, buy or sell for their own accounts securities that are the same as, similar to, or different than those that they clients purchase or sell. Differences can arise due to variations in personal goals, investment horizons, risk tolerance, and the timing of purchases and sales. The securities traded are typically broadly traded, large scale securities (not penny stocks) and/or mutual funds in which proprietary trades will not affect market prices. Nonetheless, client transactions will precede those orders placed for any proprietary trades. TWA's associates are aware of their fiduciary duty to his clients and the prohibitions against the use of any insider information. TWA keeps records of all associates' proprietary trading activities and makes them available to regulators to review on the premises. Whenever TWA deems that there may appear to be a conflict of interest, TWA will inform affected clients of the holdings involved prior to placing any orders.

## **REVIEW OF ACCOUNTS**

### ***Frequency of Account Reviews***

TWA's owner, Mr. McCoy, reviews clients' accounts on a monthly basis. In addition to this review, Mr. McCoy also meets with clients annually and he also conducts three quarterly client reviews by telephone.

### ***Review Triggers***

Additional reviews may be conducted periodically depending on market conditions, economic or political events, or by changes in a client's financial situation (such as retirement, termination of employment, physical move or inheritance).

### ***Reports and Account Statements***

The client will receive at least quarterly statements from their custodian. TWA urges clients to carefully review such statements. Additional performance reports may be supplied by the client's custodian

## **CLIENT REFERRALS AND OTHER COMPENSATION**

TWA does not receive any other compensation for providing investment advice to clients. TWA does not pay for client referrals or use solicitors.

## **FINANCIAL INFORMATION**

We do not have any financial impairment that will preclude us from meeting our contractual commitments to you. We do not serve as a custodian for your funds or securities. At no time will fees of more than \$1200 be charged six or more months in advance by our firm or your representative. We have established policies and procedures designed to prevent the collection of fees greater than \$1200 six or more months in advance. As such, a balance sheet is not required to be provided to you at this time.

## **CUSTODY**

All client funds, securities and accounts are held at third-party custodians. TWA does not take possession of a client's securities. However, the client will be asked to authorize TWA with the ability to deduct fees directly from the client's account. This authorization will apply to TWA's management fees only. TWA will send a billing statement (invoice) to each client, showing the fee to be debited and how it was calculated. A client may object to the deduction of the TWA's fees from the Account by notifying TWA at the address or telephone number shown on each billing invoice, or by notifying the account custodian. The custodian will also send an account statement at least quarterly, indicating the amount of fees withdrawn from the client's Account. TWA urges clients to carefully review their statements and notify TWA of any discrepancies as soon as possible.

At times, TWA assists some clients with the ability to move money from one account to another. In these situations, you will sign standing letter of instruction ("SLOAs") with your custodian that grants us the ability to facilitate the transfer. When your money is transferred between accounts with different titles, this is considered a limited form of custody. In 2017, the SEC issued a no-action letter ("Letter") with respect to the Rule 206(4)-2 ("Custody Rule") under the Investment Advisers Act of 1940 ("Advisers Act"). TWA and your custodian follow the safeguards outlined in the letter. These safeguards include:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
- The client can terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.

The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

### **BROKERAGE PRACTICES**

When TWA recommends custodians, it will seek broker-dealers who offer competitive commission costs together with reliable services. A client's choice of another broker-dealer is acceptable if proven feasible. TWA recognizes its fiduciary responsibility in negotiating brokerage commissions, assuring best execution practices and assuring adequate investment availability/inventory on behalf of its clients. TWA does not receive compensation with respect to execution of these trades.

Clients may be able to obtain lower commissions and fees from other brokers, and the value of products, research and services given to the applicant is not a factor in determining the selection of broker/dealers or the reasonableness of their commissions.

When referring clients to dealers, TWA will only refer clients to dealers registered in states where the clients reside.

TWA participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, TWA participates in TD Ameritrade's institutional customer program and TWA may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between TWA's participation in the program and the investment advice it gives to its clients, although TWA receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate

client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving TWA's participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to TWA by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by TWA's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit TWA but may not benefit its client accounts. These products or services may assist TWA in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by TWA or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, TWA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by TWA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

TWA does not receive client referrals or any other incentive from any brokerage firm.

Some clients may direct TWA to a specific broker-dealer to execute securities transactions for their accounts. When so directed, TWA may not be able to effectively negotiate lower brokerage commissions or achieve best execution on clients' transactions. This can result in substantially higher fees, charges or dealer concessions in one or more transactions for the clients' account because the Adviser cannot negotiate favorable prices.

TWA will have the authority to aggregate or block client orders placed with the same custodian. To the extent any aggregated or block orders are placed, TWA will cause those orders to be effected through an average price account or similar account such that each account at the same custodian participating in the order shares in the securities purchased or sold, price, and transaction costs pro rata (unless pro rata would be unfair under the circumstances). As a result, the average price account will allocate proportionate shares to each client's account.