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**February 9, 2024**

This Brochure provides information about the qualifications and business practices of Refined Wealth Management. If you have any questions about the contents of this Brochure, please contact us at (385) 351-0200 or via email at [r.larsen@refinedwm.com](mailto:r.larsen@refinedwm.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Refined Wealth Management ("RWM") is a Registered Investment Advisor. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information that you may use to determine whether to hire or retain them. Additional information about RWM is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

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The material changes in this brochure from the last annual updating amendment of Refined Wealth Management LLC on 01/24/2023 are described below. Material changes relate to Refined Wealth Management LLC's policies, practices or conflicts of interests only.

- Charles Schwab & Co., Inc. Advisor Services has acquired TD Ameritrade. Due to this acquisition clients of Refined Wealth Management LLC have transitioned from TD Ameritrade to Charles Schwab & Co., Inc. Advisor Services. (Items 5, 10, 11, 12, 14 and 15)
- Ryan Larsen has established an insurance agency, RWI Agency LLC. The firm is using RWI Agency LLC for fixed indexed annuity/term life insurance sales as well as P & C insurance sales. (Item 10)
- Refined Wealth Management, LLC has removed custody over funds and securities in a pooled investment vehicle, due to the closure of RWM Partners 1, LP private fund.
- Refined Wealth Management, LLC has updated its Asset Management fees to include a \$35 annual fee for household accounts under \$250,000. (Item 5)

This section of the brochure only discusses the specific material changes that were made to the Brochure and provides you with a summary of all material changes that have occurred since the last filing of this Brochure with the SEC. This section also identifies the date of our last annual brochure update.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year which is December 31st. We will provide other ongoing disclosure information about material changes as necessary. We will also provide you with a new Brochure, as necessary, based on changes or new information. Currently, our Brochure may be requested at any time, without charge, by contacting Ryan Larsen at (385) 351-0200.

Additional information about RWM is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by using a unique identifying number, known as a CRD number. The CRD number for RWM is 169563. The SEC's web site also provides information about any persons affiliated with RWM who are registered, or are required to be registered, as Investment Adviser Representatives of RWM.

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## Item 4 – Advisory Business Introduction

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Refined Wealth Management LLC (“RWM”) is a Registered Investment Adviser (“Adviser”) which offers investment advice, financial planning, insurance, and other financial services to clients. We are registered through and regulated by The United States Securities and Exchange Commission.

We provide investment advice through Investment Adviser Representatives (“Advisor”) associated with us. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on our behalf. In addition, all advisors are required to have commensurate industry and educational experience.

RWM was founded in 2013 by Ryan Larsen who serves as a Managing Member, Chief Executive Officer and Chief Compliance Officer. Mr. Larsen has an extensive employment history in financial advising and has obtained the Certified Financial Planner (“CFP”) and Accredited Portfolio Management Advisor (“APMA”) designations.

We provide comprehensive and objective financial advice on an individualized level, to help you achieve your investment goals. We provide portfolio management services to individuals, high net worth individuals, trusts, estates, corporations, and small businesses. We use stocks, bonds, and Exchange Traded Funds (ETFs) in constructing our clients’ portfolios. We are a full-service firm that provides all asset management services, and do not directly utilize managed funds or the services of third party money managers. We are committed to the precept that by placing the client’s interests first, we will add value to the asset management process and earn the client’s trust and respect. We value long term relationships with our clients whom we regard as strategic partners in our business.

### Services

We provide various asset management and financial planning services, with an emphasis on helping you develop and execute plans that are designed to build and preserve your wealth.

As of December 2023, we have 932 client accounts; \$ 163,354,864million in assets under management; and provide portfolio management services to individuals, high net worth individuals, trusts, estates, corporations, and small business owners. We do not participate in any wrap fee programs.

We manage assets on a discretionary basis, which means you have given us the authority to determine the following without your consent:

- Securities to be bought or sold for your account
- Amount of securities to be bought or sold for your account

Trading may be required to meet initial allocation targets, after substantial cash deposits that require investment allocation, and/or after a request for a withdrawal that requires liquidation of a position. Additionally, your account may be rebalanced or reallocated periodically in order to reestablish the targeted percentages of your initial asset allocation. This rebalancing or reallocation will occur on the schedule we have determined together. You will be responsible for any and all tax consequences resulting from any

rebalancing or reallocation of the account. We started offering tax services to our clients. We work with them on specific tax issues that are detailed to their income tax situation. We will also work with your tax professionals to assist you with tax planning. You will have the opportunity to meet with us periodically to review the assets in your account.

## **1. Ongoing Financial Planning**

We provide ongoing planning services such as comprehensive financial planning, estate planning, business planning, and educational planning. We realize your needs and goals change, and so do the markets. Your investing strategy should rightfully change to address these variables. To address these concerns, we provide ongoing financial planning services on a yearly basis, at a reasonable price for our clients.

Fee based financial planning is a comprehensive relationship which incorporates many different aspects of your financial status into an overall plan that meets your goals and objectives. The financial planning relationship consists of face-to-face meetings and ad hoc meetings with you and/or your other advisors (attorneys, accountants, etc.) as necessary.

In performing financial planning services, we typically examine and analyze your overall financial situation, which may include issues such as taxes, insurance needs, overall debt, credit, business planning, retirement savings and reviewing your current investment program. Our services may focus on all or only one of these areas depending upon the scope of our engagement with you.

It is essential that you provide the information and documentation we request regarding your income, investments, taxes, insurance, estate plan, etc. We will discuss your investment objectives, needs and goals, but you are obligated to inform us of any changes. We do not verify any information obtained from you, your attorney, accountant or other professionals.

If you engage us to perform these services, you will receive a written agreement detailing the services, fees, terms and conditions of the relationship. You are under no obligation to implement recommendations through us. You may implement your financial plan through any financial organization of your choice.

We obtain information from a wide variety of publicly available sources. We do not have any inside private information about any investments that are recommended. All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations. Choosing which advice to follow is your decision.

## **2. Asset Management**

Asset management is the professional management of securities (stocks, bonds and other securities) in order to meet your specified investment goals. With an Asset Management Account, you engage us to assist you in developing a personalized asset allocation program and custom-tailored portfolio designed to meet your unique investment objectives. The investments in the portfolio account will primarily consist of stocks, bonds, and/or Exchange Traded Funds ("ETFs"). However, the Adviser has the right to add different product mixes at his discretion.

We will meet with you to discuss your financial circumstances, investment goals and objectives, and to determine your risk tolerance. We will ask you to provide statements summarizing current investments, income and other earnings, recent tax returns, retirement plan information, other assets and liabilities, wills and trusts, insurance policies, and other pertinent information. Based on the information you share with us; we will analyze your situation and recommend an appropriate asset allocation or investment strategy. Our recommendations and ongoing management are based upon your investment goals and objectives, risk tolerance, and the investment portfolio you have selected. We will monitor the account, trade as necessary, and communicate regularly with you. With our clients that are positioned in our models this is often done with market commentary emails that are sent on a monthly basis via email. We will work with you on an ongoing basis to evaluate your asset allocation as well as rebalance your portfolio to keep it in line with your goals as necessary. We will be reasonably available to help you with questions about your account. You will also receive our Advisory Agreement which describes what services you will receive and what fees you will be charged.

We will:

- Review your present financial situation
- Monitor and track assets under management
- Advise on asset selection
- Provide research and information on performance and portfolio management changes
- Build a risk management profile for you through an Investment Policy Statement (IPS)
- Assist you in setting and monitoring goals and objectives
- Provide personal consultations as necessary upon your request or as needed.

You are obligated to notify us promptly when your financial situation, goals, objectives, or needs change.

You shall have the ability to impose reasonable restrictions on the management of your account, including the ability to instruct us not to purchase certain bonds, stocks or other securities. These restrictions may be a specific company security, industry sector, asset class, or any other restriction you request.

Under certain conditions, securities from outside accounts may be transferred into your advisory account; however, we may recommend that you sell any security if we believe that it is not suitable for the current recommended investment strategy. You are responsible for any taxable events in these instances. Certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is not indicative of future results.

If you decide to implement our recommendations, we will help you open a custodial account(s). The funds in your account will generally be held in a separate account, in your name, at an independent custodian, and not with us.

We are available during normal business hours either by telephone, fax, email, or in person by appointment to answer your questions.

### **3. Other Services**

We may recommend and sell term life insurance. We will receive the usual and customary commissions associated with these sales from the insurance company. You will not pay a separate fee for these and your advisory fee will not be reduced by any payments we receive from these sales.

We also offer fixed-fee project-based services including portfolio reviews. We can provide research and advice concerning any legal and legitimate investment for which public information is readily available. We can also provide an in-depth analysis of your financial situation or other defined projects as requested. If your needs do not fit into any of these services, we can also provide on-demand financial consulting and ongoing annual consulting.

## **Item 5 – Fees and Compensation**

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We provide asset management and financial planning services for a fee. Our fees do not include brokerage commissions, transaction fees, and other related costs and expenses. You may incur certain charges imposed by custodians and other third parties. These include fees such as custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Exchange-traded funds (ETFs) also charge internal management fees, which are disclosed in the fund's prospectus. These fees may include, but are not limited to, a management fee, upfront sales charges, and other fund expenses. We do not receive any compensation from these fees. All these fees are in addition to the management fee you pay us. You should review all fees charged to fully understand the total amount of fees you will pay. Services similar to those offered by us may be available elsewhere for more or less than the amounts we charge.

The Adviser has a fiduciary responsibility to do what is in your best interest and the Adviser monitors all accounts to make certain the Adviser fulfills this obligation.

You could invest in an ETF directly, without our services. In that case, you would not receive the services provided by us which are designed, among other things, to assist you in determining which ETFs, stocks and bonds are most appropriate to your financial condition and objectives.

### **1. Ongoing Financial Planning Fees**

You may want us to create a financial plan for you. We can provide analysis and recommendations for retirement needs, estate planning needs, income tax planning, life and disability insurance needs, investment needs, and college education planning. You can have us create a full financial plan or select any of the individual modules.

For our ongoing financial planning services, we charge \$500 to \$1,500 per year, which includes a comprehensive financial plan. Our financial planning fee is negotiable, dependent upon the nature and complexity of the client's circumstances.

The Financial Planning Agreement will show the fee schedule you will pay. We offer a number of ways to pay your planning fee, including annually, semi-annually, quarterly or monthly. Plans will be presented to you within six months of the contract date, provided that all information needed to prepare the plan has been promptly provided to us. In the event that you cancel the Financial Planning Agreement / consultation services contracted for, you will be responsible for the actual hours spent preparing the financial plan /

rendered consultation services, up to the cancellation date, at the agreed upon rate. Either party may terminate the ongoing financial planning relationship with a five (5) day written notice. Upon termination of any account, any prepaid fees that are in excess of the management services performed will be promptly refunded to you. Any fees that are due, but have not been paid, will be billed to you and are due immediately.

If the plan is implemented through us, we may receive compensation from the sale of insurance products or services recommended in the financial plan. This compensation would be in addition to the financial planning fee you pay. The fees and expenses you pay for the purchase of these products may be more or less than the expenses you would pay should you decide to implement our recommendations through another investment advisory firm or broker-dealer and are typically determined by the broker-dealer or investment company sponsoring the product. Therefore, a conflict of interest may exist between our interests and your interests since we may recommend products that pay us compensation. We may have an incentive to recommend particular products based upon the potential compensation rather than your needs. This potential conflict is addressed in our Code of Ethics.

All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations.

## **2. Asset Management Fee Schedule**

We do not have a minimum account opening balance. The fee charged is based upon the amount of money you invest. Multiple accounts of immediately related family members, at the same mailing address, may be considered one consolidated account for billing purposes.

On the Charles Schwab & Co., Inc. Advisor Services platform all households are charged in arrears. Your fees are calculated on the gross daily value of your Account under management on the last day of the month and are debited monthly, within the first 10 days of the beginning of each month following month end. Payments are calculated as follows:

Percentage	Portfolio Size (AUM)
1.35%	\$1 - \$500,000
1.15%	\$500,001 - \$1,000,000
.95%	\$1,000,001 - \$2,000,000
.85%	\$2,000,001 - \$5,000,000
.6%	\$5,000,001 +

The fees shown above are annual fees and may be negotiable based upon certain circumstances. The annual fee will be divided by twelve (12) and paid monthly in arrears. There is no minimum monthly fee. No increase in the annual fee shall be effective without prior written notification to you. All household accounts under \$250,000 will be charged a \$35 annual fee to support the costs of the software that provide clients' access to portfolio performance.

As of February 1, 2017, all new managed Net Unrealized Appreciation (NUA) accounts will be charged a management fee. Payments for these NUA accounts are calculated as follows:



Percentage	Portfolio Size (AUM)
.35%	\$1 - \$100,000
.25%	\$100,000 +

As of August 1, 2019, Donor Advisory Fund (DAF) accounts will be charged a management fee. Payments for these DAF accounts are calculated as follows:

Percentage	Portfolio Size (AUM)
.50%	\$1 - \$100,000
.25%	\$100,000 +

All 401(k) accounts will be charged a management fee. Payments for these accounts are calculated as follows:

Percentage	Portfolio Size (AUM)
0.50%	\$1 - \$10,000,000
0.25%	\$10,000,000 +

All self-directed accounts as well as family and friends have a 0.50% fee.

We believe our advisory fee is reasonable considering the fees charged by other investment advisers offering similar services/programs. Our fees are not tiered, once a household's portfolio size has met new fee percentage, all the funds will be fee at the new rate.

In certain circumstances, advisory fees and account minimums may be negotiable based upon prior relationships as well as related account holdings. Our fees will not be based upon a share of capital gains or capital appreciation of the funds or any portion of your funds. Your account at the custodian may also be charged for certain additional assets managed for you by us but not held by the custodian (i.e. variable annuities, 401(k)s).

The fees we charge can be deducted directly from your account at the custodian. We will instruct the custodian to deduct the fees from your account at the beginning of each month following month end. This fee will show up as a deduction on your following month's account statement from the custodian.

Our Advisory-Agreement defines what fees are charged and their frequency. We bill fees in arrears on a monthly basis. On the Charles Schwab & Co., Inc. Advisor Services platform there is an option to pull the fee for all accounts in a household from a non-qualified account. This can be done for tax deductibility purposes and your advisor can help you determine if that strategy is appropriate for you. You will authorize the custodian to directly debit fees from your account held at the custodian and to pay us. Management fees are prorated for each contribution and withdrawal made at the beginning of each month following month end (with the exception of small inconsequential contributions and withdrawals). In the event of a full

account closure, RWM will run a final fee. RWM will take the prorated fee for the number of days the account was managed.

### **3. Other Fees**

Our Advisors may recommend and sell life insurance and will receive the usual and customary commissions in addition to any agreed upon advisory fee.

## **Item 6 – Performance Based Fee and Side by Side Management**

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We do not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7 – Types of Client(s)**

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We provide portfolio management services to individuals, high net worth individuals, trusts, estates, corporations, and small business owners.

We have no minimum account opening balance.

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

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We use strategic and tactical asset allocation as part of our overall investment management discipline.

### **1. Strategic Asset Allocation**

The underlying principle in asset allocation is the documented observation that different categories of investments have varying rates of return and levels of price volatility over time. By diversifying investments over several asset classes, we seek to reduce risk and volatility while achieving strong returns. Accordingly, we primarily focus on allocating capital across asset classes, though we may engage in security selection based on portfolio requirements for certain instrument characteristics, such as yield for an income portfolio. Typically, we will allocate capital among the following asset classes: cash and cash equivalents, equities, fixed-income securities, real assets, and alternatives. The allocation decision may be based on multiple different factors, including but not limited to economic conditions, fundamental and technical analysis of markets and instruments, and pricing relationships among assets and asset classes.

### **2. Cyclical Analysis and Tactical Asset Allocation**

We use tactical asset allocation as our strategy to rebalance the percentage of assets held in various categories in order to take advantage of the cyclical trends and strong market sectors on a short-term basis. The goal of this strategy is to improve the risk-adjusted returns of passive management investing. Once we have completed this short-term strategy, we then determine whether to return to the portfolio's original strategic asset mix.

### 3. Our Approach

Refined Wealth Management's investment philosophy is founded on the twin beliefs that returns on client assets (i) should be judged on clients' investment horizons and (ii) are primarily driven by asset allocation decisions.

While we are limited by the broader return characteristics exhibited by markets over time, we do not seek to produce returns simply relative to market indices. Clients should work with us on the expectation that our judgments will result in medium to long-term positive real returns (i.e. inflation-adjusted) on their assets. The volatility of these returns can and should be minimized through proper diversification and hedging. And the liquidity of client portfolios should be maximized to accommodate to the greatest extent possible the personal needs of each specific client.

Our goal is to offer wealth management services based on two core principles. First, we strive for the highest level of fiduciary responsibility to clients by seeking to avoid potential conflicts of interest and maintaining strong corporate governance. Second, we seek to maximize risk-adjusted returns and minimize costs on client assets by optimizing asset allocation through a continuous evaluation of market conditions and concentrating our resources on an efficient operating infrastructure.

We believe that a disciplined process with distinct roles and responsibilities will yield the greatest absolute return on client assets. In support of this belief, we have established governance and process for the three distinct components of RWMs investment program.

#### 1. Investment Committee

The Investment Committee (IC) is accountable for three essential activities: establishing and maintaining Investment Objectives for the model portfolios; developing RWMs market outlook and asset allocation for the model portfolios; and providing prudential oversight of the investment program.

#### 2. Portfolio Construction

This team is responsible for receiving the IC asset allocation decisions and implementing RWMs market outlook according to those decisions. Instrument selection is optimized, and target exposures are set for the Portfolio Monitoring team to track and maintain. This team also will consider appropriate hedging to execute the guidance set by the IC.

#### 3. Portfolio Monitoring

This team is responsible for tracking the target exposures developed by the Portfolio Construction team and making adjustments as necessary to implement that guidance. Appropriate reporting on client portfolios is also the responsibility of this team.

#### 4. Model Strategy

Refined Wealth Management primarily manages assets through model portfolios. Within each model, RWM holds 1 - 25 positions. These investment vehicles consist of Exchange Traded Funds (ETF's), Exchange Traded Notes (ETN's), bonds, and individual stock positions. The models are allocated among the following asset classes: cash and cash equivalents, equities, fixed-income securities, real assets, and alternative assets. Position weights are dependent on investment objective, risk tolerance, and RWM's market outlook. Deviations from these models can happen based on client need, client's individual investment desires and market conditions.

1. There are 7 models to accommodate client's risk and investment objective
  1. Aggressive Growth (AG)
  2. Growth (G)
  3. Growth with Income (GWI)
  4. Income with Moderate Growth (IMG)
  5. Income with Capital Preservation (ICP)
  6. ESGV (for anyone under \$5,000)
  7. S&P 500 Plus
2. Investment Models each have 2. The S&P 500 Plus and ESGV only have one version each.
  1. A: Accounts over \$100k
  2. B: Accounts \$100k to \$5K

#### 4. Risks

Investing in securities involves risk of loss that clients should be prepared to bear. No investment process is free of risk; no strategy or risk management technique can guarantee returns or eliminate risk in any market environment. There is no guarantee that our investment processes will be profitable. **Past performance is not a guide to future performance.** The value of investments, as well any investment income, is not guaranteed and can fluctuate based on market conditions. Diversification does not assure a profit or protect against loss.

A list of risks associated with the strategies, products and methodology we offer are listed below:

##### 1. Fundamental Analysis Risk

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

- There are an infinite number of factors that can affect the earnings of a company, and its stock price, over time. These can include economic, political and social factors, in addition to the various company statistics.
- The data used may be out of date.
- It is difficult to give appropriate weightings to the factors.
- It assumes that the analyst is competent.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.
- It assumes that there is no monopolistic power over markets.

##### 2. Cyclical Analysis and Tactical Asset Allocation

Due to numerous market risks and fluctuations as well as changing business cycles, the allocation of assets toward the targeted investments may not render the results desired and may not be profitable.

##### 3. Risks of Investing in ETFs

Liquidity risk refers to the inability to buy or sell a security at the quoted market price without a delay, or without the price changing because of scarcity of supply or demand. When an ETF has few shares of its common stock outstanding, or if it has been ignored by investors, it is considered a thinly traded ETF.

Traders often quote according to the last transaction price. But if you place an order to buy, the security might not be available, and the price must rise to attract a seller. Likewise, when you go to sell a thinly traded ETF, traders are reluctant to take it into position if there are no bids for it in the marketplace.

Tracking error risk is the risk that an ETF held by a client does not accurately track the performance of its benchmark. Specifically, tracking error is the amount by which the performance of the portfolio differed from that of the benchmark. In reality, no indexing strategy can perfectly match the performance of the index or benchmark, and the tracking error quantifies the degree to which the strategy differed from the index or benchmark. Most of the time, the tracking error of an index fund is small, perhaps only a few tenths of one percent. However, a variety of factors can sometimes conspire to open a gap of several percentage points between the index fund and its target index. Where an ETF follows a customized or less widely traded benchmark, the risk of tracking error is much greater.

#### 4. Risks of Holding Cash and Cash Equivalents

When interest rates are low, cash typically receives little or no interest when held in interest-bearing accounts. When measured with the impact of inflation, low interest rates can create a negative real return on cash investments.

Cash accounts and cash equivalents, such as money market funds, are subject to counterparty risk. If the custodian holding the cash or the sponsor managing the cash equivalent becomes insolvent, an investor could lose some or all of his investment.

#### 5. Risks of Investing in Stocks

The prices of stocks change when the Federal Reserve alters interest rates. When companies must pay more to finance their operations, their earnings decline. Because stock prices are based on earnings, their stock prices also tend to decline. When interest rates decline, company earnings rise, and so do stock prices. This risk primarily affects the price you would receive for selling your stocks.

When a company's financial strength declines, particularly if that decline is recognized by a credit rating downgrade, it normally results in a decline in the price of its stock. Its stock declines because the outlook for continued good earnings growth is doubtful.

Issuer risk may be the best known and most feared investment risk. It's the risk that something will happen with the company, causing the investment to lose value. These risks could include a disappointing earnings report, changes in leadership, outdated products or wrongdoing within the company. Because of the large amount of possible risks that come with owning stock in a company, clients should be aware that forecasting these risks is not always possible.

#### 6. Dividend Risk

Dividend risk is the risk that a company will cut or reduce its dividend. This is not only a problem for those who rely on stock dividends to live on during retirement, but when a company cuts its dividend, it often causes the stock to lose value, as those who were holding it for the dividend move to other dividend-paying names.

## 7. Risks of Investing in Bonds

During inflationary periods, each dollar is worth less than it was, so the price of products rises. When inflation hits, your income from investments has less buying power. If inflation is higher than expected, the real rate of return of bonds will be lower than anticipated. For example, if the interest rate of a bond is 3%, and inflation is 2%, the real rate of return is 1%. Most bonds are priced so that the yield is higher than inflation, resulting in a positive real rate of return. However, in this example if inflation was 4% instead of 2%, you would have a negative real rate of return of -2%.

The prices of bonds change when the Federal Reserve alters interest rates. Because bond prices are a factor of the percentage of interest paid relative to the price of the bond, when interest rates rise, bond prices fall. Conversely, when interest rates decline, bond prices rise as interest rates decline. This risk primarily affects the price you would receive for selling your bonds.

When a company's financial strength declines, particularly if that decline is recognized by a credit rating downgrade, it normally results in a decline in the price of its bonds. Its bond price declines because investors require higher interest payments to make up for the risk of potential default.

Default risk is risk that the issuer of the bond will not be able to pay the interest or principal payments and you will lose some, or all of the money you have invested. While this is possible with government bonds, generally this is a greater concern for corporate bonds.

Relative to stocks and ETFs, bonds are illiquid because they rarely are issued in large numbers, and they are bought mostly by institutions for long-term hold. Only the U.S. Treasury issues enough bonds for them to be considered liquid from a supply standpoint. However, even older Treasury bonds tend to disappear into portfolios and become illiquid. The result may mean that transactions in securities experiencing illiquidity may not reflect the securities' underlying value.

Some bonds have a provision that allows the company to call back or repay a bond early. They will often exercise this right if they have to pay a higher coupon on an existing bond than what they would have to pay at today's interest rates. Although this will not represent a loss of principal, for clients who rely on a certain coupon rate for their monthly living expenses, this can represent a substantial loss of income.

When you hold a bond to maturity, or sell it prior to maturity, there is a risk that you will only be able to invest the proceeds at lower rate of return. When interest rates are falling, this is an important risk to consider when buying short-term bonds. Reinvestment risk also applies to the coupon payments that you receive over the life of the bond and the fact that you may not be able to reinvest them at the same rate of return.

The risk that the company whose bond you have invested in receives a ratings downgrade. When a specific bond or bond issuer receives a ratings downgrade, generally the market price of the bond falls, as new buyers in those bonds require a higher yield, to compensate them for the increased perceived risk.

## 8. Risks of Investing in Commodities

Investment in commodities may be subject to unpredictable factors like weather, foreign exchange rates, national monetary policies, political instability, and inflation. Commodities prices can be volatile for these reasons and due to relative changes in global markets and demand-supply dynamics. ETFs may invest in such instruments and experience financial losses that can be a high percentage of initial margins.

## 9. Risks of Investing in Currencies

Political risk is the risk that an investment's returns could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers, or military control. Political risk is also known as "geopolitical risk," and becomes more of a factor as the time horizon of an investment gets longer. Political risks are notoriously hard to quantify because there are limited sample sizes or case studies when discussing an individual nation. Some political risks can be insured against through international agencies or other government bodies. The outcome of a political risk could drag down investment returns or even go so far as to remove the ability to withdraw capital from an investment.

## 10. Risks of Investing in Cryptocurrency

investing refers to trading in digital/virtual currencies, such as Bitcoin, that are not back by real assets or tangible securities and are more volatile than traditional currencies and financial assets. Digital currency is a digital representation of value that functions as a medium of exchange, a unit of account, or a store of value, but it does not have legal tender status. Digital currency is not backed or supported by any government or central bank. Digital currency's price is completely derived by market forces of supply and demand, traded between consenting parties with no broker and tracked on digital ledgers commonly known as blockchains. Investing in digital currency comes with significant risk of loss that a client should be prepared to bear and, due to the nature of cryptocurrencies, clients are exposed to the risks normally associated with investing but also unique risks not typical of investing in traditional securities. These, include, but are not limited to, volatile market price swings or flash crashes, market manipulation, economic, regulatory, technical, and cybersecurity risks. Please also see below for additional description/properties:

- Unregulated – Digital currency markets and exchanges are not regulated with the same controls or customer protections available in fixed income, equity, option, futures, or foreign exchange investing.
- Increased Price Volatility – The price of cryptocurrency is constantly fluctuating. Trade or balance can surge or drop suddenly. Price can drop to zero.
- Susceptible to Error/Hacking – Technical glitches, human error and hacking can occur, which typically do not affect traditional securities to the same extent.
- Forks – This implies a splitting of the chain on which the cryptocurrency runs, which makes it go in a different direction, with different rules than the existing blockchain.
  - Soft Fork – only a protocol change; the cryptocurrency still continues to work on the original blockchain rules.
- Hard Fork – a permanent divergence in the blockchain.

## 10. Inflation Risk

During inflationary periods, each dollar is worth less than it was, so the price of products rises. When inflation hits, your income from investments has less buying power. If inflation is higher than expected, the real rate of return of bonds will be lower than anticipated. For example, if the interest rate of a bond is 3%, and inflation is 2%, the real rate of return is 1%. Most bonds are priced so that the yield is higher than inflation, resulting in a positive real rate of return. However, in this example if inflation was 4% instead of 2%, you would have a negative real rate of return of -2%.

## 11. Interest Rate Risk

The prices of both stocks and bonds change when the Federal Reserve alters interest rates. When companies must pay more to finance their operations, their earnings decline. Because stock prices are based on earnings, their stock prices also tend to decline.

Because bond prices are a factor of the percentage of interest paid relative to the price of the bond, when interest rates rise, bond prices fall. Conversely, when interest rates decline, company earnings rise, and so do stock prices. Bond prices also rise as interest rates decline. This risk primarily affects the price you would receive for selling your stocks and bonds.

## 12. Market Risk

Market risk refers to the functioning of the marketplace. Many factors affect market function; these include banking holidays, investor anticipation, equipment failures, shocks in other markets, and anything that limits the efficient functioning of the marketplace.

Market risk can affect the prices of securities, but it also can affect the ease with which you can trade securities. An example of market risk was the Flash Crash in 2010, when computer trading programs caused a rapid decline and recovery of approximately 1,000 points in the Dow Jones Industrial Average.

## 13. Credit or Default Risk

When a company's financial strength declines, particularly if that decline is recognized by a credit rating downgrade, it normally results in a decline in the price of both its stocks and its bonds. Its stock declines because the outlook for continued good earnings growth is doubtful. Its bond price declines because investors require higher interest payments to make up for the risk of potential default.

Default risk is risk that the issuer of the bond will not be able to pay the interest or principal payments and you will lose some, or all of the money you have invested. While this is possible with government bonds, generally this is a greater concern for corporate bonds.

## 14. Liquidity Risk

Liquidity risk refers to the inability to buy or sell a security at the quoted market price without a delay, or without the price changing because of scarcity of supply or demand. When a company has few shares of its common stock outstanding, or if it's has been ignored by investors, it is considered a thinly traded stock.



Traders often quote according to the last transaction price. But if you place an order to buy, the security might not be available, and the price must rise to attract a seller. Likewise, when you go to sell a thinly traded security, traders are reluctant to take it into position if there are no bids for it in the marketplace.

Relative to stocks and ETFs, bonds are illiquid because they rarely are issued in large numbers, and they are bought mostly by institutions for long-term hold. Only the U.S. Treasury issues enough bonds for them to be considered liquid from a supply standpoint. However, even older Treasury bonds tend to disappear into portfolios and become illiquid. The result may mean that transactions in securities experiencing illiquidity may not reflect the securities' underlying value.

#### 15. Event Risk

Event risk is often confused with market risk. But whereas market risk is system-based, event risk is external to the system. It comes from things such as terrorist attacks, war, natural disasters and political events. These events can cause market risk, such as when the New York Stock Exchange closes because of a hurricane or a terrorist attack. They can even cause credit risk if the event badly damages a company's ability to do business.

#### 16. Issuer Risk

Issuer risk may be the best known and most feared investment risk. It's the risk that something will happen with the company, causing the investment to lose value. These risks could include a disappointing earnings report, changes in leadership, outdated products or wrongdoing within the company. Because of the large amount of possible risks that come with owning stock in a company, clients should be aware that forecasting these risks is not always possible.

#### 17. Call Risk

Some bonds have a provision that allows the company to call back or repay a bond early. They will often exercise this right if they have to pay a higher coupon on an existing bond than what they would have to pay at today's interest rates. Although this will not represent a loss of principal, for clients who rely on a certain coupon rate for their monthly living expenses, this can represent a substantial loss of income.

#### 18. Political Risk

Political risk is the risk that an investment's returns could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers, or military control. Political risk is also known as "geopolitical risk," and becomes more of a factor as the time horizon of an investment gets longer. Political risks are notoriously hard to quantify because there are limited sample sizes or case studies when discussing an individual nation. Some political risks can be insured against through international agencies or other government bodies. The outcome of a political risk could drag down investment returns or even go so far as to remove the ability to withdraw capital from an investment.

#### 19. Reinvestment Risk

When you hold a bond to maturity, or sell it prior to maturity, there is a risk that you will only be able to invest the proceeds at lower rate of return. Interest rates falling is an important risk to consider when buying short-term bonds. Reinvestment risk also applies to the coupon payments that you receive over the life of the bond and the fact that you may not be able to reinvest them at the same rate of return.

#### 20. Ratings Downgrades Risk

The risk that the company whose bond you have invested in receives a ratings downgrade. When a specific bond or bond issuer receives a ratings downgrade, generally the market price of the bond falls, as new buyers in those bonds require a higher yield, to compensate them for the increased perceived risk.

#### 21. Tracking Error Risk

Tracking error risk is the risk that an ETF held by a client does not accurately track the performance of its benchmark. Specifically, tracking error is the amount by which the performance of the portfolio differed from that of the benchmark. In reality, no indexing strategy can perfectly match the performance of the index or benchmark, and the tracking error quantifies the degree to which the strategy differed from the index or benchmark. Most of the time, the tracking error of an index fund is small, perhaps only a few tenths of one percent. However, a variety of factors can sometimes conspire to open a gap of several percentage points between the index fund and its target index. Where an ETF follows a customized or less widely traded benchmark, the risk of tracking error is much greater.

#### 22. Insurance Product Risk

The rate of return on variable insurance products is not stable, but varies with the stock, bond and money market subaccounts that you choose as investment options. Some of the major risks include:

- Liquidity and Early Withdrawal Risk – There may be a surrender charges for withdrawals within a specified period, which can be as long as six to eight years. Any withdrawals before a client reaches the age of 59 ½ are generally subject to a 10 percent income tax penalty in addition to any gain being taxed as ordinary income.
- Sales and Surrender Charges – Asset-based sales charges or surrender charges. These charges normally decline and eventually are eliminated the longer you hold your shares. For example, a surrender charge could start at 7 percent in the first year and decline by 1 percent per year until it reaches zero.
- Fees and Expenses – There are a variety of fees and expenses which can reach 2 percent and more such as:
  - Mortality and expense risk charges
  - Administrative fees
  - Underlying fund expenses
  - Charges for any special features or riders.
- Bonus Credits – Some products offer bonus credits that can add a specified percentage to the amount invested ranging from 1 percent to 5 percent for each premium payment. Bonus credits,

however, are usually not free. In order to fund them, insurance companies typically impose high mortality and expense charges and lengthy surrender charge periods.

- **Guarantees** – Insurance companies provide a number of specific guarantees. For example, they may guarantee a death benefit or an annuity payout option that can provide income for life. These guarantees are only as good as the insurance company that gives them.
- **Market Risk** – The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- **Principal Risk** – The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

## **Item 9 – Disciplinary Information**

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Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We have no information to disclose here about RWM or any of our investment advisors. We adhere to high ethical standards for all advisors and associates. We strive to do what is in your best interests.

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

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### **1. Custodian**

Charles Schwab & Co., Inc. Advisor Services is the custodian to Refined Wealth Management's assets under management. This is the sole platform used by RWM for all brokerage style accounts. The management of these asset accounts for approximately 90%+ of both Ryan Larsen and Matthew William's time.

### **2. 401(k) Services**

Refined Wealth Management is partnered with Newport Group in offering full 401(k) services to clients. Newport Group is the custodian for 401(k) services. Newport Group is responsible for all client billing. The management of this service accounts for approximately 2% of Ryan's time, and 2% Matthew's time.

### **3. Insurance Agent**

Ryan Larsen the Managing Member and CEO for RWM, and Matthew Williams the Investment Adviser Representative for RWM, are both licensed insurance agents/brokers that provide insurance products. The sale of these products accounts for approximately 1% of Ryan's time, and 1% of Matthews' time.

Ryan Larsen has established an insurance agency, RWI Agency LLC. The firm is using RWI Agency LLC for fixed indexed annuity/term life insurance sales as well as P & C insurance sales. This activity creates a conflict of interest since there is an incentive to recommend insurance products based on commissions or other benefits received from the insurance company, rather than on the client's needs. Additionally, the offer and sale of insurance products by supervised persons of RWM are not made in their capacity as a

fiduciary, and products are limited to only those offered by certain insurance providers. RWM addresses this conflict of interest by requiring its supervised persons to act in the best interest of the client at all times, including when acting as an insurance agent. RWM periodically reviews recommendations by its supervised persons to assess whether they are based on an objective evaluation of each client's risk profile and investment objectives rather than on the receipt of any commissions or other benefits. RWM will disclose in advance how it or its supervised persons are compensated and will disclose conflicts of interest involving any advice or service provided. At no time will there be tying between business practices and/or services (a condition where a client or prospective client would be required to accept one product or service conditioned upon the selection of a second, distinctive tied product or service). No client is ever under any obligation to purchase any insurance product. Insurance products recommended by RWM's supervised persons may also be available from other providers on more favorable terms, and clients can purchase insurance products recommended through other unaffiliated insurance agencies.

Ryan Larsen and Matthew Williams may recommend insurance products and may also, as independent insurance agents, sell those recommended insurance products to Clients. When such recommendations or sales are made, a conflict of interest exists as the Insurance licensed Investment Adviser Reps earn insurance commissions for the sale of those products, which may create an incentive to recommend such products. We require that all Investment Adviser Reps disclose this conflict of interest when such recommendations are made. Also, we require Investment Adviser Reps to disclose that Clients may purchase recommended insurance products from other insurance agents not affiliated with us.

#### **4. Annuity Service**

RWM offers non-qualified annuities to clients through Nationwide to be used as a tax shelter.

#### **5. Tax Services**

Ryan Larsen the Managing Member and CEO for RWM is an Enrolled Agent and offers tax services to our clients. These services are tailored to each client's individual need.

#### **Other Activities and Affiliations**

Ryan Larsen is a real estate owner of single-family homes in Utah for investment purposes and spends approximately 1% of his time in this role. He has a limited liability company, Refined Wealth Properties LLC, to include these rentals.

We do not recommend or select other investment advisers for our clients.

## **Item 11 – Code of Ethics, Participation or Interest in Client Accounts and Personal Trading**

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### **1. General Information**

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, and fiduciary duty to you, our client. 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, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All of our supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

### **2. Participation or Interest in Client Accounts**

We may recommend securities to you that we have purchased for our own accounts. We may trade securities in our account that we have recommended to you as long as we place our orders after your Orders. This policy is meant to prevent us from benefiting as a result of transactions placed on behalf of advisory accounts.

The following acts are prohibited:

- Employing any device, scheme or artifice to defraud
- Making any untrue statement of a material fact
- Omitting to state a material fact necessary in order to make a statement, in light of the circumstances under which it is made, not misleading
- Engaging in any fraudulent or deceitful act, practice or course of business
- Engaging in any manipulative practices
- Participating in client accounts.

You may request a copy of the firm's Code of Ethics by contacting Ryan Larsen.

### **3. Personal Trading**

We have established the following restrictions in order to ensure our fiduciary responsibilities to you are met:

- No securities for our personal portfolio(s) shall be bought or sold where this decision is substantially derived, in whole or in part, from the role of Investment Advisory Representative(s) of RWM, unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.
- We emphasize your unrestricted right to decline to implement any advice rendered.

However, some securities trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with our records as required.

In addition, open-end mutual funds and/or investment sub-accounts which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value. Therefore, purchases of such products by an advisor are not likely to have an impact on the prices of the securities in which you invest. These types of transactions are not prohibited by our policies and procedures.

Certain affiliated accounts may trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all parties will share the costs in proportion to their investment. We will retain records of the trade Order (specifying each participating account) and its allocation. Completed Orders will be allocated as specified in the initial trade order. Partially filled Orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

#### **4. Privacy Statement**

We are committed to safeguarding your confidential information and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide.

We also require other firms with whom we deal with to restrict the use of your information. Our Privacy Policy is available upon request.

#### **5. Conflicts of Interest**

As of December 31, 2018, all RWM employees, immediate family members, any adult member of their household or any trust for which they are the beneficiary to, will be required to have any investment account they own to be held at Charles Schwab & Co., Inc. Advisor Services. This timeframe will allow all employees to currently unwind any positions they currently have in invested accounts. RWM employees will have to be invested in a current RWM model portfolio. This will prevent any employee from trading in the same securities as models trade within and avoid any conflicts of interest with client accounts.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interests of all the accounts we advise.

### **Item 12 – Brokerage Practices**

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#### **1. Soft Dollars**

RWM does not have any soft dollar arrangements with any custodian/broker-dealer.

#### **2. Best Execution**

We have an obligation to seek best execution for you. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, including the value of research provided, execution capability, commission rates, reputation and

responsiveness. Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for account transactions.

### **3. Brokerage for Client Referrals**

We may receive additional compensation for sales of insurance products and non-qualified annuities only.

### **4. Directed Brokerage**

We require you to use Charles Schwab & Co., Inc. Advisor Services as the custodial firm for execution of your transactions. Not all advisory firms require you to direct brokerage to a specific broker-dealer or custodian. We have an obligation to seek best execution for you. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for account transactions.

If you elect to select your own broker-dealer or custodian and direct us to use them, you may pay higher or lower fees than what is available through our relationships. Generally, we will not negotiate lower rates below the rates established by the executing broker-dealer or custodian for this type of directed brokerage account, unless we believe that such rate is unfair or unreasonable for the size and type of transaction.

### **5. Trading**

Transactions for each client account generally will be affected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may (but are not obligated to) combine or "batch" such Orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients' differences in prices and commission or other transaction costs. Under this procedure, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

## **Item 13 – Review of Accounts**

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### **1. Reviews**

Reviews are conducted at least annually or as agreed to by us. Reviews will be conducted by the Chief Compliance Officer. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Generally, we will monitor for changes and shifts in the economy, changes to the management and structure of a mutual fund, stock, or ETF in which client assets are invested, and market shifts and corrections.

### **2. Reports**

You will be provided with account statements reflecting the transactions occurring in the account on at least a monthly basis. These statements will be written or electronic depending upon what you selected when

you opened the account. You will be provided with paper or e-delivery confirmations for each securities transaction executed in the account. You are obligated to notify us of any discrepancies in the account(s) or any concerns you have about the account(s).

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

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Charles Schwab & Co., Inc. Advisor Services provides RWM with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For RWM client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to RWM other products and services that benefit RWM but may not benefit its clients' accounts. These benefits may include national, regional or RWM specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of RWM by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist RWM in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of RWM's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of RWM's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to RWM other services intended to help RWM manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to RWM by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to RWM. RWM is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.



## **Item 15 – Custody**

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We do not have physical custody of any accounts or assets. However, we may be deemed to have custody of your account(s) if we have the ability to deduct your monthly fees from the custodian. We use Charles Schwab & Co., Inc. Advisor Services as the custodian and/or broker-dealer for all your accounts. Advyson (a portfolio management system and client reporting software) will calculate the fees for most households and Charles Schwab & Co., Inc. Advisor Services will process the fees. You should receive at least monthly statements from the broker-dealer or custodian that holds and maintains your investment assets. We urge you to carefully review such statements and compare this official custodial record to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If you notice any discrepancies, please contact Ryan Larsen. Also, any accounts under \$10-20\$k will be subject to 0.25 basis point fee.

We do not debit the client fees directly from your advisory account. We send a notification to the custodian showing them how much to deduct from your account and send to us. The client agrees to authorize the custodian to pay directly to RWM upon receipt of notice the accounts investment advisory services fee. For taxable accounts, the custodian will provide you with consolidated year-end summary statements including IRS forms 1099 and other tax-related forms, as applicable. We are not allowed to make alterations or amendments to the custodian's statement. This preserves the integrity of the custodian's statement and provides you with an independent appraisal of the account.

## **Item 16 – Investment Discretion**

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We receive discretionary authority from you at the beginning of an advisory relationship to select the identity and amount of securities to be bought or sold. This information is described in the Advisory Agreement you sign with us. In all cases, however, this discretion is exercised in a manner consistent with your stated investment objectives for your account.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions you have set. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

We require that any investment guidelines and/or restrictions be provided to us in writing. The Advisory Agreement details this in full.

## **Item 17 – Voting Client Securities**

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As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. We may provide advice to you regarding your voting of proxies. We are authorized to instruct the custodian to forward you copies of all proxies and shareholder communications relating to your account assets.

## **Item 18 – Financial Information**

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We are required to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that would impair our ability to meet any contractual and fiduciary commitments to you, our client. We have not been the subject of any bankruptcy proceedings. In no event shall we charge advisory fees that are both in excess of five hundred dollars and more than six months in advance of advisory services rendered.

## **Item 19 – Requirements for State Registered Advisers**

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Part A

Please refer to the Part 2B attached.

Part B

Please refer to the Part 2B attached.

Part C

Please refer to the Part 2B attached.

Part D

Please refer to the Part 2B attached.

Part E

Please refer to the Part 2B attached.

There is one principal of RWM, Ryan Larsen: and one investment adviser representative, Matthew Williams. Ryan is the Managing Member and was born in 1972. Matthew is an Investment Adviser Representative and was born in 1983.