

# Able Wealth Management LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Able Wealth Management LLC. If you have any questions about the contents of this brochure, please contact us at (212) 634-7842 or by email at: [info@ablewealth.co](mailto:info@ablewealth.co). 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 Able Wealth Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Able Wealth Management LLC's CRD number is: 298085.*

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*Registration as an investment adviser does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

In 2022, Able Wealth terminated its relationship with Intelliflo Advisers, Inc. to provide services including account administration, billing, cashiering, and other middle office support services.

Able Wealth has entered into an agreement with Pontera, an unaffiliated third party platform that enables Able Wealth to provide investment management to “Held Away” assets (e.g., 401(k), 529 etc.) For more information please refer to items 4, and 10 regarding this relationship.

Able Wealth has entered into an agreement with StoneCastle Network, an unaffiliated financial services firm, to offer its clients a Federally Insured Cash Account (“FICA”) Program. For more information please refer to items 4, 5 and 10 regarding this program and relationship.

Able Wealth has not had any other material changes to its advisory services or personnel since the filing of its 2023 ADV Annual Amendment.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Able Wealth Management LLC (hereinafter “AWML”) is a Limited Liability Company organized in the State of New Jersey. The firm was formed in July 2018, and the principal owners are Seth Philip Hodes and Yoel Kaplowitz.

### B. Types of Advisory Services

#### ***Portfolio Management Services***

AWML offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. AWML creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

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

AWML evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. AWML will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

AWML seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of AWML’s economic, investment or other financial interests. To meet its fiduciary obligations, AWML attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, AWML’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is AWML’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

#### **“Held Away Asset” Portfolio Management Services – Pontera Platform**

We offer an additional investment management service for “Held Away accounts,” such as 401(k), 403(b), HSA, and 529 plan accounts. These accounts are not opened at Charles Schwab or Fidelity. We use a third-party platform, Pontera, to leverage an Order Management System to implement asset allocation and opportunistic rebalancing strategies on behalf of clients. We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools as necessary.

A link will be provided to Clients allowing them to connect account(s) to the platform. Once a client's account is connected to the platform, we will review the current account allocations. When deemed necessary, we will rebalance the account considering the Client's investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary. The Pontera's platform allows us to avoid having custody of Clients' funds since we do not have direct access to Client log-in credentials. We are not affiliated with Pontera and receive no compensation from Pontera for using their platform. Pontera charges AWML an annual fee of 0.25% of the assets on their platform.

Where requested by the client, our Portfolio Management Services may include ongoing discretionary investment management and monitoring with respect to certain held-away accounts (e.g., employer sponsored retirement accounts) identified by the client. In order to manage certain types of held away accounts, we will utilize a third-party platform provided to us by Pontera Solutions (respectively, the "Pontera Platform" and "Pontera"). The Pontera Platform allows us to avoid having custody of client funds and securities since we do not have direct access to client log-in credentials to affect trades. Where these services are requested, a link will be provided to the client allowing them to connect to the held away account(s) they desire AWML to manage via the Pontera Platform. Once a client's account(s) is connected to the Pontera Platform, AWML will review the current account allocations. We will monitor the account on an ongoing basis and when deemed necessary and appropriate, rebalance the linked account(s) in consideration of the client's unique investment goals, needs, and limitations.

#### **Sub-Advisory Platform Sponsors**

AWML has entered into agreements with Betterment LLC and Altruist LLC (collectively "Sponsors") to utilize their advisory platform technology. These Sponsors have developed a Platform (as defined below) for use by independent investment advisors such as AWML. The Platform is a proprietary automated investment management platform for use by independent investment advisors to offer their clients a customized portfolio of exchange traded funds, publicly traded equities, fixed income securities, closed end funds and mutual funds (collectively "Investments"). In connection with the Platform, the Sponsors provide AWML with technology and related trading and account management services.

#### ***Pension Consulting Services***

AWML offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- identifying investment objectives and restrictions
- providing guidance on various assets classes and investment options
- recommending money managers to manage plan assets in ways designed to achieve objectives.
- monitoring performance of money managers and investment options and making recommendations for changes

- recommending other service providers, such as custodians, administrators, and broker-dealers
- creating a written pension consulting plan

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

### ***Financial Planning***

Financial plans and financial planning may include but are not limited to investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### ***Services Limited to Specific Types of Investments***

AWML generally limits its investment advice to mutual funds, closed-end mutual funds, interval funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, private equity funds, ETFs, treasury inflation protected/inflation linked bonds, venture capital funds and private placements, although AWML primarily recommends long term. AWML may use other securities as well to help diversify a portfolio when applicable.

### **Federally Insured Cash Account (“FICA”) Program**

AWML and entered into a Placement Agent agreement with StoneCastle Network (“StoneCastle”) to offer a bank deposit bank account program to its clients through which they (each, a “FICA Depositor”) can make a single deposit with a custodian and such amount will have 100% Federal Deposit Insurance Corporation (“FDIC”) or National Credit Union Administration (“NCUA”) insurance coverage up to prescribed amounts. This FICA program is only offered to eligible clients.

## **C. Client Tailored Services and Client Imposed Restrictions**

AWML offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client’s current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent AWML from properly servicing the client account, or if the restrictions would require AWML to deviate from its standard suite of services, AWML reserves the right to end the relationship.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. AWML does not participate in wrap fee programs.

## E. Assets Under Management

AWML has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$ 189,434,829	\$0	December 2022

In addition, AWML provides consulting to approximately \$16,411,100 in 401(k) plan assets. These services are provided on an Assets Under Advisement ("AUA") basis. In total, AWML provides advisory services to more than \$67 million in client assets.

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Portfolio Management Fees*

Total Assets Under Management	Annual Fees
\$0 - \$1,000,000	1.00%
\$1,000,001 - \$5,000,000	0.75%
\$5,000,001 +	0.50%

AWML uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are generally negotiable, and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of AWML's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

#### **Sub-Advisory Platform Sponsors**

AWML may direct certain clients to third-party Sponsor Platforms. AWML will be compensated via a fee share from these Sponsors to which it directs those clients. The advisory fees assessed to clients that utilize these Sponsor Programs are a flat 0.75% investment advisory and will not exceed any limit imposed by any regulatory agency. This fee is subject to a waiver or reduction by Able Wealth Management in its sole discretion. The notice of termination requirement and payment of fees will depend on the specific Sponsor Platform selected and will be set forth in the client agreements. .

### ***Pension Consulting Services Fees***

The rate for pension consulting services is between 0.20% and 0.75% of the plan assets for which AWML is providing such consulting services. These fees are negotiable, and the fee schedule is outlined below:

<b>Total Assets Under Advisement</b>	<b>Pension Consulting Fees</b>
\$0 - \$1,000,000	0.75%
\$1,000,000 - \$5,000,000	0.50%
\$5,000,001 - \$10,000,000	0.40%
\$10,000,001 - \$20,000,000	0.30%
\$20,000,001 +	0.20%

AWML uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the pension consulting fee is based.

### ***Financial Planning Fees***

#### **Fixed Fees**

The negotiated fixed rate for creating client financial plans is between \$500 and \$10,000.

#### **Hourly Fees**

The negotiated hourly fee for these services is between \$100 and \$500.

Clients may terminate the agreement without penalty, for a full refund of AWML's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

### **B. Payment of Fees**

#### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in arrears.

#### ***Payment of Pension Consulting Services Fees***

Pension consulting fees are withdrawn directly from Plan Assets with the Plan's Trustees' written authorization. Fees are paid quarterly in arrears or paid via check depending on the Plan Trustees' preference.



### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check.

Fixed financial planning fees are paid 20% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

Hourly financial planning fees are paid in arrears upon completion.

### ***FICA Program Fees***

AWML will receive a placement fee of 0.12% annually on the amount of client assets placed in the FICA program. This Fee is paid by StoneCastle directly to AWML. These fees would not be in addition to any advisory fees charged by AWML on these same assets.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by AWML. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Prepayment of Fees**

AWML collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check or return deposit back into the client's account.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither AWML nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

AWML does not accept performance-based fees or other fees based on a share of capital gains or capital appreciation of the assets of a client.

## Item 7: Types of Clients

AWML generally provides advisory services to the following types of clients:

- ❖ Individuals, High-Net-Worth Individuals
- ❖ Pension and Profit-Sharing Plans and Charitable Organizations

There is no account minimum for any of AWML's services.

## Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

### A. Methods of Analysis and Investment Strategies

#### ***Methods of Analysis***

AWML's methods of analysis include Fundamental analysis and Modern portfolio theory.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

#### ***Investment Strategies***

AWML uses long term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### B. Material Risks Involved

#### ***Methods of Analysis***

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that

a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### ***Investment Strategies***

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Interval Funds:** An interval fund is a type of closed-end fund that is not listed on an exchange that provides individual investors with access to strategies that are typically limited to institutions such as hedge funds or pension plans. These strategies may allocate to asset classes that are less liquid than those typically found in mutual funds but may offer the potential to generate higher long-term returns. On a periodic basis, typically quarterly, interval funds offer to repurchase a limited number of outstanding shares, as defined in the fund’s prospectus. Due to their limited liquidity structure, interval funds tend to appeal most to long-term investors who do not need access to their principal for an extended period of time.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and

credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Private equity** funds carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Venture capital funds** invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither AWML nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither AWML nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Yoel Kaplowitz is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. AWML always acts in the best interest of the client, including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of AWML in connection with such individual's activities outside of AWML.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

AWML may direct clients to third-party investment advisers. AWML will be compensated via a fee share from the advisers to which it directs those clients. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that AWML has an incentive to direct clients to the third-party investment advisers that provide AWML with a larger fee split. AWML will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. AWML will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where AWML is recommending the adviser to clients.

AWML is not affiliated with Pontera in any way and receives no compensation from Pontera in connection with our use of the Pontera Platform. Clients are advised that our management of accounts via the Pontera Platform is subject to the limitations and restrictions imposed by the underlying sponsor, issuer, and/or custodian of the client's held-away assets. For example, our instructions to rebalance holdings within your held-away account through the Pontera Platform may not be implemented by the account sponsor, issuer, or custodian for up to one (1) business day or more following entry. We may also not be able to view real-time account value and holdings data over the Pontera Platform. Clients understand that our investment of the assets held within such accounts is limited to allocation of the client's assets among the various investment options made available by the account sponsor, issuer, or custodian.

Upon entering into an agreement for advisory services with us, clients authorize us to use unrelated third party service providers (including Pontera) to service their account, including billing and the deduction of fees from client accounts. Clients agree to allow us to share non-public, personal information with these unrelated third-party service providers for the purpose of administering and managing the clients' accounts. We require unrelated third-party service providers to execute a confidentiality agreement and not share client information with any unauthorized person or entity. The use of unrelated third-party service providers will not cause the client to incur any additional fees. We pay unrelated third-party service providers (including Pontera) for services out of the total advisory fee charged to the client.

AWML has entered into a Placement Agent relationship with StoneCastle to be able to offer the FICA program to its eligible advisory clients. All advisory clients that wish to participate execute separate agreements directly with StoneCastle who will manage and oversee the FICA Program. AWML and StoneCastle are not affiliated.

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

### **A. Code of Ethics**

AWML has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. AWML's Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

AWML does not recommend that clients buy or sell any security in which a related person to AWML or AWML has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of AWML may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of AWML to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting from the recommendations they provide to clients. Such transactions may create a conflict of interest. AWML will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of AWML may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of AWML to buy or sell securities before or after recommending securities to clients resulting in representatives profiting from the recommendations they provide to clients. Such transactions may create a conflict of interest; however, AWML will never engage in trading that operates to the client's disadvantage if representatives of AWML buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on AWML's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. This means that AWML seeks a

custodian/broker-dealer that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. AWML considers a range of factors, including but not limited to:

- Capability to execute, clear, and settle trades (buy and sell securities for your account) itself or to facilitate such services.
- Proficiency in facilitating timely transfers and payments to and from accounts.
- Availability of investment research and tools that assist us in making investment decisions.
- Competitiveness of the price of those services and willingness to negotiate the prices. [Clients will not necessarily pay the lowest commission or commission equivalent.]
- Quality of services.
- Reputation, financial strength, and stability.
- Prior service to us and our other clients.

MTG, LLC dba Betterment Securities ("Betterment Securities"), a SEC registered broker-dealer FINRA/SIPC member, will be the qualified custodian for client accounts using Betterment LLC and/or Betterment Institutional. AWML is independently owned and operated and is not affiliated with Betterment Securities. Clients will open an account with Betterment Securities by entering into an account agreement directly with them. While we do not open the account for you, we may assist you in doing so.

Altruist Financial LLC ("Altruist Financial"), a SEC registered broker-dealer FINRA/SIPC, will be the qualified custodian for client accounts using Altruist's platform. AWML is independently owned and operated and is not affiliated with Altruist Financial. Clients will open an account with Altruist Financial by entering into an account agreement directly with them. While we do not open the account for you, we may assist you in doing so.

AWML generally recommends its clients to use Charles Schwab & Co Inc., Member FINRA/SIPC

### ***1. Research and Other Soft-Dollar Benefits***

While AWML has no formal soft dollars program in which soft dollars are used to pay for third party services, AWML may receive research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. AWML benefits by not having to produce or pay for the research, products, or services, and AWML will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that AWML's acceptance of soft dollar benefits may result in higher commissions charged to the client.

**BROKERAGE AND CUSTODY COSTS** - For client accounts that Betterment Securities maintains, Betterment Securities generally does not charge separately for custody services. It is instead compensated as part of the Betterment Institutional platform fee, which is a percentage of the dollar amount of assets in the account in lieu of commissions.



AWML has determined that having Betterment Securities execute trades is consistent with its duty to seek “best execution” of trades (see above).

**SERVICES AVAILABLE VIA BETTERMENT INSTITUTIONAL** -Betterment Securities serves as broker-dealer to Betterment Institutional, an investment and advice platform serving independent investment advisory firms. Betterment Institutional also offers available various support services, which may not be available to its retail customers. Some of those services help AWML manage or administer client accounts, while others help us manage and grow our business. Betterment Institutional’s support services are generally available on an unsolicited basis (AWML does not have to request these services) and at no additional charge to AWML. The following is a more detailed description of Betterment Institutional’s support services:

1. **SERVICES THAT BENEFIT THE CLIENT.** Betterment Institutional includes access to a range of investment products, execution of securities transactions, and custody of client assets through Betterment Securities. Betterment Securities’ services described in this paragraph generally benefit clients and their accounts.

2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT CLIENTS.** Betterment Institutional also makes available to AWML other products and services that benefit AWML but may not directly benefit the client or client accounts. These products and services assist AWML in managing and administering client accounts, such as software and technology that may:

- Assist with back-office functions, recordkeeping, and client reporting of our accounts.
- Provide access to client account data (such as duplicate trade confirmations and account statements).
- Provide pricing and other market data.
- Assist with back-office functions, recordkeeping, and client reporting.

3. **SERVICES THAT GENERALLY BENEFIT ONLY US.** By using Betterment Institutional, we will be offered other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events.
- Consulting on technology, compliance, legal, and business needs.
- Publications and conferences on practice management and business succession.

#### **OUR INTEREST IN BETTERMENT SECURITIES’ SERVICES**

The availability of these services from Betterment Institutional benefits AWML because we do not have to produce or purchase them. In addition, AWML does not have to pay an additional fee for Betterment Securities’ services, although these services may be contingent upon AWML committing a certain amount of assets to Betterment Securities for custody. AWML has an incentive to have clients maintain their accounts with Betterment Securities based on AWML’s interest in receiving Betterment Institutional and Betterment Securities’ services that benefit our business rather than based on clients’ interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. However, the availability to us of Betterment Institutional’s and Betterment Securities’ products and services is not based on AWML giving particular investment advice, such as buying particular securities for its

clients. Moreover, AWML believes that the use of Betterment Securities as custodian and broker-dealer is in the clients' best interests and consistent with AWML's fiduciary duty. AWML's selection of Betterment Securities is primarily supported by the scope, quality, and price of services (described above) rather than Betterment Institutional and Betterment Securities' services that benefit AWML directly.

## **2. Brokerage for Client Referrals**

AWML receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. Clients Directing Which Broker/Dealer/Custodian to Use**

AWML will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

If AWML buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, AWML would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. AWML would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

## **Item 13: Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for AWML's advisory services provided on an ongoing basis are reviewed at least Quarterly by Seth P Hodes, Co-Owner, with regard to clients' respective investment policies and risk tolerance levels. All accounts at AWML are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Seth P Hodes, Co-Owner. Financial planning clients are provided with a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in a client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, AWML's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of AWML's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

AWML will receive a non-economic benefit from Betterment Institutional and Betterment Securities in the form of the support products and services it makes available to AWML (and other independent investment advisors whose clients maintain their accounts at Betterment Securities). These products and services, how they benefit AWML, and the related conflicts of interest are described above - see Item 12. The availability of Betterment Institutional and Betterment Securities' products and services to AWML is not based on AWML giving particular investment advice, such as buying particular securities for its clients.

As stated in Item 5. AWML will receive a Placement Agent Fee from StoneCastle for all clients that participate in the FICA Program. Please refer to Item 10 for more detailed information regarding this relationship.

### **B. Compensation to Non – Advisory Personnel for Client Referrals**

AWML does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, AWML will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Betterment Securities to deduct our advisory fees directly from your account. Betterment Securities maintains actual custody of your assets. Your statements will be available for you to review on the activity section of your Betterment for Advisors account portal. You will also receive account statements directly from Betterment Securities at least quarterly at [www.bettermentsecurities.com](http://www.bettermentsecurities.com). You should carefully review those statements promptly.

## **Item 16: Investment Discretion**

AWML provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, AWML generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

## **Item 17: Voting Client Securities (Proxy Voting)**

AWML will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

AWML neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither AWML nor its management has any financial condition that is likely to reasonably impair AWML's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

AWML has not been the subject of a bankruptcy petition in the last ten years.