

Item 1 – Cover Page



O'Connor Wealth Management, Inc. Disclosure Brochure

October 21, 2024

This Form ADV Part 2A ("Disclosure Brochure") provides information about the qualifications and business practices of O'Connor Wealth Management, Inc. ("OWM" or the "Firm"). If you have any questions about the content of this Disclosure Brochure, please contact (626) 386-5116 or email info@oconnorwealthmgt.com.

OWM is an investment adviser registered with the Securities and Exchange Commission (the "SEC"). Registration as an investment adviser with the SEC is not intended to imply any level of skill or training. This Disclosure Brochure is designed to provide you with information about OWM and its business practices and to assist you in determining whether or not to retain the Firm. The information in this Disclosure has not been verified by the Securities and Exchange Commission or any state securities authorities.

Additional information about the Firm can be directly accessed by clicking on the hyperlink to OWM's Brochure. For further details, please refer to the SEC's Investment Adviser Public Disclosure website at adviserinfo.sec.gov. You may search using OWM's unique identification number, known as the CRD number, to locate specific information. **The Firm's CRD number is 152316.**

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Item 2 – Material Changes

O'Connor Wealth Management, Inc. has made the following material changes to its service offerings since its last annual updating amendment on March 13, 2024:

- **Transitioning to Registration with the Securities and Exchange Commission (“SEC”):** In November 2024, OWM is in the process of transitioning its registration as an investment adviser with the state of California to registration with the Securities and Exchange Commission. The effective date of registration with the SEC has not yet been determined. This change is reflected in "Item 4 – Advisory Services."
- **Discretionary Investment Management:** As of November 2024, OWM has transitioned the investment management component of its Wealth Management Services ("WMS") from non-discretionary to discretionary for all clients. This change is detailed in "Item 4 – Advisory Services" and "Item 16 – Investment Discretion."
- **Disclosure of 401(k) Plan Administrative Services:** While not a new service offering, OWM has included a comprehensive disclosure of its 401(k) Plan Administrative Services ("PAS") services in this Disclosure Brochure. This administrative service offering has been part of OWM's offerings but is now explicitly detailed in "Item 4 – Advisory Services" and "Item 5 – Fees and Compensation."

We encourage all clients to carefully review this entire Brochure, particularly the Items mentioned above, for a detailed description of these changes and how they may affect the services provided by OWM.

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Item 4 – Advisory Services

A. Firm Overview

O'Connor Wealth Management, Inc. ("OWM," the "Firm," "We," "Our," "Us") was founded in January 2010 with its principal office and place of business in Monrovia, California. OWM's registration as an investment adviser became effective with the state of California in January 2010¹. In November 2024, the Firm is transitioning to registration as an investment adviser with the Securities and Exchange Commission². The effective date of registration with the SEC has not yet been determined.

OWM's principal owners are Mr. John V. O'Connor, Chief Executive Officer, and Mr. Christopher P. de Lorimier, Chief Operating Officer. Both Mr. O'Connor and Mr. de Lorimier each own more than 25% of the Firm.

Firm Personnel and Roles

Mr. John V. O'Connor and Mr. Christopher P. de Lorimier serve as the Firm's Principals and sole investment adviser representatives ("IARs"). They are exclusively authorized to provide investment advice to clients. The Firm also employs clerical staff to perform administrative functions.

The Principals/IARs and administrative staff are collectively referred to as "Supervised Persons" and are subject to OWM's compliance policies and procedures, as well as its Code of Ethics.

B. Description of Our Services

At O'Connor Wealth Management, Inc., we recognize that our clients have diverse financial needs. To address these needs, we offer two distinct services. Our flagship offering is **Wealth Management Services ("WMS")**, a comprehensive advisory service designed for individuals and families seeking integrated wealth management. We also support small and medium-sized businesses by providing **401(k) Plan Administrative Services ("PAS")** to qualified plan sponsors.

Wealth Management Services ("WMS")

WMS's Investment Management Component

WMS offers investment management services on a discretionary basis. This service involves consistent communication and collaboration to deliver solutions tailored to the Client's specific needs. The Firm works closely with each Client to determine their investment objectives and risk tolerance to construct the optimal asset allocation.

¹ Registration with the state of California is not intended to imply any level of skill or training.

² Registration as an investment adviser with the Securities and Exchange Commission is not intended to imply any level of skill or training.

Asset allocation consists of allocating client assets amongst various asset classes to seek the optimal return for a given level of risk. Once the optimal asset allocation is agreed upon, the Firm will construct a portfolio comprising various investment vehicles. These typically include:

- Equity securities
- Fixed-income securities
- Exchange-traded funds ("ETFs")
- Mutual funds
- Cash equivalents
- Adviser-managed variable annuities

The types of fixed-income securities purchased will depend on tax status and risk tolerance. Cash equivalents may include money market funds, Treasury Bills, municipal notes, certificates of deposit, and other fixed-income securities that typically mature in one year or less.

The Firm's investment strategies are primarily focused on the long term, but the Firm may buy, sell, or re-allocate positions held for less than one year to meet the Client's objectives or due to market conditions. After constructing a portfolio, OWM will continuously monitor it to ensure it is on track to meet the goals and objectives based on the Client's agreed-upon risk tolerance.

Transition to Discretionary Investment Management for Existing Clients

Prior to November 2024, OWM offered investment management services exclusively on a non-discretionary basis. OWM is transitioning to offer investment management services solely on a discretionary basis under our Wealth Management Services ("WMS") program. This transition is expected to occur in November 2024, coinciding with the effective date of OWM's registration with the Securities and Exchange Commission ("SEC").

Under discretionary investment management, OWM will have the authority to make investment decisions and execute trades on behalf of clients without obtaining prior client approval for each transaction.

Existing clients will transition to the new WMS discretionary management structure upon execution of the new Wealth Management Services ("WMS") Agreement. The effective date of this transition will be the later of OWM's SEC registration effective date or the date the Client executes the new WMS Agreement. Until this effective date, existing client assets will continue to be managed on a non-discretionary basis.

New clients onboarded on or after the effective date of OWM's SEC registration will be offered only discretionary investment management services under the WMS program.

WMS's Financial Planning Component

In addition to investment management, WMS includes a comprehensive range of financial planning services. This integrated approach is designed to address the diverse needs, goals, and concerns of clients at various life stages and wealth levels. Through our personalized financial planning process, WMS can help clients navigate a wide array of financial objectives, including but not limited to:

- Budgeting and cash flow management
- Retirement planning and analysis
- Real estate decisions (home purchase/sale, investment)
- Insurance and risk management
- Education funding (college savings)
- Tax planning strategies
- Estate planning
- Charitable giving strategies

Key Features of WMS's financial planning component include:

- **Continuous, Ad-hoc Advice:** Unlike traditional one-time financial plans, WMS offers ongoing, as-needed financial planning guidance. Clients can seek advice on specific financial issues as they arise, ensuring that their financial strategy remains adaptive and relevant.
- **Issue-Specific guidance:** Clients have access to expert advice on a wide range of financial topics, as previously listed.
- **Flexible and Responsive:** The service adapts to clients' changing needs. Clients may have periods of frequent financial planning questions followed by months with minimal inquiries. This flexibility ensures that support is available when clients need it most.
- **Integrated Approach:** Financial planning advice is provided in the context of the Client's overall financial situation and investment strategy, ensuring a holistic approach to wealth management.
- **No Additional Cost:** The financial planning component is included in the overall asset management fee. Clients can utilize this service as much or as little as needed without incurring additional charges.
- **Customized Deliverables:** While there isn't a single comprehensive plan delivered, clients may receive specific analyses, comparisons, or recommendations in response to their inquiries. These deliverables are tailored to address the particular financial questions or concerns raised by the Client.

Our principals work closely with each Client to identify and address their most pressing financial concerns and long-term aspirations, providing timely and relevant advice as their financial situation evolves. Whether a client is just starting their career, in their peak earning years, approaching retirement, or already retired, WMS provides ongoing support and expertise to help them make informed decisions and work toward their goals.

Conflicts of Interest Related to WMS

As part of WMS's financial planning services, OWM may recommend purchasing life insurance or annuity products. Additionally, Mr. de Lorimier offers tax planning and preparation services. These recommendations and services represent material conflicts of interest. For detailed information about these conflicts of interest and how the Firm addresses them, please carefully review "Item 10 – Other Financial Activities and Affiliations."

C. Life Events and Behavioral Advisory Approach

OWM recognizes that clients' financial needs evolve with various life events and transitions. The Firm's adaptive approach ensures that investment strategies and financial plans remain aligned with clients' changing circumstances. OWM provides specialized guidance and support through pivotal life events, including:

- Marriage and family planning
- Career transitions and job changes
- Buying or selling a home
- Starting or selling a business
- Preparing for and transitioning into retirement
- Receiving an inheritance or windfall
- Divorce or loss of a spouse
- Care for aging parents or special needs dependents
- Legacy planning and wealth transfer

At OWM, we approach our advisory role with a focus on understanding and addressing the behavioral aspects of financial decision-making. Our advisory services are designed to:

- **Educate and Perspective:** Helping clients understand market dynamics and their own behavioral biases to make more informed decisions.
- **Manage Emotions:** Guiding clients through market volatility and preventing reactive decisions that may harm long-term financial goals.
- **Encourage Disciplined Planning:** Emphasizing the importance of adhering to a well-constructed financial plan rather than chasing short-term market trends.
- **Add Value:** Providing incremental returns through strategic planning, tax optimization, and risk management.
- **Reduce Time and Worry:** Taking on the complexities of financial management to allow clients to focus on their personal and professional lives.

For a more detailed explanation of our investment strategies and risk management approach, please refer to "Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss."

D. Tailoring of Advisory Services

OWM tailors the investment management component of WMS to the individual needs of each Client. We conduct a comprehensive assessment of each Client's financial situation, goals, and investment preferences.

Clients may impose reasonable restrictions on investing in certain securities or types of securities. These restrictions are documented and adhered to in the management of the Client's portfolio. Examples of reasonable restrictions that clients may impose include:

- Concentration limits (e.g., limits on exposure to specific asset classes, industries, or individual stocks)
- Liquidity requirements
- Socially responsible investing criteria (e.g., environmental, social, and governance considerations)

OWM develops a custom-tailored solution for each Client that aligns with their individual needs and any imposed restrictions.

401(k) Plan Administrative Services ("PAS")

OWM provides 401(k) Plan Administrative Services ("PAS") to a limited number of qualified plan sponsors. These services are strictly administrative in nature and do not include any investment advice or investment management. The administrative services provided under PAS are limited to:

- **Enrollment**
- **Processing participant contributions**
- **Processing participant investment elections**
- **Distributions**

OWM does not provide any advice to plan participants or to the plan itself as part of PAS.

F. Wrap Fee Programs

OWM does not participate in or offer wrap fee programs.

G. Assets Under Management

The amount of client assets managed by OWM totaled \$153,663,483 as of October 18, 2024. All client assets are managed on a discretionary basis.

Item 5 – Fees and Compensation

A. Wealth Management Services ("WMS")

1. Description of Fees for WMS

OWM charges a standard annual fee of 1.00% of the account value, which includes all assets managed by OWM. The specific annual fee rate for the Client's account, which may differ from the standard, is specified in the advisory agreement. As a general policy, fees are negotiable for client relationships with total account values of \$3 million or more. OWM, however, at its sole discretion, may discount or waive advisory fees for accounts with less than \$3 million in assets.

OWM applies "householding" of accounts for fee calculation purposes. This means that we combine the assets of related accounts (such as those of spouses, partners, and dependent children) towards the \$3

million threshold for negotiability. This approach may result in clients qualifying for lower overall fee rates. Lower fees for comparable services may be available from other investment advisers.

2. Fee Billing for Wealth Management Services ("WMS")

WMS is OWM's flagship service, which requires clients to have a TradePMR/Wells Fargo account relationship. For more information on this arrangement, please refer to "Item 12 – Brokerage Practices."

Advisory fees are billed quarterly in advance and are directly debited from client accounts held at Wells Fargo Clearing Services, LLC ("Wells Fargo") under the trade name of First Clearing. The investment advisory fee is billed quarterly in advance, based on the account value as of the first trading day's opening price of the current calendar quarter. For new accounts, the initial fee is prorated based on the number of days remaining in the current billing period, calculated from the date services begin.

We instruct TradePMR, Inc. ("TradePMR"), our executing broker-dealer and service provider, to process these fee deductions. TradePMR then coordinates with Wells Fargo, the qualified custodian, to deduct the fees from client accounts.

The Adviser applies "householding," combining the values of related accounts (such as those of spouses, partners, and dependent children) towards the \$3 million threshold for negotiability.

3. Fees and Billing for Other Account Structures

In addition to our flagship WMS offering, OWM manages certain other account types, such as 403(b) plans, 529 college plans, and fee-based variable annuities. These accounts are held at various financial institutions with different fee structures and billing processes:

Fidelity Investments

Advisory fees for accounts held at Fidelity Investments ("Fidelity") are billed quarterly in advance and are directly debited from client accounts held at Fidelity. The quarterly fee is calculated based on the value of the account on the last trading day of the previous quarter.

We instruct Fidelity, our executing broker-dealer and service provider, to process these fee deductions on a quarterly basis.

Orion Portfolio Solutions

Advisory fees for accounts held at Orion Portfolio Solutions ("OPS") are billed monthly in advance and are directly debited from client accounts held at OPS. The fee is calculated based on the average daily balance of the account on the day the fee is processed. OPS automatically processes this fee each month.

Capital Group

Advisory fees for accounts held at Capital Group are billed quarterly in advance and are directly debited from client accounts held at Capital Group. The fee is calculated based on the average daily balance of the account on the day the fee is processed. Capital Group automatically processes this fee each quarter.

Nationwide Advisory

Advisory fees for accounts held at Nationwide Advisory ("Nationwide") are billed quarterly in advance and are directly debited from client accounts held at Nationwide. The fee is calculated based on the average daily balance of the account on the day the fee is processed. Nationwide automatically processes this fee each quarter.

Fees for advisory services described previously in this section do not include various other costs that clients may incur. These additional costs fall into two main categories:

- Investment Vehicle Expenses:
 - Underlying operating expenses of exchange-traded funds (ETFs) and mutual funds
 - When OWM recommends ETFs or mutual funds, clients are effectively subject to two layers of fees: 1) Direct investment management fees (based on OWM's fee structure); 2) Indirect advisory fees (paid by the fund to the Adviser to the fund)
- Brokerage and Custodial Fees:
 - Commissions, markups, markdowns, and ticket charges
 - Custodial fees and account maintenance fees
 - Wire transfer fees
 - Other fees and taxes applicable to securities transactions or brokerage accounts

For more information about our brokerage practices and custodial arrangements, please refer to "Item 12 – Brokerage Practices" and "Item 15 – Custody."

4. Agreement Termination, Prepaid Fees, and Refunds

Prior to OWM providing services, a client will be required to enter into a Wealth Management Services Agreement (the "Agreement"). The Agreement sets forth the specific terms and conditions of the engagement and describes the scope of the services provided.

Clients have the right to terminate their Agreement with OWM at any time by providing written notice. The Agreement will continue in effect until terminated by either party.

OWM's fees are billed quarterly in advance. Upon termination of the Agreement, any prepaid, unearned fees will be promptly refunded on a pro-rata basis. The amount of the refund will be calculated based on the number of days remaining in the quarterly billing period after the effective date of termination.

5. Compensation for the Sale of Securities and Other Investment Products

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

However, OWM's principals, in their individual capacities, are licensed to sell certain insurance and fixed annuity products. They receive commissions when these products are purchased, either as recommendations made during the financial planning process or as the result of comparative analyses of existing policies. For detailed information about these activities, potential conflicts of interest, and how OWM addresses them, please refer to "Item 10 – Other Financial Industry Activities and Affiliations" in the Disclosure Brochure.

B. 401(k) Plan Administrative Services ("PAS")

1. Description of Fees for PAS

OWM charges an annual fee ranging from 0.50% to 1.00% of assets under administration. The specific fee within this range is determined based on factors such as:

- Number of plan participants
- Complexity of the plan structure
- Frequency of enrollment periods
- Volume of transactions

The specific administrative fee for each plan sponsor is determined based on these factors and is agreed upon before services commence. Fees are subject to periodic review and may be adjusted to reflect changes in the scope of services provided or the complexity of plan administration.

2. Fee Billing

Fees for PAS are billed quarterly in advance (.1875%) based on the average daily balance of plan assets on the recordkeeping system during the calendar quarter. The resulting amount will be divided proportionally among plan participants based on their account balances on the day the fee billing is processed.

3. Termination and Refunds

The PAS agreement may be terminated by either party with written notice. If a termination notice is received, services will continue through the end of the quarter in which the notice was received. As such, no refund of prepaid fees will be issued, as services will continue until the end of the billing quarter.

4. PAS Services Agreement

Clients engaging OWM for PAS will be required to sign a PAS Services Agreement (this "Agreement"). This Agreement outlines the specific services to be provided, the agreed-upon fee, and other terms and conditions of the engagement.

C. Other Fees and Expenses (applicable to both WMS and PAS)

Fees for advisory services described previously in this section do not include various other costs that clients may incur. These additional costs fall into two main categories:

- **Investment Vehicle Expenses:**
 - Underlying operating expenses of exchange-traded funds (ETFs) and mutual funds
 - When OWM recommends ETFs or mutual funds, clients are effectively subject to two layers of fees: 1) Direct investment management fees (based on OWM's fee structure); 2) Indirect advisory fees (paid by the fund to the Adviser to the fund)
- **Brokerage and Custodial Fees:**
 - Commissions, markups, markdowns, and ticket charges
 - Custodial fees and account maintenance fees
 - Wire transfer fees
 - Other fees and taxes applicable to securities transactions or brokerage accounts

OWM does not charge additional fees for PAS. It also does not receive any other form of compensation related to the 401(k) plans it services, including from 401(k) Plan Service Providers. However, clients will incur fees from their chosen 401(k) Plan Service Provider. These entities offer comprehensive services for 401(k) plans, including:

- Providing and managing investment options (such as mutual funds)
- Maintaining records of participant accounts and transactions
- Administering the plan in compliance with regulations
- Processing contributions, distributions, and investment changes
- Providing educational materials and resources for plan participants

The fees charged by 401(k) Plan Service Providers are separate from and in addition to the fees charged by OWM for PAS. These fees include investment management fees and operating expenses for the funds offered in the plan, as well as administrative fees for recordkeeping and other services. Clients should carefully review all documentation provided by their chosen 401(k) Plan Service Provider for a complete understanding of all fees associated with their 401(k) plan.

Item 6 – Performance-Based Fees and Side-By-Side Management

OWM does not charge any performance-based fees on Client accounts it manages.

Item 7 – Types of Clients

OWM offers its advisory services to individuals, high-net-worth individuals, trusts, estates, and charitable organizations.

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

Investing in securities involves the risk of loss that clients should be prepared to bear. While OWM employs strategies to mitigate risk, we cannot guarantee that clients will not incur losses. We encourage clients to discuss their risk tolerance with us thoroughly.

A. Methods of Analysis and Investment Strategies

OWM utilizes diverse sources of information to aid its decision-making process. Research and analysis may be derived from financial media, third-party research materials, corporate rating services, annual reports, prospectuses, and company press releases. OWM conducts thorough analyses of client portfolios, including assessment of diversification, expense ratios, and overall cost structure.

Investment Strategy and Philosophy

1. Asset Allocation

Asset allocation involves dividing an investment portfolio among different asset categories, such as stocks, bonds, and cash equivalents. OWM believes in broad asset class diversification to protect against significant losses and reduce portfolio volatility. The Firm generally employs the following asset classes:

- U.S. stocks
- International stocks
- Bonds
- Real Estate Investment Trusts (REITs)
- Cash equivalents

2. Strategic vs. Tactical Asset Allocation

OWM primarily employs a strategic asset allocation approach. This method sets long-term target allocations based on client goals, risk tolerance, and time horizon rather than attempting to time the market through tactical shifts.

3. Client-Focused Advisory Approach

OWM's advisory approach emphasizes understanding and addressing the human element of financial decision-making. Our strategy focuses on:

- Educating clients about market dynamics and behavioral biases
- Guiding clients through market volatility to prevent emotional decision-making
- Emphasizing disciplined planning over short-term market trends
- Providing value through strategic planning, tax optimization, and risk management

4. Investment Selection

OWM utilizes individual stocks, bonds, exchange-traded funds (ETFs), mutual funds to construct client portfolios, and, in some cases, fee-based variable annuities to construct client portfolios.

B. Material Risk of Investment Strategies

While OWM's investment strategies are designed to align with the Client's financial goals and risk tolerance, all investments carry some level of risk. These risks may include, but are not limited to, the following:

- **Market risk:** The possibility of an overall market decline affecting the value of investments
- **Economic Risk:** Changes in economic conditions that may affect investment performance
- **Interest rate risk:** The impact of interest rate changes on investment values
- **Inflation Risk:** The potential for investments to lose purchasing power over time due to inflation
- **Liquidity risk:** The potential inability to sell an investment quickly at its fair market value.
- **Geopolitical risk:** The impact of political events or instability on investments
- **Credit risk:** The possibility of loss due to a borrower's failure to repay a loan or meet contractual obligations

We work closely with each Client to understand their risk tolerance and design portfolios accordingly. However, there is no guarantee that our investment strategies will meet their objectives.

C. Risks Associated with Specific Securities

OWM primarily uses the following types of securities in client portfolios, each carrying its own set of risks:

1. Equity Securities (Stocks)

Stocks offer potential for long-term growth but come with several risks:

- **Business Risk:** If a company goes bankrupt, common stockholders are last in line to share in the proceeds from the company's assets. The company's bondholders will be paid first, then holders of preferred stock. If you are a common stockholder, you may receive nothing.
- **Volatility Risk:** Stock prices can fluctuate dramatically in response to company-specific factors or broader market conditions. A stock's price can be affected by factors inside the company, such as a faulty product, or by events the company has no control over, such as political or market events.
- **Market Risk:** Stock prices can decline significantly in response to adverse market, economic, political, or other conditions, affecting the value of your investment.

2. Fixed Income Securities (Bonds)

Bonds can provide a stream of steady income but also come with their own set of risks:

- **Credit Risk:** The issuer may fail to make interest or principal payments in a timely manner and thus default on its bonds.
- **Interest Rate Risk:** As interest rates rise, bond prices typically fall. If an investor sells a bond before maturity, it may be worth less than the face value.
- **Inflation Risk:** Inflation reduces purchasing power, which is a risk for investors receiving a fixed rate of interest.
- **Liquidity Risk:** Some bonds may be difficult to sell at a desired time and price.
- **Call Risk:** Some bonds have a "call provision," allowing the bond issuer to purchase the bond back from the bondholder and retire the issue. This is generally done when interest rates have fallen substantially since the issue date.

3. Mutual Funds

Mutual funds pool money from many investors to invest in a portfolio of securities. While they offer diversification, they also come with risks:

- **Market Risk:** The value of the mutual fund can decrease in response to the activities and market fortunes of an individual company or due to general market and economic conditions.
- **Manager Risk:** The manager's investment strategy may fail to produce the intended results.
- **Industry Risk:** If the mutual fund invests heavily in a particular industry that experiences difficulties, the value of your investment may decrease.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

4. Exchange-traded funds (ETFs)

ETFs are investment funds traded on stock exchanges. They come with their own set of risks:

- **Market Risk:** ETFs are subject to market fluctuations and the risks inherent in all investments. The price of an ETF can decrease due to general market conditions.
- **Tracking Error Risk:** For index ETFs, there may be a difference between the performance of the ETF and the performance of its underlying index.
- **Trading Risk:** Shares of ETFs may trade above or below their net asset value (NAV). The trading price of ETF shares may deviate significantly from the NAV during periods of market volatility.
- **Liquidity Risk:** During certain periods, an ETF's underlying portfolio may become less liquid, which could lead to larger differences between the market price of the ETF and its underlying NAV.

5. Variable Annuities (Fee-Based)

Variable annuities are complex insurance products that come with their own set of risks:

- **Investment Risk:** The value of the variable annuity's investment portfolios can fluctuate and may decrease in value.
- **Surrender Charges:** Most variable annuities have surrender charges that are assessed if the investor withdraws money from the contract during the surrender period.
- **Tax Penalties:** Withdrawals before age 59½ may be subject to a 10% federal tax penalty in addition to any gain being taxed as ordinary income.
- **High Fees:** Variable annuities can have high fees, including mortality and expense risk charges, administrative fees, underlying fund expenses, and charges for special features.
- **Complexity:** Variable annuities are complex products that can be difficult to understand, potentially leading to misaligned expectations.

Investing in securities involves the risk of loss that clients should be prepared to bear. Past performance is not indicative of future results. We encourage clients to discuss these risks thoroughly with OWM to ensure they fully understand the potential risks associated with their investments.

Item 9 – Disciplinary Information

There are no legal or disciplinary events that are material to a client or prospective Client's evaluation of our advisory business or its principals, Mr. John V. O'Connor and Christopher P. de Lorimier.

Item 10 – Other Financial Industry Activities and Affiliations

A. Broker-Dealer Registration Status

The Firm is not registered as a broker or dealer, nor does it have an application pending to register as a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Adviser, and Non-U.S. Registrations

OWM is not registered with the U.S. Commodities Trading Commission as a Commodity Pool Operator or Commodity Trading Firm.

C. Material Relationships

The Firm's principals, Mr. John V. O'Connor, Chief Executive Officer, and Mr. Christopher P. de Lorimier, Chief Operating Officer of OWM, engage in outside business activities that may present potential conflicts of interest:

- **Life Insurance and Annuity Recommendations**
Mr. O'Connor and Mr. de Lorimier are individually licensed insurance agents with contractual relationships with multiple carriers. Their life insurance and annuity recommendations encompass two primary areas:

- **Financial Planning Process**

As part of OWM's financial planning process, they may recommend purchasing life insurance or annuity products when deemed appropriate for a client's financial strategy.

- **Existing Life Insurance or Annuity Products**

For clients with existing life insurance or annuity products, OWM may conduct a thorough comparative analysis. Based on this analysis, they may recommend maintaining the current policy or, if it serves the Client's best interest, suggest an exchange or surrender of existing products in favor of alternatives they believe are of greater benefit or value.

These recommendations present a material conflict of interest, as Mr. O'Connor and Mr. de Lorimier receive life insurance or annuity commissions for new policies issued or for replacement of existing policies, in addition to their investment advisory fees. Clients should carefully consider this conflict of interest when evaluating these recommendations and are under no obligation to purchase such products through OWM's principals/IARs.

- **Tax Planning and Preparation Services**

Mr. de Lorimier operates a tax preparation and planning business, Crown City Tax Planning, as a sole proprietor. This business is conducted at the same address as OWM. While this activity is separate from OWM's advisory services, it may present potential conflicts of interest, particularly in cases where tax strategies intersect with investment advice.

OWM is committed to transparency regarding these outside business activities. Clients are encouraged to discuss any questions or concerns about these potential conflicts of interest directly with Mr. O'Connor or Mr. de Lorimier.

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

A. Code of Ethics

OWM has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated with OWM ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. OWM and its Supervised Persons owe a duty of loyalty, fairness, and good faith towards each Client. OWM's Supervised Persons must adhere not only to the specific provisions of the Code but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of OWM's Code, please contact us at (626) 386-5116.

B. Personal Trading with Material Interest

OWM allows our supervised persons to purchase or sell the same securities that may be recommended to and purchased on behalf of clients. OWM does not act as a principal in any transaction. In addition, the Firm does not act as the general partner of a fund or advise an investment company. OWM has no material interest in any securities traded in client accounts.

C. Personal Trading in the Same Securities as Clients

OWM allows our supervised persons to purchase or sell the same securities that may be recommended to and purchased on behalf of clients. Owning the same securities we recommend (purchase or sell) to you presents a conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted the Code to address insider trading (material non-public information controls), gifts and entertainment, outside business activities, and personal securities reporting. When trading for personal accounts, supervised persons may have a conflict of interest if they are trading in the same securities. The fiduciary duty to act in the best interest of its clients can potentially be violated if personal trades are made with more advantageous terms than client trades or by Trading based on material non-public information. We attempt to mitigate this risk by enforcing and adhering to the Firm's Code of Ethics, as described earlier in this section.

D. Personal Trading at the Same Time as Clients

OWM permits supervised persons to purchase or sell securities that may be recommended to and purchased on behalf of clients. To manage potential conflicts of interest, personal trades are typically aggregated with client orders and executed at an average price. OWM has policies in place to ensure that supervised persons do not transact in any security in a manner detrimental to clients.

Item 12 – Brokerage Practices

A. Factors Considered in Selecting Broker-Dealers

OWM has established an institutional relationship with TradePMR, Inc. ("TradePMR"), a registered broker-dealer, to provide brokerage services and a technology platform for managing client accounts. TradePMR acts as the executing broker-dealer for client transactions. Client assets are held at Wells Fargo Clearing Services, LLC ("Wells Fargo"), under the trade name of First Clearing, which serves as the qualified custodian.

In establishing this, when selecting a broker-dealer, OWM considers several factors, including:

- Financial stability and reputation
- Quality and speed of trade execution
- Research and analytical tools
- Technology and operational capabilities
- The quality of client services

These factors are regularly reviewed to ensure that the arrangement with TradePMR continues to meet OWM's duty of best execution and the overall needs of our clients. OWM periodically assesses TradePMR's execution quality and costs to ensure they remain competitive and in our Client's best interests.

B. Soft Dollar Arrangements

OWM does not participate in any soft dollar arrangements. We do not receive research or other products or services from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits").

C. Custodial Arrangements

Clients of OWM open accounts with TradePMR, Inc. ("TradePMR"), which serves as the introducing broker. However, all client assets are custodied at Wells Fargo Clearing Services, LLC ("Wells Fargo"), operating under the trade name First Clearing. Wells Fargo serves as the qualified custodian for client assets. OWM is independently owned and operated and is not affiliated with either TradePMR or Wells Fargo; OWM accesses Wells Fargo's custodial services through its relationship with TradePMR.

D. Aggregating and Allocating Trades

Due to the personal attention that each Client receives, OWM generally does not aggregate client transactions or orders. Trade aggregation is the process of bunching orders for multiple client accounts. This practice attempts to obtain more favorable pricing and or reduced transaction costs (e.g., commissions) by placing larger orders. Since the Firm does not generally aggregate orders, this may result in less favorable pricing and or increased costs (e.g., commissions) for client accounts.

Item 13 – Review of Accounts

A. Frequency of Reviews

OWM continuously monitors Client accounts through the diligent efforts of our investment adviser representatives. These ongoing reviews ensure the consistent alignment of investment strategies and goals. The frequency of these reviews may vary based on the complexity of the Client's financial situation and the nature of their Investments. The primary purpose of these reviews is to evaluate the ongoing suitability and performance of the Client's portfolio and proactively identify any necessary adjustments to their investment strategy in response to changes in their circumstances. Additionally, to ensure quality control, the Firm's CEO, Mr. John O'Connor, conducts quarterly reviews of a sample of accounts. Our principals/IARs are committed to providing clients with well-monitored portfolios that reflect their evolving needs and objectives.

B. Non-Periodic Review of Client Accounts

Non-periodic reviews may be triggered by material market, economic, or political events or changes in a client's financial situation, e.g., change in investment objective or risk tolerance, retirement, termination of employment, relocation, inheritance, or any other concern that may be prompted by the Client.

Item 14 – Client Referrals and Other Compensation

A1. Economic Benefits of Utilizing TradePMR's Technology Platform

OWM has established an institutional relationship with TradePMR, Inc. ("TradePMR") that is dedicated to serving independent investment advisers. As an investment adviser utilizing TradePMR's technology platform, the Firm receives access to software and related support without cost because of OWM's clients' custody of assets at Wells Fargo. It utilizes TradePMR as its sole executing broker-dealer. Services provided by TradePMR benefit many, but not all, of OWM's clients. The receipt of economic benefits from TradePMR's technology platform creates a potential conflict of interest since these benefits influence OWM's recommendation of TradePMR as its executing broker-dealer and Wells Fargo as the custodian through its relationship with TradePMR.

A2. Services that May Only Benefit OWM

TradePMR also offers other services to OWM that may not benefit OWM clients. These services include educational conferences and events, ongoing support, consulting services, and discounts for various service providers. Access to these services incentivizes the Firm to recommend TradePMR, representing a conflict of interest.

B1. No Compensation Received for Referrals to Service Providers

OWM does not receive any compensation for client referrals. However, OWM may refer clients to unaffiliated service providers such as attorneys, tax preparers, accountants, estate planners, real estate agents, and loan officers ("Service Providers"). OWM does not receive any compensation for these referrals. In turn, these Service Providers may refer clients to OWM.

Whether OWM receives a client referral or refers a client to a Service Provider, no compensation is received or paid.

Item 15 – Custody

Investment Management Accounts and Fee Deductions at Qualified Custodians

As disclosed in "Item 5 – Fees and Compensation," OWM directly debits advisory fees from client accounts. As part of the billing process, OWM calculates the fee amount and advises TradePMR, Inc. ("TradePMR") of the fee amount to be deducted from each Client's account. Wells Fargo Clearing, LLC ("Wells Fargo"), acting as the qualified custodian, then provides each Client with a custody statement at least quarterly, which reflects the deduction of the quarterly fee.

Importance of Verification of the Fee Calculation

As TradePMR does not calculate the fee deduction amount, it is vital for clients to carefully review their custody statements to ensure the accuracy of the calculation. If clients believe there is an error on their custody statement, they should contact OWM directly.

Class Action Lawsuits

We do not determine if securities held by clients are the subject of class action lawsuits or if they are able to participate in litigation to recover damages on a client's behalf for losses as a result of actions, misconduct, or negligence by issuers of securities held.

Item 16 – Investment Discretion

OWM is transitioning to provide investment management services solely on a discretionary basis through our Wealth Management Services ("WMS") program. Discretionary authority means that OWM has the power to buy, sell, or rebalance securities in a client's account without obtaining the Client's prior consent for each transaction.

To grant OWM discretionary authority, clients are required to execute a new WMS Agreement (this "Agreement"). This Agreement outlines the scope of OWM's discretionary authority and any client-specific investment restrictions, which are determined as part of the Client's investment profile.

Existing non-discretionary accounts will continue to be managed on a non-discretionary basis until the new WMS Agreement is executed, granting OWM discretionary authority.

Item 17 – Voting Client Securities (Proxy Voting)

The Firm does not vote proxies for securities held in client accounts. Clients are solely responsible for receiving and voting proxies for all securities maintained in their portfolios.

Proxies are sent by Wells Fargo Clearing Services, LLC ("Wells Fargo"), the qualified custodian, or the transfer agent directly to the Client. While OWM does not vote proxies, we are available to answer general questions regarding proxy voting matters.

Item 18 – Financial Information

OWM does not require the payment of fees of \$1,200 or more, six months or more in advance. No financial condition of which the Firm is currently aware would impair the Firm's ability to meet its contractual commitment to its clients. The Firm has not been the subject of a bankruptcy petition within the past ten years.