

## **BRIDGEWAY WEALTH MANAGEMENT, LLC**

*a Registered Investment Adviser*

1909 51<sup>st</sup> Street NE  
Cedar Rapids, IA 52402

(319) 393-6535

[www.bridgewaywm.com](http://www.bridgewaywm.com)

This brochure provides information about the qualifications and business practices of Bridgeway Wealth Management, LLC (hereinafter “Bridgeway Wealth Management” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. 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. Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

**Item 2. Material Changes**

In this Item, BWM is required to discuss any material changes that have been made to the brochure since the last annual amendment. The Firm has updated Item 4 to reflect that it is no longer relying on an SEC registration exemption and has more than the requisite amount of assets under management for a Large Advisor. There are no other material changes to disclose.

**Item 3. Table of Contents**

Item 2. Material Changes.....	2
Item 3. Table of Contents .....	3
Item 4. Advisory Business.....	4
Item 5. Fees and Compensation.....	7
Item 6. Performance-Based Fees and Side-by-Side Management.....	10
Item 7. Types of Clients .....	10
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9. Disciplinary Information .....	15
Item 10. Other Financial Industry Activities and Affiliations .....	15
Item 11. Code of Ethics .....	16
Item 12. Brokerage Practices .....	17
Item 13. Review of Accounts .....	20
Item 14. Client Referrals and Other Compensation.....	20
Item 15. Custody.....	21
Item 16. Investment Discretion.....	21
Item 17. Voting Client Securities .....	21
Item 18. Financial Information.....	22

## Item 4. Advisory Business

BWM offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to BWM rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with BWM setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

BWM filed for registration as an investment adviser in May 2023 and is owned by Denny Stoddard. As of February 14, 2024 BWM had \$143,963,518, \$143,728,036 of which were managed on a discretionary basis and \$235,482 of which were managed on a non-discretionary basis.

While this brochure generally describes the business of BWM, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on BWM’s behalf and are subject to the Firm’s supervision or control.

### Financial Planning and Consulting Services

---

BWM offers clients a broad range of financial planning and consulting services, including (but not limited to) retirement planning, educational planning, estate planning and insurance planning. While each of these services is available on a stand-alone basis, certain of them can also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, BWM is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. BWM recommends certain clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage BWM or its affiliates to provide (or continue to provide) additional services for compensation, including investment management services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by BWM under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising BWM’s recommendations and/or services.

**Investment and Wealth Management Services**

---

BWM provides certain clients with wealth management services which include a broad range of financial planning and consulting services as well as discretionary and/or non-discretionary management of investment portfolios.

BWM primarily allocates client assets among various stocks, bonds, exchange traded funds (“ETFs”), exchange-traded notes (“ETNs”), closed-end funds, mutual funds, structured notes, and alternative investments in accordance with their stated investment objectives. Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios, but clients should not assume that these assets are being continuously monitored or otherwise advised on by the Firm unless specifically agreed upon. Clients can engage BWM to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, BWM directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product’s provider.

BWM tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. BWM consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify BWM if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if BWM determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm’s management efforts.

The Firm does not serve as the sponsor of a wrap fee program (i.e., an arrangement where certain brokerage commissions and transaction costs are absorbed by the Firm). Nonetheless, the Firm is a manager through wrap programs as the Firm principally provides investment management services through accounts available through wrap fee programs offered and administered by Raymond James & Associates, Inc. (“Raymond James”), member NYSE/SIPC, or another of its affiliates. The wrap fees for participation in such programs include many transaction costs associated with execution of securities transactions. For more information relating to the wrap programs offered by Raymond James, please refer to Raymond James’ wrap fee disclosure brochure (the “Wrap Brochure”), which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Raymond James programs require clients to sign separate agreements depending on the program. BWM will be named as the investment adviser (either directly or through its investment adviser representatives) in such agreements.

The Firm expects to provide much of its investment management services through the Raymond James Ambassador Program. The Ambassador Program utilizes a wrap fee advisory account, offered and administered by Raymond James, in which the client is provided with ongoing investment advice and monitoring of securities holdings by the Firm. The Firm provides discretionary or non-discretionary management of the Ambassador Account according to the client's objectives. The Ambassador Account offers Clients the ability to pay an Asset-based Fee in lieu of a commission for each investment. For assets outside of the Ambassador Program, clients may (depending on the other relationship) pay additional brokerage expenses as further described below.

### Use of Independent Managers

---

As mentioned above, BWM selects certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager are set forth in a separate written agreement with the designated Independent Manager. That agreement can be between the Firm and the Independent Manager (often called a subadvisor) or the client and the Independent Manager (sometimes called a separate account manager). In addition to this brochure, clients will typically also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

BWM evaluates a variety of information about Independent Managers, which includes the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. BWM also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

BWM continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. BWM seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

The Firm expects to engage the Independent Managers through one or more of Raymond James's programs. The Independent Managers can be affiliated with Raymond James which results in a conflict of interest for Raymond James to approve and favor these Independent Managers in their programs. The Firm does not, however, receive any additional compensation if a Raymond James affiliate is selected as the Independent Managers. Clients will sign a separate agreement with Raymond James that names BWM (either directly or through an investment adviser representative of BWM) as the investment adviser. Clients should review the Wrap Brochure for more information on the RJCS Program.

## Item 5. Fees and Compensation

BWM offers services on a fee basis, which includes fixed fees, as well as fees based upon assets under management. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, offer insurance products under a separate commission-based arrangement. Clients should also review the account documents from Raymond James to see additional fees.

### Financial Planning and Consulting Fees

---

BWM charges a hourly fee for providing financial planning and consulting services under a stand-alone engagement. These fees are negotiable, but range from \$500 to \$2,000, depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. The fee can be for a defined project, such as the delivery of a plan, or for ongoing services. If the client engages the Firm for additional investment advisory services, BWM can offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services. Alternatively, the Firm can be engaged to provide ongoing consulting on assets that are held outside of Raymond James as broker-dealer / custodian. In those engagements, the Firm will charge an asset-based fee that is similar to the fee schedule described below.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement. For project-based services BWM requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Advisory Agreement. The outstanding balance is due upon delivery of the financial plan or completion of the agreed upon services. Ongoing services are charged as described in the investment management section, below. The Firm does not, however, take receipt of \$500/\$1,200 or more in prepaid fees, six or more months in advance of services rendered.

### Investment Management Fees

---

BWM offers investment management services for an annual fee based on the amount of assets under the Firm's management. This management fee varies between 50 and 150 basis points (0.50% – 1.50%), depending upon the size and composition of a client's portfolio, the type and amount of services rendered and the individual(s) providing the services.

The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by BWM on the last day of the previous quarter as determined by a party independent from the Firm (including the client's custodian or another third-party).

The Firm includes cash in a client's account in determining the valuation for billing purposes. The Firm may, in its sole discretion, not include cash in determining the fee, especially where a client has a high percentage of cash for reasons other than the Firm's investment management decision.

For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), BWM can negotiate a fee rate that differs from the range set forth above. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage BWM for additional services for compensation, including rolling over retirement accounts or moving other assets to the Firm's management. Clients retain absolute discretion over all decisions regarding engaging the Firm and are under no obligation to act upon any of the recommendations.

Notwithstanding the foregoing, clients participating in the Raymond James wrap programs will pay fees to Raymond James (that encompass both fees to be paid to the Firm and Raymond James). The client is billed the rate that is set forth on the BWM Advisory Agreement. The Firm will retain a certain portion of that fee while Raymond James will receive the rest. For those participating in the Ambassador Program (which is the primary way that the Firm expects to provide services), the asset-based fees paid to the Firm and Raymond James by the client are set forth in the Ambassador (Discretionary or Non-Discretionary) Investment Adviser Client Agreement (the "Ambassador Agreement") entered into by the client. In addition, for clients that are utilizing Independent Managers, the asset-based fees paid to the Firm, Raymond James and the Independent Managers are set forth in separate agreements.

For purposes of calculating and assessing asset-based fees for clients participating in the wrap programs, Raymond James uses the term "Account Value", which may be different than the asset value as reported on brokerage statements provided to clients. "Account Value" is defined as the total absolute value of the securities in the Ambassador Account, long or short, plus all credit balances, with no offset for any margin or debit balances. As a result, a conflict of interest exists as the Firm has an incentive to increase the use of margin in managing client accounts in order to increase the fees paid by the client. The annual asset-based fees associated with the aforementioned account programs are typically payable quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is paid in advance, is based on the Account Value as of the last business day of the previous calendar quarter and becomes due the following business day. If cash or securities, or a combination thereof, amounting to at least \$100,000 are deposited to or withdrawn from a client's account on an individual business day in the first two months of the quarter, Raymond James will: (i) assess asset-based fees based on the value of the assets on the date of



deposit for the pro rata number of days remaining in the quarter, or (ii) refund prepaid asset-based fees based on the value of the assets on the date of withdrawal for the pro rata number of days remaining in the quarter. No additional asset-based fees or adjustments to previously assessed asset-based fees will be made in connection with deposits or withdrawals that occur during the last month of the quarter unless requested by the client. Notwithstanding the above \$100,000 adjustment threshold, Raymond James reserves the right, in its sole discretion, to process or not process fee adjustments when the source and destination of deposits and withdrawals involve a client's other fee-based advisory accounts. The client authorizes and directs Raymond James, acting as custodian, to deduct asset-based fees from the client's account. Raymond James then remits the Firm's portion of its fees to the Firm.

### **Fee Discretion**

---

BWM may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention, pro bono activities, or competitive purposes.

### **Additional Fees and Expenses**

---

For assets managed by the Firm outside of a wrap program, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, margin and other borrowing costs, fees charged by the Independent Managers, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (*e.g.*, fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 12, below.

### **Direct Fee Debit**

---

Clients provide BWM, Raymond James, and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to BWM. Alternatively, clients may elect to have BWM send a separate invoice for direct payment.

---

**Account Additions and Withdrawals**

---

Clients can make additions to and withdrawals from their account at any time, subject to BWM's right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to BWM, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. BWM may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

**Item 6. Performance-Based Fees and Side-by-Side Management**

BWM does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

**Item 7. Types of Clients**

BWM offers services to individuals, trusts, estates, charitable organizations, corporations and other business entities.

---

**Minimum Account Requirements**

---

For clients seeking to have their assets managed through the Ambassador Program, there is a minimum initial investment of \$1,000. Independent Managers may have additional or different minimums.

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

---

**Methods of Analysis and Investment Strategies**

---

The firm constructs client portfolios using a mix of stocks, bonds, ETFs, exchange-traded notes, closed-end funds, mutual funds, separately managed accounts, structured notes, and alternative investments. BWM utilizes the following methods of analysis in formulating our investment strategies:

- Cyclical Analysis
- Fundamental Analysis
- Qualitative Analysis
- Quantitative Analysis
- Sector Analysis

Client portfolios will be invested according to the unique objectives, financial circumstances, time horizon, risk tolerance and income needs of that client. Once these measures have been obtained, the Firm will recommend an asset allocation policy pursuing an appropriate balance of risk and return for the client's investment time horizon. BWM implements a flexible approach to asset allocation decisions over time as economic conditions and client profiles may change.

### **Risk of Loss**

---

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved with respect to the Firm's investment management activities. Clients should consult with their legal, tax, and other advisors before engaging the Firm to provide investment management services on their behalf.

#### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of BWM's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. In addition, investments may be adversely affected by financial markets and economic conditions throughout the world. There can be no assurance that BWM will be able to predict these price movements accurately or capitalize on any such assumptions.

#### *Volatility Risks*

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

*Cash Management Risks*

The Firm may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

*Equity-Related Securities and Instruments*

The Firm may take long positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, midcapitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

*Fixed Income Securities*

While the Firm emphasizes risk-averse management and capital preservation in its fixed-income bond portfolios, clients who invest in this product can lose money, including losing a portion of their original investment. The prices of the securities in our portfolios fluctuate. The Firm does not guarantee any particular level of performance. Below is a representative list of the types of risks clients should consider before investing in this product.

- Interest rate risk. Prices of bonds tend to move in the opposite direction to interest rate changes. Typically, a rise in interest rates will negatively affect bond prices. The longer the duration and average maturity of a portfolio, the greater the likely reaction to interest rate moves.
- Credit (or default) risk. A bond's price will generally fall if the issuer fails to make a scheduled interest or principal payment, if the credit rating of the security is downgraded, or if the perceived creditworthiness of the issuer deteriorates.
- Liquidity risk. Sectors of the bond market can experience a sudden downturn in trading activity. When there is little or no trading activity in a security, it can be difficult to sell the security at or near its perceived value. In such a market, bond prices may fall.
- Call risk. Some bonds give the issuer the option to call or redeem the bond before the maturity date. If an issuer calls a bond when interest rates are declining, the proceeds may have to be reinvested

at a lower yield. During periods of market illiquidity or rising rates, prices of callable securities may be subject to increased volatility.

- Prepayment risk. When interest rates fall, the principal of mortgage-backed securities may be prepaid. These prepayments can reduce the portfolio's yield because proceeds may have to be reinvested at a lower yield.
- Extension risk. When interest rates rise or there is a lack of refinancing opportunities, prepayments of mortgage-backed securities or callable bonds may be less than expected. This would lengthen the portfolio's duration and average maturity and increase its sensitivity to rising rates and its potential for price declines.

#### *Mutual Funds and ETFs*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for index-based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Finally, some mutual funds and ETFs may have lock-up periods that restrict an investor from selling their position for a period of time. Other mutual funds and ETFs could also have early redemption fees that are taken if the investor sells their position before a certain amount of time.

*Use of Independent Managers*

As stated above, BWM selects certain Independent Managers to manage a portion of its clients' assets. In these situations, BWM continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, BWM does not have the ability to supervise the Independent Managers on a day-to-day basis.

*Use of Alternative Investment Vehicles*

BWM recommends that certain clients invest in "alternative investments." While this is not a defined term, an alternative investment is a financial asset that does not fall into typical investment categories. Alternative investments can include private equity or venture capital, hedge funds, managed futures. The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Some may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because many of the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each alternative investments offering documents and/or prospectus explaining such risks prior to investing.

*Structured Products Risks*

A structured product, also known as a market-linked product, is generally a pre-packaged investment strategy based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances, and/or foreign currencies, and to a lesser extent, swaps. Structured products are usually issued by investment banks or affiliates thereof. They have a fixed maturity, and have two components: a note and a derivative. The derivative component is often an option. The note provides for periodic interest payments to the investor at a predetermined rate, and the derivative component provides for the payment at maturity. Some products use the derivative component as a put option written by the investor that gives the buyer of the put option the right to sell to the investor the security or securities at a predetermined price. Other products use the derivative component to provide for a call option written by the investor that gives the buyer of the call option the right to buy the security or securities from the investor at a predetermined price. A feature of some structured products is a "principal guarantee" function, which offers protection of principal if held to maturity. However, these products are not always Federal Deposit Insurance Corporation insured; they may only be insured by the issuer, and thus have the potential for loss of principal in the case of a liquidity crisis, or other solvency problems with the issuing company. Investing in structured products involves a number of risks including but not limited to: fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality; substantial loss of principal; limits on participation in any appreciation of the underlying instrument; limited liquidity; credit risk of the issuer; conflicts of interest; and, other events that are difficult to predict.

*Interest Rate Risks*

Interest rates may fluctuate significantly, causing price volatility with respect to securities or instruments held by clients.

**Item 9. Disciplinary Information**

BWM has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

**Item 10. Other Financial Industry Activities and Affiliations**

This item requires investment advisers to disclose certain financial industry activities and affiliations.

**Licensed Insurance Agents**

---

A number of the Firm's Supervised Persons are licensed insurance agents and offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that BWM recommends the purchase of insurance products where its Supervised Persons are entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

**Related Attorney**

---

Noah Schmall is a licensed practicing attorney. Mr. Schmall maintains a legal practice through Schmall Law Firm, PLLC. Mr. Schmall's legal practice is separate and distinct from the Firm's investment advisory activities. Mr. Schmall can serve as legal counsel for some of the Firm's clients. These services are provided pursuant to a separate engagement and for separate fees, which are agreed upon prior to rendering any legal services. Because of the affiliation, there is a conflict of interest where the Firm, Mr. Schmall or Schmall Law Firm, PLLC recommend the services of each other.

## Item 11. Code of Ethics

BWM has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. BWM’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of BWM’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, the Firm’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (*i.e.*, spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by money market funds; and iv) shares issued by other unaffiliated open-end mutual funds.

Clients and prospective clients may contact BWM to request a copy of its Code of Ethics by contacting the Firm at the phone number on the cover page of this brochure.



## Item 12. Brokerage Practices

### Recommendation of Broker-Dealers for Client Transactions

---

BWM recommends that clients utilize the custody, brokerage and clearing services of Raymond James & Associates, Inc., (“Raymond James” or “Custodian”) for investment management accounts. The final decision to custody assets with Raymond James is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. BWM is independently owned and operated and not affiliated with Raymond James. Raymond James provides BWM with access to its institutional trading and custody services, which are typically not available to retail investors.

Factors which BWM considers in recommending Raymond James or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. The commissions and/or transaction fees (including any asset-based brokerage fees) charged by Raymond James may be higher or lower than those charged by other Financial Institutions.

The commissions paid by BWM’s clients to Raymond James comply with the Firm’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where BWM determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates and responsiveness. BWM seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist BWM in its investment decision-making process. Such research will be used to service all of the Firm’s clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client’s portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because BWM does not have to produce or pay for the products or services.

BWM periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

**Software and Support Provided by Financial Institutions**

---

BWM receives without cost from Raymond James administrative support, computer software, related systems support, as well as other third party support as further described below (together "Support") which allow BWM to better monitor client accounts maintained at Raymond James and otherwise conduct its business. BWM receives the Support without cost because the Firm renders investment management services to clients that maintain assets at Raymond James. The Support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The Support benefits BWM, but not its clients directly. Clients should be aware that BWM's receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits will influence the Firm's choice of broker-dealer over another that does not furnish similar software, systems support or services, especially because the support is contingent upon clients placing a certain level(s) of assets at Raymond James. In fulfilling its duties to its clients, BWM endeavors at all times to put the interests of its clients first and has determined that the recommendation of Raymond James is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, BWM receives the following benefits from Raymond James: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

Custodian's services include 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.

Custodian also makes available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by Custodian. Other potential benefits may include occasional business entertainment of personnel of BWM by Custodian personnel, including meals and entertainment. Other of these products and services assist BWM 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), provide research, pricing information and other market data, facilitate payment of the Firm's fees from its clients' accounts, 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 the Firm's accounts, including accounts not maintained at Custodian. In addition, Custodian may make available, arrange and/or pay vendors for these types of services rendered to the Firm by independent third parties. Custodian 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 the Firm. While, as a fiduciary, BWM endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at Custodian may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by Custodian, which creates a potential conflict of interest.

As described throughout this Disclosure Brochure, the Firm and certain of its Supervised Persons have a significant relationship with the Raymond James entities. The Firm recommends various investment advisory wrap programs (including the Ambassador Program and programs to access Independent Managers) and the brokerage and custody services of various Raymond James entities.

### **Brokerage for Client Referrals**

---

BWM does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

### **Directed Brokerage**

---

The client may direct BWM in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by BWM (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, BWM may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

### **Trade Aggregation**

---

Transactions for each client will be effected independently, unless BWM decides to purchase or sell the same securities for several clients at approximately the same time. BWM may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among BWM's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which BWM's Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and

no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. BWM does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

## **Item 13. Review of Accounts**

### **Account Reviews**

---

BWM monitors client portfolios on a continuous and ongoing basis and regular account reviews are conducted annually for performance and asset allocation. Such reviews are conducted by the Firm's Principals and/or, investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with BWM and to keep the Firm informed of any changes thereto.

### **Account Statements and Reports**

---

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied.

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

The Firm does not currently provide compensation to any third-party solicitors for client referrals.

The Firm receives economic benefits from Raymond James. The benefits, conflicts of interest and how they are addressed are discussed above in response to Item 12.

## **Item 15. Custody**

BWM is deemed to have custody of client funds and securities because the Firm is given the ability to debit client accounts for payment of the Firm's fees. As such, client funds and securities are maintained at one or more Financial Institutions that serve as the qualified custodian with respect to such assets. Such qualified custodians will send account statements to clients at least once per calendar quarter that typically detail any transactions in such account for the relevant period.

Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from BWM. Any other custody disclosures can be found in the Firm's Form ADV Part 1.

## **Item 16. Investment Discretion**

BWM is given the authority to exercise discretion on behalf of clients. BWM is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. BWM is given this authority through a power-of-attorney included in the agreement between BWM and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). BWM takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

## **Item 17. Voting Client Securities**

BWM does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.

**Item 18. Financial Information**

BWM is not required to disclose any financial information listed in the instructions to Item 18 because:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.