

March 26, 2024



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Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of Barnes Wealth Management Group, Inc., (also known as Ironwood Retirement Plan Consultants). If you have any questions about the contents of this Brochure, please contact us at (661) 322-9799 and/or www.barneswealth.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Barnes Wealth Management Group is registered as an investment adviser with the Securities and Exchange Commission; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about Barnes Wealth Management Group is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment, dated March 21, 2023, we the following material changes to report:

1. We have adopted the d/b/a Ironwood Retirement Plan Consultants.
2. Item 4 – Advisory Business =
 - a. Updated to provide specific information about the third party adviser we have a relationship with, CWM, LLC.
 - b. Updated to describe Pension Consulting Services – Ironwood Retirement Plan Consulting.
3. Item 5 – Fees and Compensation
 - a. Updated to disclose Portfolio Management Fees charged when using CWM LLC as a third party manager to manage some or all of your assets.
 - b. We have changed our hourly financial planning fee to \$425.
 - c. Our fixed fees have changed follows:
 - \$1,500 - \$4,500 – Client Net Worth up to \$1,000,000
 - \$4,500 - \$25,000 – Clients Net Worth \$ 1,000,001 – \$5,000,000
 - Negotiable – Clients Net Worth greater than \$5,000,000
4. Item 12 – Brokerage Practices
 - a. TD Ameritrade has merged with Charles Schwab & Co. References to TD Ameritrade have been removed from Item 12.

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ITEM 4: ADVISORY BUSINESS

Description of Firm

Barnes Wealth Management Group ("BWMG") is a Bakersfield, California based investment advisory firm, founded in 1986. Barnes Wealth Management Group also conducts business under the name Ironwood Retirement Plan Consultants. BWMG is registered with the Securities and Exchange Commission ("SEC") as an investment adviser and is organized under the laws of the State of California. We are indirectly owned by Steven A. Barnes, President, and Chief Compliance Officer.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Barnes Wealth Management Group ("BWMG") and the words "you," "your," and "client" refer to you as either our client or prospective client.

Portfolio Management Services

BWMG provides discretionary and non-discretionary portfolio management services on a continuous basis. Our investment advice is tailored to meet our clients' needs and investment objectives. If appropriate we will provide a financial plan or financial consulting to you to assist you in evaluating your financial circumstances, goals and objectives.

We will conduct one or more meetings (in person, if possible, otherwise via telephone conference) with you to understand your current financial situation, existing resources, financial goals, and tolerance for risk. Based on this information we will recommend an investment approach using our portfolio management services. We will continuously review and rebalance or adjust your accounts.

When you participate in our discretionary portfolio management services, we require you to grant us discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without obtaining your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our Company, a power of attorney, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing us with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Where we manage your assets directly, you will sign an agreement directly with us.

As part of our portfolio management services, and if appropriate for your needs we may recommend a third party adviser, CWM, LLC ("CWM") to manage some or all of your assets. CWM provides us with access to multiple models and investment portfolios to manage your assets. You will enter into a dual contract with BWMG and CWM. Discretionary authority is provided to both BWMG and CWM.

CWM may use one or more of their model portfolios to manage your account. We will regularly

monitor the performance of your accounts managed CWM and override any allocation if appropriate. You will be provided with CWM's Form ADV Part 2A, Form CRS and any other appropriate disclosure information.

Investment advisory recommendations are based on your financial situation at the time the services are provided and on financial information provided by you. If you experience any significant changes in your financial or personal circumstances, you are responsible for notifying us in a timely manner so that we can make appropriate adjustments to your investments.

Pension Consulting Services – Ironwood Retirement Plan Consulting

We offer pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include:

- **Preparation of Investment Policy Statement.** We will prepare an initial draft investment policy statement ("IPS") for the Plan, including investment objectives, policies, and constraints consistent with the Plan's requirements and requirements under ERISA, and provide an annual review of the IPS.
- **Investment Selection.** In our capacity as a fiduciary we will review the Plan's investments and recommend investment manager(s) and investment(s) consistent with the requirements of the Plan's IPS as adopted by Client. If the Plan is a participant-directed plan, Adviser will recommend investment alternatives in order to comply with the "broad range" requirement under regulations issued by the U.S. Department of Labor ("DOL") under ERISA Section 404(c). If we have been engaged as an Investment Adviser to the Plan, we will assist in implementation of the Plan's investment program solely upon direction from the Plan. When we are appointed as Investment Manager, we will implement recommendations for the Plan after notice to Client.
- **Performance Monitoring and Reporting.** In its capacity as a fiduciary we monitor the Plan's investment manager(s) and investment(s) and will recommend additional investment(s) and investment managers(s) or other changes from time to time. We will prepare and provide reports monitoring Plan investment manager(s) and investment(s), comparing the performance to benchmarks set forth in the IPS. When appropriate in accordance with the IPS we will recommend appropriate action, which may include replacing an investment or investment manager. Where we are engaged as Investment Adviser to the Plan, we will assist Client to implement recommendations solely upon the Client's direction.
- **Fiduciary Education Services.** We will provide in-person training in group sessions for Client (or its employees responsible for acting for Client with respect to the Plan, such as members of the Plan committee) relating to the investment duties of fiduciaries.
- **Participant Education Services.** If the Plan is participant-directed, we will provide investment education and information to participants as agreed from time to time, including in-person group sessions and printed education materials.
- **Service Provider Search Support.** We will assist with the preparation of requests for proposals, evaluation of proposals and bids, and interviews of investment providers (e.g., insurance or brokerage firms or mutual fund complexes offering plan recordkeeping and investment services) and/or other plan service providers, as requested by the Client. We will assist with conversions between investment providers and other plan service providers. In performing service provider search support services, we will act solely in an advisory capacity;

- **Additional Services.** We may also provide additional types of pension consulting services to plans on an individually negotiated basis.

3(21) Services. To the extent the advisory services provided to a Plan involve a provision of fiduciary investment advice to the Plan for purposes of ERISA, we will a "fiduciary" of the Plan, as such term is defined under Section 3(21)(A) of ERISA.

Financial Planning and Consulting Services

BWMG provides personal financial plans consistent with your financial status, investment objectives, risk tolerance and tax status. The financial plan can include information regarding retirement planning, education planning, planning for major purchases, estate planning issues and life, long-term care and disability insurance needs. We may also offer financial consulting services that primarily involve advising clients on specific financial-related topics. The topics we address may include, but are not limited to, risk assessment/management, investment planning, financial organization, or financial decision making/negotiation.

Educational Seminars and Workshops

We offer informational seminars and workshops to clients and prospective clients covering a variety of financial industry related topics. We may charge a fee to attend one of our seminars.

Wrap Fee Programs

We do not participate in any wrap fee program.

Types of Investments

We offer advice on mutual funds, exchange traded funds ("ETFs"), stocks, bonds, treasuries, REITS (real estate investment trusts), DSTs (Delaware Statutory Trust), and when appropriate, private funds.

Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different or conflict with the advice we give to other clients regarding the same security or investment.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to us in writing.

IRA Rollover Recommendations

For purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you. When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

Amount of Client Assets under Management

As of December 31, 2023, the following represents the amount of client assets under management by BWMG:

Type of Account	Assets Under Management ("AUM")
Discretionary	\$208,470,955
Non-Discretionary	\$128,360,568
Total:	\$336,831,523

ITEM 5: FEES AND COMPENSATION

Portfolio Management Fees

Our fee for portfolio management services is based on a percentage of the assets in your account and is set forth in the following annual flat fee schedule:

Assets Under Management (AUM)	Annual Advisory Fee
0 to \$249,999	1.30%
\$250,000 to \$499,999	1.20%
\$500,00 to \$999,999	1.10%
\$1,000,000 to \$2,999,999	1.00%
\$3,000,000 to \$4,999,999	0.90%
\$5,000,000 and above	0.80%

Our fee is charged quarterly in advance based on the value of your account (including cash, cash equivalents, and accrued interest and/or dividends) on the last day of the calendar quarter. Should you become a client during a quarter, our management fee will be prorated based on the number of days that you have been a client during the quarter. Additional deposits of cash and/or securities will be subject to the same billing procedures. Our advisory fee is negotiable, depending on individual client circumstances.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of

related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given us written authorization permitting the fees to be paid directly from your account. We will send you an invoice showing the amount of the fee. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

You may terminate the portfolio management agreement upon notice to us. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Portfolio Management Fees - CWM

When we recommend the use of CWM to manage some or all of your assets, you will sign a tri-party agreement between you, us and CWM. You will be charged according to the following tiered fee schedule:

Tiered Billing Fee Schedule	
Assets Under Management	Annual Fee
First \$2,000,000	1.80%
Next \$3,000,000	1.55%
Next \$20,000,000	1.00%
Next \$25,000,000	0.90%
Amounts > \$50,000,000	0.80%

Fees are based on the fair market value of your account calculated and billed quarterly in advance. CWM may select a strategy that is sub-advised by another investment adviser. You will pay a fee in addition the advisory fees above when a sub-adviser is used. You can terminate the CWM agreement upon 7 days written notice. If the contract is terminated after fees have been collected, a prorated refund of such fees will be refunded to you.

Pension Consulting Fees

Our advisory fees for these customized services will be negotiated with the plan sponsor or named fiduciary on a case-by-case basis. The terms and conditions will be itemized in the client agreement for these services.

Financial Planning Fees

BWMG charges an hourly or fixed fee for financial planning services. Clients are typically billed \$425 an hour for financial planning and \$135 for planning support activities. Fixed fees are charged as follows:

- \$1,500 - \$4,500 – Client Net Worth up to \$1,000,000
- \$4,500 - \$25,000 – Clients Net Worth \$ 1,000,001 – \$5,000,000
- Negotiable – Clients Net Worth greater than \$5,000,000

Hourly and fixed fees are negotiable based on your financial circumstances and range and complexity of the services provided. Hourly and fixed fees are due and payable upon completion of the plan.

Mutual Fund and ETF Fees

BWMG invests clients in mutual funds, including open-end funds and ETFs. Each mutual fund charges fees to shareholders, which are described in their respective prospectus and usually include a management fee, administrative and operations fees, and certain distribution (e.g., 12b-1 fees) and/or redemption fees. These fees are generally referred to as a fund's "expense ratio" and the fees are deducted at the mutual fund level when calculating the fund's net asset value ("NAV") and have a direct bearing on the fund's performance. Certain open-ended mutual funds also charge an up-front or back-end sales charge. In addition, some open-end mutual funds offer different share classes of the same fund, and one share-class can have a higher expense ratio than another share class. The most economical share class will depend on certain factors, including the amount of time the shares are held by a client and the amount a client will be investing. ETFs do not have 12b-1 distribution fees or redemption fees but charge certain administration and operating expenses. Mutual fund expense ratios vary by mutual fund, so it is important to read the mutual fund prospectus to fully understand all the fees charged. The fees charged by mutual funds and ETFs are in addition to the advisory fees charged by BWMG and other third-party fees. Transactions in all these types of mutual funds are subject to transaction fees charged by the broker executing the trade, unless waived.

BWMG strives to purchase, when available, the lowest cost mutual fund share class for clients. However, there have been times in the past, and could be in the future, when BWMG does not have access to lower cost share classes. This mainly happens when the client's custodian does not offer a lower cost share class for a mutual fund bought for and/or held in clients' accounts, or the investment amount does not meet the share class minimum investment requirement.

Transaction fees also play a role in the overall costs when investing in mutual funds. Some custodians offer certain higher cost mutual funds share classes for purchase at no transaction cost. So, there can be times when BWMG will purchase a more expensive share class if we've determined, based on facts and circumstances, that such a transaction would be the most economical for a client. We also will transfer a client into a lower cost share class at a later date if we determine it is beneficial for the client.

Other Fees and Expenses

Your accounts can or will be subject to transaction fees, brokerage fees and commissions, retirement plan administration fees (if applicable), odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. All custodial fees and any other charges, fees and commissions incurred in connection with transactions are generally paid out of the assets in the account and are in addition to the investment management fees charged by us. You should review all applicable direct and indirect fees charged to including advisory fees, custodian fees, transaction fees, and fees associated with investments (e.g., mutual funds and ETFs) to fully understand the total amount of all fees charged and evaluate the advisory services being provided.

Compensation for the Sale of Securities or Other Investment Products

Certain BWMG investment adviser representatives ("IARs") are also registered representatives of Purshe Kaplan Sterling Investments ("PKS"), an unaffiliated registered broker-dealer, and

independently licensed insurance agents.

From time to time, BWMG IARs will recommend certain investment and/or insurance products (e.g., mutual funds, 529 plans, and personal insurance). In their capacity as registered representatives, these persons receive compensation in connection with the purchase and sale of securities or other investment products, including asset-based sales charges, service fees or 12b-1 fees, for the sale or holding, of mutual funds. Compensation earned by these persons in their capacities as registered representatives is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice to advisory clients on our behalf who are registered representatives have an incentive to recommend investment products based on the compensation received rather than solely based on your needs. .

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

BWMG does not charge performance-based fees (*i.e.*, fees calculated based on a share of capital gains on or capital appreciation of the client's assets or any portion of the client's assets). Consequently, we do not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management).

ITEM 7: TYPES OF CLIENTS

BWMG offers investment advisory services to individuals and high net worth individuals, trusts, estates, pension and profit sharing plans and other businesses and corporations. There is a no minimum required to open and maintain an investment advisory account, however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Our Methods of Analysis and Investment Strategies

We use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

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Technical Analysis - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

Risk: The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Risk: The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Modern Portfolio Theory - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

Risk: Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Risk: Using a long-term purchase strategy generally assumes the financial markets will go up in the long term, which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Risk: Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of time.

Cash Management

We manage cash balances in your account based on the yield, and the financial soundness of the money markets and other short term instruments.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Other Risk Considerations

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive but should be considered carefully by a

prospective client before retaining our services.

Liquidity Risk: The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

Credit Risk: Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

Inflation and Interest Rate Risk: Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worthless and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

Horizon and Longevity Risk: The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired or are nearing retirement.

Recommendation of Particular Types of Securities

We primarily provide advice on mutual funds, exchange traded funds ("ETFs"), stocks, bonds, treasuries, REITS (real estate investment trusts), DSTs (Delaware Statutory Trust), and when appropriate, private funds. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of the types of securities we may recommend to you and some of their inherent risks are provided below.

Bonds: Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Stocks: There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual Funds and Exchange Traded Funds: Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities,

or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

Real Estate Investment Trust: A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.

Private Placements: A private placement (nonpublic offering) is an illiquid security sold to qualified investors and are not publicly traded nor registered with the Securities and Exchange Commission. Private placements generally carry a higher degree of risk due to illiquidity. Most securities that are acquired in a private placement will be restricted securities and must be held for an extended amount of time and therefore cannot be sold easily. The range of risks is dependent on the nature of the partnership and are disclosed in the offering documents.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisers such as BWMG are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of BWMG or the integrity of its management. BWMG does not have any such legal or disciplinary events and thus has no information to disclose with respect to this Item.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Registrations with Broker-Dealer

Persons providing investment advice on our behalf are registered representatives with Purshe Kaplan Sterling Investments (“PKS”) a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. See the *Fees and Compensation* section in this brochure for more information on the compensation received by registered representatives who are affiliated with us.

Insurance Agents

Certain BWMG IARs also are independent licensed insurance agents with various insurance carriers, some of whom own their own insurance agencies. These IARs can receive separate commissions and/or other compensation for doing insurance business. BWMG is neither owned nor controlled by any insurance carrier.

Recommendation of Other Advisers

We may recommend that you use a third party money manager CWM, LLC (“CWM”), an unaffiliated registered investment adviser based on your needs and suitability. CWM provide us with access to multiple models and investment portfolios to manage your assets, reporting functionality, and other back office systems. You will sign a tri-party agreement between you, us and CWM.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

BWMG has adopted a Code of Ethics (“Code”). The Code establishes standards of conduct for BWMG’s personnel (called “Access Persons”) and includes general requirements that such access persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It contains written policies reasonably designed to prevent the unlawful use of material non-public information by BWMG or any of its access persons.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our Company or persons associated with us may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Company nor

persons associated with our Company shall have priority over your account in the purchase or sale of securities.

ITEM 12: BROKERAGE PRACTICES

The custodian and brokers we use

We do not maintain custody of your assets that we manage although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker- dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client referrals and other compensation). You should consider these conflicts of interest when selecting your custodian.

How we select brokers/custodians

We seek to recommend a custodian/broker that will hold your assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds "[ETFs]", etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security, and stability
- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

Your brokerage and trading costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds, and U.S. exchange-listed equities and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in

Schwab's Cash Features Program.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trade through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How we select brokers/ custodians"). By using another broker or dealer you may pay lower transaction costs.

Products and services available to us from Schwab

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like ours. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through our Company. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available at no charge to us. Following is a more detailed description of Schwab's support services:

Services that benefit you. Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that do not directly benefit you. Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our Company. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, record keeping, and client reporting

Services that generally benefit only us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs

- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. Schwab also provides us with other benefits, such as occasional business entertainment of our personnel. If you did not maintain your account with Schwab, we would be required to pay for these services from our own resources.

Our interest in Schwab's services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. The fact that we receive these benefits from Schwab is an incentive for us to recommend the use of Schwab rather than making such decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate, our recommendation of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/custodians") and not Schwab's services that benefit only us.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

Clients may direct us to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. When a client directs brokerage, we may be unable to achieve most favorable execution of client transactions, and this practice may cost clients more money and result in a certain degree of delay in executing trades for their account(s) and otherwise adversely impact management of their account(s). Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Best Execution

BWMG will generally seek "best execution" in light of the circumstances involved in transactions. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, net price, reputation, financial strength and stability, efficiency of execution and error resolution, the size of the transaction and the market for the security. BWMG will not obligate itself to obtain the lowest commission or best net price for an account on any particular transaction. Consistent with the foregoing, while we will

seek competitive rates, we can or will not necessarily obtain the lowest possible commission rates. To ensure that brokerage firms selected by BWMG are conducting overall best qualitative execution, we will periodically (and no less often than annually) evaluate the trading process and brokers utilized. This evaluation will include, but is not limited to price, commission, timing, research, aggregated trades, capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers and administrative ability.

Order Aggregation

Transactions for each client generally will be effected independently, unless BWMG decides to purchase or sell the same securities for several clients at approximately the same time. BWMG can (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 BWMG’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. The nature of the clients and/or trading activity on behalf of client accounts is such that trade aggregation does not garner any client benefit.

Handling Trade Errors

Errors created in a client account must be corrected so as not to harm the client. The goal of error correction is to make the client whole, regardless of the cost to BWMG. The Company will not correct a trade error made in a client’s account by allocating the trade to a different account, unless that account was meant to receive the trade in the first place.

ITEM 13: REVIEW OF ACCOUNTS

Periodic Reviews

While asset management accounts are monitored on an ongoing basis, BWMG’s team undertakes reviews of client accounts not less than annually. Accounts are reviewed for consistency with the investment strategy and other parameters set forth for the account and to determine if any adjustments need to be made.

Other Reviews and Triggering Factors

In addition to the periodic reviews described above, reviews can be triggered by changes in an account holder’s personal, tax or financial status. Other events that can trigger a review of an account are material changes in market conditions as well as macroeconomic and company-specific events. Clients are encouraged to notify BWMG and its advisory representatives of any changes in his/her personal financial situation that might affect his/her investment needs, objectives, or time horizon.

Regular Reports

Written brokerage statements are generated no less than quarterly and are sent directly from the account custodian. These reports list the account positions, activity in the account over the covered period, and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived. In addition to the regular statements clients receive from their custodian, BWMG can on occasion send clients detailed reports concerning relevant account and/or market-related information as well as an inventory of account holdings and account performance, as agreed to with the client. Clients are urged to compare the statements received from BWMG to those received from the account custodian.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Charles Schwab & Co., Inc - Institutional

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. We benefit from the products and services provided because the cost of these services would otherwise be borne directly by us, and this creates a conflict. You should consider these conflicts of interest when selecting a custodian. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices).

Compensation for Client Referrals

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on our behalf are licensed insurance agents, and are registered representatives with PKS. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the *Fees and Compensation* section.

ITEM 15: CUSTODY

While each client's custodian has physical custody of client assets, pursuant to federal regulations, BWMG is deemed to have "constructive" custody of client assets if the client authorizes us to instruct the client's custodian to deduct our advisory fees directly from the client's account. You will receive account statements directly from your custodian at least quarterly. They will be sent to the email or postal mailing address you provided to the custodian. You should carefully review those statements promptly when you receive them. BWMG also urges you to compare your Schwab account statements to the periodic portfolio reports you will receive from us.

Standing Letter of Authorization

Our Company, or persons associated with us, may effect wire transfers from client accounts to one or more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, as long as the client has provided us with written authorization to do so. Such written authorization is known as a Standing Letter of Authorization. An adviser with authority to conduct such third party wire transfers has access to the client's assets, and therefore has custody of the client's assets in any related accounts.

However, we do not have to obtain a surprise annual audit, as we otherwise would be required to by reason of having custody, as long as we meet the following criteria:

1. You provide a written, signed instruction to the qualified custodian that includes the third party's name and address or account number at a custodian;
2. You authorize us in writing to direct transfers to the third party either on a specified schedule or from time to time;
3. Your qualified custodian verifies your authorization (e.g., signature review) and provides a transfer of funds notice to you promptly after each transfer;
4. You can terminate or change the instruction;

5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party;
6. We maintain records showing that the third party is not a related party to us nor located at the same address as us; and
7. Your qualified custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

We hereby confirm that we meet the above criteria.

ITEM 16: INVESTMENT DISCRETION

Investment Management services are performed by BWMG on a discretionary basis, unless otherwise agreed upon at the inception of the client relationship and memorialized in the client's advisory agreement. In exercising its discretionary authority, BWMG has the ability to determine the type and amount of securities to be transacted and whether a client's purchase or sale should be combined (aggregated) with those of other clients and traded as a "block." Such discretion is to be exercised in a manner consistent with each client's stated investment objectives, risk tolerance, and time horizon. In addition, BWMG's authority to trade securities can be limited in certain circumstances by applicable legal and regulatory requirements.

Clients are permitted to impose reasonable limitations on BWMG's discretionary authority, including restrictions on investing in certain securities or types of securities. All such limitations, restrictions, and investment guidelines must be provided to BWMG in writing.

ITEM 17: VOTING CLIENT SECURITIES

BWMG's policy and practice is to not vote proxies on behalf of its clients and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account. Consequently, the client retains the responsibility for receiving and voting all proxies for securities held within the client's account. BWMG shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

BWMG typically does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts.

ITEM 18: FINANCIAL INFORMATION

BWMG does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. BWMG does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients and has not been the subject of a bankruptcy proceeding.