



**M Financial Group®**  
M WEALTH

**Form ADV Part 2A, Appendix 1**

***Wrap Fee Program Brochure***

**Managed Portfolio Program**

**M Financial Asset Management, Inc. (M Wealth)**

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This wrap fee program brochure provides information about the qualifications and business practices of M Financial Asset Management, Inc. (“we,” or “us,” or “M Wealth”). If you have any questions about the contents of this brochure, please contact us at 503.414.7513 or at [MHScompliance@mfin.com](mailto:MHScompliance@mfin.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about M Wealth is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You obtain information by entering our unique identifying number, known as a CRD number. Our CRD number is 136694. Registration does not imply a certain level of skill or training.

As a client of M Wealth, you should be receiving statements and confirmations from the custodian where your account is held. If you are not receiving this documentation, please contact us at 1-800-508-1820.

## **Item 2 -- Material Changes**

For this filing and all future filings, this Item 2 will be used to provide the client with a summary of material changes that are made to the brochure since the last annual update.

M Wealth updated this document on March 31, 2024, as part of the required annual update ("Annual Update"). Since the last Annual Update on March 31, 2023, M Wealth simplified and reorganized parts of our brochure to make the information easier to read and understand. We do not believe this information is material.

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## **Item 4 -- Services, Fees and Compensation**

M Wealth is an SEC Registered Investment Adviser ("RIA") with its principal place of business located in Portland, Oregon. M Wealth began conducting business as an investment advisory firm in 2006. We are a wholly owned subsidiary of M Financial Holdings Incorporated, doing business as M Financial Group. We provide investment advisory services through a nationwide network of Investment Advisor Representatives ("Financial Professionals") operating within independently operated businesses ("Member Firms") associated with, and typically stockholders of M Financial Group.

We are registered under the Investment Advisers Act of 1940, which places a fiduciary obligation on us in terms of the way that we provide services to you. As a fiduciary, we will work to ensure that your best interests come first. We endeavor to provide you full disclosure of all material facts relating to our advisory relationship with you. Our advisory programs are designed to avoid or to mitigate conflicts of interest. In situations where the appearance of, or potential for, such a conflict is unavoidable, we will clearly disclose the details of this to you.

For most clients, we provide ongoing advice and monitor your investments to ensure that they remain consistent with your objectives and risk tolerance. We will not engage in principal trading without your informed consent. We will always attempt to obtain the most favorable terms for any transaction that we make in your accounts. This practice is often referred to as "best execution" in the industry. We will supervise our employees and other professionals to ensure that they are providing the services within appropriate guidelines, and we will monitor our employees to ensure that they meet prevailing ethical standards, in some cases those ethics standards.

As it relates to retirement plans under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), unless otherwise provided in writing, M Wealth, its affiliates and their respective employees, agents, and representatives, including your Financial Professional: (a) do not have discretionary authority with respect to the assets in any retirement plan account, (b) will not be deemed an "investment manager" as defined under ERISA, or otherwise have the authority or responsibility to act as a "fiduciary" (as defined under ERISA) with respect to such assets, and (c) will not provide "investment advice," as defined by ERISA and/or section 4975 of the Code, as amended, with respect to such assets.

Notwithstanding the above, when we provide investment advice to a retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of ERISA 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. For example, M Wealth will make more money when a client increases their assets with us, including through rollovers from retirement plans or IRAs at other financial services companies into IRAs that we provide services to. If a client decides to roll assets out of a retirement plan, and into an individual retirement account ("IRA"), we have a financial incentive to recommend that a client invest those assets with us, because we, and the Financial Professional, will be paid fees on those assets through charging advisory fees on the assets. Clients should be aware that such fees in most cases will be higher than those paid through the plan, and there can be custodial and other maintenance fees. Securities held in other IRA accounts or at in a plan at different financial firms, may not be transferable to an IRA. In this situation, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges that may have been previously paid. You should have a discussion with your Financial Professional and review the services to be provided within the Agreement to ensure you understand the services we are offering.

### **Advisory Services**

M Wealth is the sponsor and portfolio manager for the Managed Portfolio Program (the "Program"), a wrap fee program. We make the Program available through Financial Professionals operating within Member Firms that are

independent RIAs, or who are associated with our affiliated RIA, M Holdings Securities, Inc. (each RIA, an “Advisor”) (See “Other Financial Industry Activities and Affiliates” under Item 9 below for more information about M Holdings Securities, Inc. and our Member Firms). The Advisors, through their Financial Professionals, may recommend the Program to you as their client. M Wealth makes the Program available to such Advisors pursuant to a sub-advisory agreement under which participating Advisors will engage the services of M Wealth as sub-advisor. In some cases, M Wealth may provide this Program directly to clients.

A wrap fee program is a type of investment advisory program that provides clients with asset management and brokerage services for one inclusive fee. Wrap fee programs differ from traditional transaction-oriented brokerage accounts or investment advisory accounts in which clients are charged separate fees for investment advice and trade execution costs, including charges on a trade-by-trade basis. Clients that choose to participate in our Program, will pay a single wrap fee (the “Program Fee”) that covers certain costs of the Program, including investment advice, platform fees, execution and clearing of transactions, and record-keeping services. The Program Fee will vary based on the amount of assets being managed and the agreed upon rate negotiated with the Financial Professional. Certain other costs are not covered by the Program Fee and are described later in this brochure.

You should work with your Financial Professional to determine whether a wrap fee program is appropriate for you. Based on the investment objective and financial information obtained from you, your Financial Professional may recommend one of M Wealth’s model portfolios. Upon receiving your consent and an executed Managed Portfolio Program Client Service Agreement (“Agreement”), your Financial Professional will take appropriate actions to establish an account and provide necessary information to M Wealth to implement the model portfolio selected. You may impose restrictions on investing in certain securities by providing a signed and dated written notification to us, if we are unable to meet the restrictions imposed, we will inform you of what restrictions we are not able to accommodate. You could invest in similar securities directly without our services. In that case, you would not receive all of our services, which are designed, among other things, to assist you in determining which mutual funds and ETFs are appropriate given your financial goal and investment objectives. Accordingly, you should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid and thereby evaluate the advisory services being provided.

M Wealth selects specific securities for Program accounts using eighteen risk-based model portfolios it has developed and manages on an ongoing basis. Clients work with their Financial Professional to choose between portfolios that have different risk-based, tax focused, or specified emphasis. While each portfolio is available for investment, certain portfolios are tailored for use in certain account types. For example, six portfolios are managed for use in taxable accounts and six portfolios are managed for use in tax-deferred accounts. These portfolios have a \$25,000 minimum investment. There are also four portfolios available that seek to emphasize market returns with lower volatility and two portfolios that emphasize environmental, social and governance (“ESG”) focused holdings. These portfolios have a \$10,000 minimum investment. All portfolios are available through the Program, while six portfolios (Lower Volatility and ESG) are also available outside of the Program through a select custodian that offer favorable transaction pricing. M Wealth will monitor and may change securities within the model portfolios through the selection of specific securities, which are primarily, but not limited to, mutual funds and exchange-traded funds (“ETFs”). M Wealth uses various allocations of equity and fixed-income securities to engineer the portfolios to strive for different levels of projected risk and return, such as conservative, moderate, or aggressive growth. The objective of the Program is to seek comprehensive market representation and mitigate portfolio risk through diversification.

## **Fees and Compensation**

Clients in the Program pay a single annualized Program Fee for participation in the Program that includes the investment advice provided by all parties as well as transaction costs. Additional fees that may apply and are not

included in the Program Fee are detailed below in the next segment. Program Fees will vary from client to client and will be detailed in the Agreement.

Fees vary depending on whether Pershing, LLC (“Pershing”) or Charles Schwab, Inc. (“Schwab”) serves as the custodian, and the portfolio. The schedules below detail the maximum annual percentage fee charged, depending on which custodian and portfolio chosen. The Program Fee is negotiable and should be discussed with the Financial Professional.

#### Pershing as Custodian

##### **Traditional Portfolios for Taxable or Tax-Deferred Accounts:**

<b>Market Value</b>	<b>Maximum Program Fee</b>
First \$500,000	1.31%*
Next \$500,000	1.30%
Next \$2,000,000	1.27%
Over \$3,000,000	1.225%

\* For accounts less than \$45,454, the maximum Program Fee is 1.20% plus \$50 annually.

##### **Low Volatility and ESG Portfolios:**

<b>Market Value</b>	<b>Maximum Program Fee</b>
First \$1,000,000	1.27%*
Next \$2,000,000	1.25%
Over \$3,000,000	1.22%

\* For accounts less than \$35,715, the maximum Program Fee is 1.22% plus \$25 annually.

#### Schwab as Custodian

##### **Traditional Portfolios for Taxable or Tax-Deferred Accounts:**

<b>Market Value</b>	<b>Maximum Program Fee</b>
First \$500,000	1.36%*
Next \$500,000	1.35%
Next \$2,000,000	1.32%
Over \$3,000,000	1.275%

\* For accounts less than \$45,454, the maximum annual Program Fee is 1.16% plus \$200.

For accounts between \$45,454 and \$150,000, the maximum annual Program Fee is 1.26% plus \$150.

The Low Volatility and ESG portfolios are not available within the Program at Schwab, however, they are available outside the Program as non-wrap fee management services, as Schwab offers trades in certain securities for no transaction costs.

The Program Fee is computed and payable quarterly, in arrears, and will be assessed within the first fifteen days of each calendar quarter, based upon the average daily market value of the account during the preceding quarter, according to the fee schedule as set forth in the Agreement. The custodian will provide value of account assets for purposes of calculating the Program Fee. The Program Fee will be debited directly from the money market balance in the client account. All assets in the client account are included in this calculation unless specified by client and agreed upon by the Financial Professional and M Wealth. At your request, account assets owned by a single household (for example, two spouses with minor children) can be aggregated for purposes of calculating the market value during the quarter. Should there not be enough funds available in the money market balance of the account, M Wealth will sell shares of securities held in the account in order to raise cash for the Program fee.

M Wealth, at its discretion, may increase the Program Fee by providing thirty (30) days' written notice to you. At the end of the thirty (30) day period, the increased Program Fee will become effective unless client notifies the Advisor in writing to close the account. However, any alteration to lower the Program Fee may become effective prior to client receipt of written notice from the Advisor.

Participation in the Program may cost you more or less than purchasing such services separately, if available, depending on, among other things, the size of the account, and changes in its value over time, the number of transactions and the ability to negotiate fees, commissions, and investment advice separately.

#### M Wealth Services

As Sponsor and portfolio manager of the Program, M Wealth receives compensation for our services. The compensation payable to M Wealth is included in the total Program Fee and is based on a percentage of the assets under management of the account and varies based on the model. The amount of compensation M Wealth receives is between .15% and .07% depending on the size of the account.

M Wealth has a conflict of interest in providing the Program as it receives compensation because of your participation in the Program. We address this conflict through the enforcement of our Code of Ethics, described further within this brochure, and through this disclosure to you.

#### Platform Services

M Wealth has contracted with Envestnet Portfolio Solutions, Inc. ("Envestnet" or "Platform Provider"), an RIA and provider of wealth management software and services, to provide the operational and system support for the Programs. Envestnet provides certain services to M Wealth in connection with the Program. Envestnet is an RIA that provides an extensive range of investment advisory and other services to RIAs such as M Wealth. M Wealth and Envestnet are not affiliated. As the Sponsor of the Program, M Wealth monitors Envestnet's provision of services to our Program to ensure that the services contracted for are being provided. M Wealth may, in its sole discretion, change the platform service provider.

In conjunction with their services to the Program, Envestnet is also authorized by M Wealth to place trades for client accounts at their direction. Envestnet will determine on a discretionary basis the time and amount of the trade to be executed on behalf of the client in accordance with instructions received from M Wealth. Envestnet provides administrative services to M Wealth and supervises and directs the investment of monies contributed by clients to Program accounts on a discretionary basis. Envestnet retains a portion of the total Program Fee for their services prior to remitting payment to M Wealth. This amount is included in the Program Fee and ranges between .07% and .11% depending upon the assets under management in the account and the type of model for which their services are provided.

#### Financial Professional Fee

In nearly all cases, your Financial Professional recommending the Program receives compensation because of your participation in the Program. The amount of their compensation may be more or less than what such Financial Professional would receive if you were to participate in other programs (including other programs provided by M Wealth) or if you pay separately for investment advice, brokerage, and other services (*i.e.*, non-wrap fee account). Therefore, your Financial Professional could have a financial incentive to recommend the Program over other similar programs or services offering your Financial Professional less compensation. We address this conflict by limiting the amount of compensation to the Financial Professional to 1% of total assets under management and through this disclosure to you.

### Custodial Services

Each client will select a custodian to maintain custody of Program account assets between Schwab and Pershing. The custodian will execute transactions and perform the clearance for such transactions. The custodian will perform custodial functions, among other things, including: (i) crediting of interest and dividends on account assets; (ii) crediting of principal on called or matured securities in the account; (iii) debiting the Program Fee from the accounts; (iv) processing, pursuant to M Wealth's or Advisor's instructions, of deposits to and withdrawals from accounts; and (v) other custodial functions customarily performed with respect to securities brokerage accounts. Clients authorize the custodian to execute orders from M Wealth or Platform Provider on a discretionary basis. The Platform Provider has discretion to aggregate purchases and sales of securities for the Account with purchases and sales of securities of the same issuer for other clients of M Wealth or Advisor occurring on the same day. When transactions are aggregated, the actual prices applicable to the aggregated transaction will be averaged, and the Account and the accounts of other participating clients of M Wealth or Advisor will be deemed to have purchased or sold their proportionate shares of the securities involved at the average price so obtained.

As noted above, custodians provide execution and clearing services for transactions to the extent covered by the Program Fee.

- The execution fee for our program at Pershing can be up to 0.05% of total assets under management in the account and is included in and debited at the same time as the Program Fee. Pershing will reduce its asset-based fee when a security is traded that would otherwise trade for no commission.
- The execution fee in our Program at Schwab can be up to .10% of total assets under management in the account. This fee is included in the Program Fee shown above, but is debited from client accounts directly by Schwab on a monthly basis at a different time from the rest of the Program Fees. Schwab will debit from the client Account a minimum fee of \$10 per month for execution services. This minimum fee will increase the total Program Fee paid for Accounts with low balances (less than \$120,000).

The custodian will forward confirmation of each purchase and sale to you and your Advisor in accordance with applicable law. For each month in which activity occurs in your account (but no less frequently than quarterly), account statements will be forwarded by the custodian to you.

Considering these differential custodial fees, we encourage you to discuss with your Financial Professional which custodian is the best for your account.

### **Fees in Addition to the Program Fee**

#### Custodian Fees

You will incur certain charges imposed by custodians for maintaining an account that are in addition to the Program fee. These fees will differ at each custodian, and may include, but are not limited to, account maintenance fees, account closing fees, account transfer fees, wire fees, and other service fees as determined by the custodian. For more information about such fees, please review fees of the custodian carefully prior to selecting a custodian and opening an account.

#### Mutual Fund/ETF Fees

All fees paid to M Wealth for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. If you transfer previously purchased mutual funds into a Program account, and there is an applicable contingent deferred sales charge or redemption fee on the fund, you will pay that charge when the mutual fund is sold. The Financial Professional will not receive any prospective compensation from fees and expenses of these products once they are transferred into the advisory account.



## **Item 5 -- Account Requirements and Types of Clients**

The minimum investment size per account to participate in the Program is either \$10,000 for Low Volatility and ESG Portfolios or \$25,000 for Traditional Portfolios. M Wealth at its sole discretion may allow accounts to be opened and maintained below stated minimums, however this is rare. The Program is intended for clients of Financial Professionals appropriately licensed and associated with Member Firms of M Financial Group; however, in some cases, M Wealth may work directly with clients.

M Wealth provides advisory services to a wide variety of clients including but not limited to: individuals, charitable organizations, corporations and other business entities, retirement plans (including 401(k) plan fiduciaries and pension plans), and trusts.

## **Item 6 -- Portfolio Manager Selection and Evaluation**

M Wealth acts as the sponsor and portfolio manager for the Program and is responsible for managing and monitoring the various portfolios. Because we are the sponsor and portfolio manager, our receipt of a portion of the Program Fees provides a financial incentive, and thus a conflict of interest, when we recommend the Program to you and to other clients. We address this conflict through the enforcement of our Code of Ethics and this disclosure to you.

Financial Professionals work with their clients to recommend and select the appropriate M Wealth model portfolio based upon each client's risk tolerance and financial objectives. Clients can choose from one of eighteen risk-based model portfolios that are managed by M Wealth. M Wealth also provides advisory services to non-wrap fee clients, including 401(k) plans. Non-wrap fee clients have their accounts managed in accordance with a customized target asset allocation, while 401(k) clients can choose from among six risk-based model portfolios and nine target-date portfolios.

The Platform Provider produces performance reports and makes such reports available to Financial Professionals and M Wealth. Account performance figures and percentages are calculated using a time-weighted return method, a measure of portfolio performance over a given time period calculated without regard to the effect of cash flows into or out of the account. We do not review performance reports or information produced by the Platform Provider to determine or verify accuracy or compliance with presentation standards. Financial Professionals may provide performance reports to clients for purposes of discussing and reviewing Account performance and holdings.

In the event your Financial Professional provides a performance report directly to you, we urge you to carefully compare the information provided in the report with the account statement you receive from the qualified custodian for your Account to ensure that all transactions, holdings, and values are correct and current.

## **Advisory Business**

M Wealth, and our affiliate, M Securities, offer other investment advisory services, which vary slightly from the services described in this wrap program. Please see the M Wealth Form ADV Part 2A brochure Item 4 for a description of our advisory business.

## **Performance Based Fees**

M Wealth does not charge fees based on appreciation of client assets.

## **Methods of Analysis, Investment Strategy & Risk of Loss**

In general, we seek to build diversified investment portfolios so that an appropriate model portfolio may be selected in relation to your time horizon, risk tolerance, liquidity requirements, and other investment constraints. We strive to identify an appropriate ratio of stocks, bonds, and cash suitable for the projected risk and projected return in each model portfolio. Rather than focusing primarily on individual securities selection, we build portfolios using mutual funds and ETFs. A risk of broad asset allocation is that you may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of stocks, bond, and cash will change over time due to market movements and, if not corrected, will no longer be appropriate for your goals. We mitigate this risk by reviewing all client accounts at least quarterly and trading the accounts as necessary so that this ratio is returned to the target amounts, a process known as rebalancing.

To assist us with decisions, we utilize information sourced from databases with historical securities price information; research materials prepared by others; corporate rating services; annual reports; mutual fund prospectuses and data; financial newspapers and magazines; filings with the Securities and Exchange Commission; and corporate press releases.

At least quarterly, M Wealth completes a thorough analysis of the performance of each of the model portfolios and each of the funds that make up the portfolios. The analysis is focused on determining whether the performance of the funds and portfolios was in line with our expectations and the securities markets in general. If a fund's or portfolio's risk and return profile is below expectations for an extended period of time, we will analyze alternatives and potentially change the portfolio's allocation or replace a fund to try to improve performance.

Regardless of the method of analysis and investment strategy, investing in securities involves the risk of loss of principal that clients should be prepared to bear. All securities are subject to risk, and there is no assurance that any investment program or strategy will be successful.

## **Voting Client Securities**

M Wealth does not vote proxies on behalf of any client. If received by M Wealth, proxy information will be forwarded to you, and you will retain the responsibility for voting the proxies. You should contact your custodian with questions about any particular solicitations.

## **Item 7 -- Client Information Provided to Portfolio Manager**

M Wealth serves as the sponsor and portfolio manager of this Program. In most instances, as an account holder, you communicate with us through your Financial Professionals. The Financial Professional works with the client to choose a model portfolio that meets your risk tolerance and financial objectives. Clients are responsible for notifying their Financial Professional of any changes to their client information, investment objectives, and risk tolerance. Should a client's lifestyle or financial situation change, the Financial Professional will evaluate the client situation and notify M Wealth of any need to change the investment management instructions to another model portfolio if necessary. Direct clients of M Wealth will contact us directly with any changes to their financial objectives and other information.

## **Item 8 -- Client Contact with Portfolio Managers**

As indicated above, we communicate with clients (other than direct clients) through your Financial Professional. Clients should contact their Financial Professional or Advisor first to request and arrange a direct consultation with us.

## **Item 9 -- Additional Information**

### **Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Neither M Wealth, nor our management personnel have any reportable disciplinary events to disclose.

### **Other Financial Industry Activities and Affiliations**

Member Firms and many of their affiliated producers are stockholders of M Financial Group, and as stockholders, they share in profits of M Financial Group. Advisors recommend the Program when appropriate for their clients. A financial incentive, and therefore a potential conflict of interest, could exist when Advisors offer M Wealth's portfolio management services as opposed to those services of other portfolio managers.

M Wealth's affiliated RIAs are M Holdings Securities, Inc. ("M Securities") and M Financial Investment Advisers, Inc., which is the RIA to M Fund, Inc. Our affiliated broker-dealers are M Holdings Securities, Inc. and M Financial Securities Marketing, Inc. Certain personnel of M Wealth are separately licensed with M Securities. Our affiliated insurance agencies are Management Compensation Group, Northwest, LLC, doing business as M Benefit Solutions and M Insurance Solutions, Inc. Our affiliated insurance company is M Life Insurance Company. All entities, along with M Wealth, are subsidiaries of M Financial Group. All clients of Member Firms should be aware that economic incentives exist which could influence recommendations for particular financial products or services. Any fees or commissions created by those recommendations would be in addition to Advisory Fees collected. We address these conflicts of interest by acting in the best interest of our clients, by disclosing all conflicts, and through the enforcement of our Code of Ethics.

Our affiliated RIAs, broker dealers, and insurance companies are also disclosed in Section 7.A. on Schedule D of Form ADV, Part 1, which can be accessed by following the directions provided on the cover page of this brochure.

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

M Wealth has adopted a Code of Ethics that sets forth high ethical standards of business conduct that we require of our access persons, including compliance with applicable federal securities laws. M Wealth and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics, but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the regular review of securities transactions reports as well as initial and annual securities holdings reports that must be submitted by M Wealth's access persons. Our Code of Ethics provides for oversight, enforcement, and recordkeeping provisions. The Code of Ethics further includes a policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all access persons are reminded that such information may not be used in a personal or professional capacity.

Our Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of our access persons will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing access persons to invest for their own accounts. Our internal supervisory procedures are designed to detect potential breaches of conduct by our access persons. Access person trading is monitored under the Code of Ethics to reasonably prevent conflicts of interest between us and our clients. Access persons may never enter orders ahead of client orders. Additionally, our access persons are not allowed to trade IPOs for their own accounts.

Access persons may not purchase or sell any security in which they have beneficial ownership unless they have complied with the Code's Personal Security Transaction Policy. Access persons may buy and sell for their own personal account(s) mutual funds and ETFs (and other securities) that are identical to or different from those recommended to clients. As this is a conflict of interest, such conflicts are mitigated because access persons are prohibited from entering a personal order to buy or sell a security if they have knowledge of a client's unexecuted market order to buy or sell the same security. Trades by access persons may be aggregated with client transaction, where possible, and when compliant with our duty to seek best execution for our clients. In these instances, all participants will receive an average share price and transaction costs will be shared equally on a pro-rata basis (should any exist). In instances where there is a partial fill of a particular aggregate order, we will allocate all trades on a pro-rata basis with an average price. Finally, M Wealth strictly forbids front-running client accounts, which generally involves placing personal trades ahead of imminent client trades. As noted, our compliance team monitors these prohibitions, and access person personal securities transactions are reviewed.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. Clients and prospective clients may request a copy by email sent to [mwealth@mfin.com](mailto:mwealth@mfin.com), or by calling us at 800.508.1820.

### **Review of Accounts**

Client accounts are reviewed at least quarterly by our staff to determine if they continue to be allocated properly given the model portfolio that was selected and normal valuation fluctuations during the preceding period. If the amounts of various securities positions in an account diverge from the expected amounts, an analysis is completed to determine the cause of the divergence. At times, the stated objective may be inconsistent with the actual holdings in an Account. This can be due to, among other things, volatility in the markets. At least once a year, we analyze portfolios for any necessary trading to realign specific market sector allocations. With the assistance of our platform vendor, we review any withdrawal or deposit of funds to determine how to best execute transactions to maintain your stated allocation. Trading may result in a taxable event for which you will be responsible.

We provide access to written performance reports to Financial Professionals and their associated Advisors (in cases where we act as a sub-advisor) or directly to clients (in cases where we have a direct portfolio management relationship). In addition to information regarding account performance, the reports contain information regarding holdings, and benchmark performance, and show accounting detail, such as contributions, withdrawals and income. Clients should compare the information in these reports to the information in the statement received from their qualified custodian to ensure that all transactions, holdings, and values are correct and current.

### **Client Referrals and Other Compensation**

We do not participate in a referral program involving this Program; however, we participate in referral programs for other services. We invite you to review our Form ADV Part 2A brochure at <https://adviserinfo.sec.gov/firm/brochure/136694>.

We invite clients and prospective clients to view the disclosure document of our parent company, M Financial Group. This document details the various ways that M Financial Group and its affiliated companies may receive compensation. It may be viewed at [www.mfin.com/disclosure](http://www.mfin.com/disclosure).

### **Trade Corrections**

On occasion, trading errors may occur in a client Account. When this happens, we will work to process the correction so that client is not negatively affected by the error, and have the results of the transaction, as originally intended. Generally, this involves moving the erroneous transaction out of client's Account and into an error correcting account registered to M Wealth or the custodian. For accounts held with Pershing, M Securities

will absorb any gain that may result from this corrective action. M Wealth will cover for any loss as result of our error. For accounts held with Schwab, Schwab will absorb the gain that may result from the corrective action and charge M Wealth for losses over \$100. Retaining gains which otherwise could be given to a client is a conflict of interest which we address through this disclosure to you.

**Financial Information**

As we do not require payment for services in advance, we are not required to include a financial statement.

We are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. M Wealth has no additional financial circumstances to report and has not been the subject of a bankruptcy petition.