

Part 2A of Form ADV: Firm Brochure

Form ADV, Part 2A, Item 1

Cover Page



Central Wealth Management LLC

1111 Deming Way, Suite 103
Madison, Wisconsin 53717

Tel: (608) 841-1555
Fax: (608) 841-1554

March 4, 2024

**FORM ADV PART 2
FIRM BROCHURE**

This brochure provides information about the qualifications and business practices of Central Wealth Management LLC. If you have any questions about the contents of this brochure, please contact us at (608) 841-1555. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Central Wealth Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Central Wealth Management LLC is 293172.

Central Wealth Management LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Material Changes

This disclosure brochure provides prospective clients with information about Central Wealth Management LLC that should be considered before or at the time of obtaining our advisory services.

This brochure is required to be updated at least annually, or sooner when material changes to our business take place.

Central Wealth Management LLC was established as a new Registered Investment Advisor in June 2018 under the State of Wisconsin rules and regulations. It became registered with the U.S. Securities and Exchange Commission in April 2021.

Each year we will deliver to you, by no later than April 30th, a free updated brochure that includes or is accompanied by a summary of material changes; or a summary of material changes and an offer to provide a copy of the updated brochure and how to obtain it. Please retain a copy of this Disclosure Brochure for your records.

There have been the following material changes since the last update on February 20, 2023:

- None

Table of Contents

<u>Item 1:</u> Cover Page	1
<u>Item 2:</u> Material Changes	2
<u>Item 3:</u> Table of Contents	3
<u>Item 4:</u> Advisory Business	4
<u>Item 5:</u> Fees and Compensation	7
<u>Item 6:</u> Performance-Based Fees and Side-By-Side Management	9
<u>Item 7:</u> Types of Clients	9
<u>Item 8:</u> Methods of Analysis, Investment Strategies, and Risk of Loss	9
<u>Item 9:</u> Disciplinary Information	10
<u>Item 10:</u> Other Financial Industry Activities and Affiliations	10
<u>Item 11:</u> Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	11
<u>Item 12:</u> Brokerage Practices	12
<u>Item 13:</u> Review of Accounts	13
<u>Item 14:</u> Client Referrals and Other Compensation	14
<u>Item 15:</u> Custody	14
<u>Item 16:</u> Investment Discretion	14
<u>Item 17:</u> Voting Client Securities	14
<u>Item 18:</u> Financial Information	15
<u>Item 19:</u> Requirements for State-Registered Advisers	15

Advisory Business

Central Wealth Management LLC (hereinafter called "CWM") is a Registered Investment Adviser based in Madison, Wisconsin, and incorporated under the laws of the State of Wisconsin. CWM is wholly owned by Eric Heiting. CWM is registered with the U.S. Securities and Exchange Commission ("SEC") and is subject to its rules and regulations. Founded in June 2018, CWM provides investment advisory services, which may include, but are not limited to, the review of client investment objectives and goals, recommending asset allocation strategies of managed assets among investment products such as cash, stocks, mutual funds and bonds, annuities, and/or preparing written investment strategies. Our investment advice is tailored to meet our clients' needs and investment objectives. Clients may impose restrictions on investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.) by providing a signed and dated written notification, of which an e-mail is also an acceptable form of notification. CWM also provides financial planning consulting services including, but not limited to, risk assessment/management, investment planning, estate planning, financial organization, or financial decision making/negotiation.

CWM provides investment advisory and other financial services through its Investment Advisory Representatives ("IAR") to accounts opened with CWM. Managed Accounts are available to individuals.

Asset Management Services

CWM provides discretionary and non-discretionary investment advisory services to some of its clients through various managed account programs. CWM will assist clients in determining the suitability of the Managed Account Programs for the client. The IAR is compensated through a comprehensive single fee and the account may be assessed other charges associated with conducting a brokerage business. CWM and its IAR, as appropriate, will be responsible for the following:

- Performing due diligence
- Recommending strategic asset and style allocations
- Providing research on investment product options, as needed
- Providing client risk profile questionnaire
- Obtaining investment advisory contract from client with required financial, risk tolerance, suitability and investment vehicle selection information for each new account
- Performing client suitability check on account documentation, review the investment objectives and evaluate the investment vehicle selections
- Providing Firm Brochure (this document)

Financial Planning Services

CWM provides general financial counseling to our asset management clients at no additional charge beyond the asset management fee described below in Item 5 – Fees and Compensation: Asset Management. However, CWM does offer financial planning separately for a fixed fee (See below Item 5 – Fees and Compensation: Financial Planning). The fixed fee would be applicable for a client that did not have assets under management with CWM, or for a client that has assets under management with CWM but requests specific financial planning and/or consulting beyond the scope of general financial counseling. Examples of specific financial planning and/or consulting could include business planning, insurance planning, estate planning, comprehensive financial planning and/or budgeting. The financial planning relationship consists of face-to-face meetings and ad hoc meetings with the client and/or the client's other advisors (attorneys, accountants, etc.) as necessary and agreed upon. Depending on the agreed upon services, financial planning and/or consulting may also consist of written deliverables.

During a financial planning engagement, the client provides requested information and documentation to CWM regarding income, investments, taxes, insurance, estate plan, etc. CWM will discuss the client's investment objectives, needs and goals based upon the information provided. The client is responsible to inform CWM of any changes. CWM does not verify any information obtained from the client, the client's attorney, accountant or other professionals.

The client is under no obligation to implement recommendations through CWM. The client may implement the financial plan through any financial organization or provider of choice.

Private (Alternative) Investments

CWM gives certain clients the option of investing in private investments, such as private equity funds, venture funds and hedge funds. Specifically, an affiliated fund for which Eric Heiting is a Partner, Vario Equity, LLC may be offered to some clients depending on the client's goals and investment objectives. Due to strict regulatory requirements, only certain clients may invest in private investments. The first type are "accredited investors", who are clients that have over \$1 million in total net worth, or individual income of greater than \$200,000 the previous 2 years and expect to do the same the current year, or the client and spouse had a combined income of \$300,000 per year the previous 2 years and expect to do the same the current year. Accredited investors are permitted to invest in private investments but may NOT be charged performance-based fees. The second type are "qualified clients", who are clients that have over \$131 million invested with us, OR a net worth of at least \$2.2 million, excluding primary residence. Under current regulations, qualified clients may be charged performance-based fees. Mr. Heiting's ownership interest in Vario Equity, LLC may be a potential conflict of interest based on the compensation received. However, CWM has a fiduciary duty to act in the best interest of its clients, and alternative investments will only be suggested to clients if it meets their overall investment objectives. CWM and Vario Equity, LLC are completely separate companies, and clients of CWM are in no way obligated to invest in Vario Equity, LLC.

CWM, in providing the services agreed upon with the client, may retain hereafter ("the Sub- Adviser"), an investment adviser registered under applicable securities laws, as a Sub-Adviser to manage all or a portion of the managed assets in the Client's account. A Sub-Adviser will be registered, as required by state regulations, where clients reside. If this occurs, CWM will be responsible for the continuing supervision of the Client's account, and the actions of the Sub-Adviser in connection with the Client's account and the managed assets. CWM and the Sub-Advisor may have one combined fee that may be

in a Tri-Party Agreement signed between the Client, Sub-Advisor and CWM. Or, alternatively, there may be an Agreement between the Client and CWM, and a separate Agreement between the Client and the Sub-Advisor. The custodian will pay CWM and the Sub-advisor separately for advisory fees, as specified in the Agreement. CWM agrees that upon proper notice by the Client, CWM will refrain from the appointment of, or terminate as permitted under applicable contracts, any Sub-Advisor appointed pursuant to this authority.

Assets Under Management

As of February 27, 2024, Central Wealth Management managed \$100,968,656 discretionary assets and \$311,269 non-discretionary assets.

Form ADV, Part 2A, Item 5

Fees and Compensation

The following types of fees will be assessed:

Asset Management – Fees are charged quarterly or monthly in advance and are based primarily on asset size and the level of complexity of the services provided. In individual cases, CWM has the sole discretion to negotiate fees that are lower than the standard fee shown or to waive fees. Fees are not based on the share of capital gains or capital appreciation of the funds or any portion of the funds. Comparable services for lower fees may be available from other sources. Fees for the initial quarter or month will be prorated based upon the number of calendar days in the calendar quarter or month that the advisory agreement is in effect. Fees are based on the market value of the assets on the last business day of the previous quarter or month. Annual fees range from .60% - 1.30% depending on the amount of assets under management (“AUM”) – See chart below. Consulting services are included in these fees for asset management services with the exception of unique circumstances that may require a separate agreement for financial planning services (description and fees are discussed below). If the situation warrants separate financial planning fees, it will be discussed upfront and a separate agreement will be negotiated.

Fee Schedule for Asset Management:

Total Account Value	Maximum Annual Advisory Fee
First \$250,000	1.30%
Next \$250,000	1.20%
Next \$500,000	1.05%
Next \$1,000,000	0.95%
Next \$3,000,000	0.90%
Next \$5,000,000	0.75%
Over \$10,000,000	0.60%

As authorized in the client agreement, the account custodian withdraws Central Wealth Management LLC’s advisory fees directly from the clients’ accounts according to the custodian’s policies, practices, and procedures. The custodial statement includes the amount of any fees paid to CWM for advisory services. You should carefully review the statement from your custodian/broker-dealer and verify the calculation of fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

Fees are charged in advance on a quarterly or monthly basis, meaning that advisory fees for a quarter or month are charged on the first day of the quarter or month. Unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of the signing of the contract without incurring any advisory fees. Thereafter, the client may terminate advisory services upon written notice delivered to and received by CWM. The Client is responsible for any fees and charges incurred by the Client from third parties as a result of maintaining the account such as transaction fees for any securities transactions executed and account maintenance or custodial fees.

services upon written notice delivered to and received by CWM. Clients who terminate investment advisory services during a quarter (or month, if being charged monthly) are charged a prorated advisory fee based on the date of CWM's receipt of client's written notice to terminate. Any earned but unpaid fees are immediately due and payable, and any unearned and prepaid fees are immediately refunded.

Financial Planning – Financial planning services are charged in advance through a fixed fee arrangement as agreed upon between the client and Central Wealth Management LLC. There will never be an instance where \$500 or more in fees is charged six or more months in advance. Fees are negotiable and vary depending upon the complexity of the client situation, services to be provided and number of meetings. Clients may elect to have fees directly debited from an investment account, check, credit card or by online subscription on a monthly basis. Clients may also pay by check up to 6 months in advance. Similar financial planning services may be available elsewhere for a lower cost to the client. Fixed fees for financial planning and/or consulting projects range from \$500 to \$2500 per project.

Clients who wish to terminate the planning process prior to completion may do so with written notice. The client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period by contacting Eric Heiting at (608) 841-1555. Upon receipt of written notification, any earned fee will immediately become due and payable. A client may terminate an advisory agreement without being assessed any fees or expenses within five (5) days of its signing.

Additional Fees and Expenses

In addition to advisory fees paid to CWM as explained above, clients may pay custodial service, account maintenance, transaction, and other fees associated with maintaining the account. These fees vary by broker and/or custodian. Clients should ask CWM for details on transaction fees or other custodial fees specific to their account, as these fees are not included in the annual advisory fee. CWM does not share any portion of such fees. Additionally, for any mutual funds purchased, the client may pay their proportionate share of the funds' distribution, internal management, investment advisory and administrative fees. Such fees are not shared with CWM and are compensation to the fund manager. Clients are urged to read the mutual fund prospectus prior to investing.

Mutual fund companies impose internal fees and expenses on clients. These fees are in addition to the costs associated with the investment advisory services as described above. Complete details of such internal expenses are specified and disclosed in each mutual fund company's prospectus. Clients are strongly advised to review the prospectus(es) prior to investing in such securities.

Mutual funds purchased or sold in broker-dealer accounts may generate transaction fees that would not exist if the purchase or sale were made directly with the mutual fund company. Mutual funds held in broker-dealer accounts also charge management fees. These mutual fund management fees may be more or less than the mutual fund management fees charged if the client held the mutual fund directly with the

mutual fund company.

Clients may purchase shares of mutual funds directly from the mutual fund issuer, its principal underwriter, or a distributor without purchasing the services of CWM or paying the advisory fee on such shares (but subject to any applicable sales charges). Certain mutual funds are offered to the public without a sales charge. In the case of mutual funds offered with a sales charge, the prevailing sales charge (as described in the mutual fund prospectus) may be more or less than the applicable advisory fee. However, clients would not receive CWM's assistance in developing an investment strategy, selecting securities, monitoring performance of the account, and making changes as necessary.

Please refer to Item 12 "Brokerage Practices" of this brochure for additional information.

Form ADV, Part 2A, Item 6

Performance-Based Fees and Side-By-Side Management

Central Wealth Management LLC does not charge performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or appreciation of the assets of a client. Our fees are calculated as described in Fees and Compensation section above and are not charged on the basis of performance of your advisory account.

Form ADV, Part 2A, Item 7

Types of Clients

CWM offers investment advisory services to individuals, trusts and small businesses. There is no minimum account size to open and maintain an advisory account.

Form ADV, Part 2A, Item 8

Methods of Analysis, Investment Strategies, and Risk of Loss

CWM's methods of analysis and investment strategies incorporate the client's needs and investment objectives, time horizon, and risk tolerance. CWM is not bound to a specific investment strategy for the management of investment portfolios, but rather consider the risk tolerance levels pre-determined gathered at the account opening, as well as on an on-going basis. Examples of methodologies that our investment strategies may incorporate include:

Asset Allocation – Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

Dollar-Cost Averaging – Dollar-cost averaging is the technique of buying a fixed dollar amount of securities at regularly scheduled intervals, regardless of the price per share. This will gradually, over

time, decrease the average share price of the security. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time.

Technical Analysis – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

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.

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.

Our strategies and investments may have unique and significant tax implications. Regardless of your account size or other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Investing in securities involves risk of loss that clients should be prepared to bear. Although we manage your portfolio with strategies and in a manner consistent with your risk tolerances, there can be no guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Regardless of the methods of analysis or strategies suggested for your particular investment goals, you should carefully consider these risks, as they all bear risks.

Form ADV, Part 2A, Item 9

Disciplinary Information

Central Wealth Management LLC or its Principal Executive Officers have not had any reportable disclosable events in the past ten years.

Form ADV, Part 2A, Item 10

Other Financial Industry Activities and Affiliations

Eric Heiting, owner and IAR of CWM, is not currently registered with any broker dealer.

Neither CWM nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

CWM, in providing the services agreed upon with the client, may retain an investment adviser registered under applicable securities laws, as a Sub-Adviser to manage all or a portion of the managed assets in the client's account (hereafter, the "Sub-Adviser.") If this occurs, CWM will be responsible for the continuing supervision of the client's account, and the actions of the Sub-Adviser in connection with the client's

account and the managed assets. CWM agrees that upon proper notice by the client, CWM will refrain from the appointment of, or terminate as permitted under applicable contracts, any Sub-Adviser appointed pursuant to this authority.

CWM has a conflict of interest when we utilize third-party Sub-Advisers that have agreed to share a portion of their advisory fee with us and have met the conditions of our due diligence review. There may be other third-party Sub-Advisers that may be suitable for you that may be more or less costly. No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered. This conflict of interest is primarily mitigated by our ongoing due diligence of our third-party Sub-Advisers and our limits on advisory compensation to the schedule set forth in Item 5 – Fees and Compensation.

Eric Heiting is also a licensed insurance agent. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. CWM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of CWM in their capacity as an insurance agent.

Eric Heiting is a partner of Vario Equity, LLC, a private equity firm.

Eric Heiting is owner and Managing Director of Five and Dime Ventures, LLC, a venture capital fund designed to invest in POLCO. Mr. Heiting sits on the Board for POLCO, a Middleton, WI based venture capital firm and is compensated for his time and advisory expertise. This outside activity creates a possible conflict of interest due to time and effort expended on behalf of POLCO as well as compensation received in exchange for his leadership role.

This conflict is mitigated by the very limited amount of time allotted to POLCO, Inc. since less than 5% of his time is spent on this activity.

Eric Heiting is a Managing Principal and CCO of PMMSF Partners, LLC, a registered investment advisory firm in Wisconsin.

Form ADV, Part 2A, Item 11

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

CWM's Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect client interests at all times and to demonstrate our commitment to fiduciary duties of honesty, good faith, and fair dealing. All of CWM's Associated Persons are expected to strictly adhere to these guidelines. Persons associated with Central Wealth Management LLC are also required to report any violations to the Code of Ethics. Additionally, the firm maintains and enforces written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about our clients or client accounts by persons associated with our firm.

CWM and its employees may buy or sell securities that are also held by clients. It is the expressed policy of the advisor that no person employed by our firm purchase or sell any security prior to the transaction

being implemented for an advisory account; therefore, preventing such employees from benefiting from transactions placed on behalf of the advisory clients. The advisor may have an interest or position in a certain security, which may also be recommended to the client. As these situations may present a conflict of interest, the advisor has established the following restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer or employee of the advisor shall not buy or sell a security for their personal portfolio(s) where their decision is substantially derived, in whole or part, by reason of his or her employment, unless the information is also available to the investing public. No owner/employee of CWM shall prefer their own interest to that of the client.
2. The advisor maintains a list of all securities held by the company and all directors, officers, and employees. These holdings are reviewed on a quarterly basis by the principal of the firm.
3. The advisor requires that all employees must act in accordance with all applicable Federal and State regulations governing registered investment advisors.
4. The advisor may block personal trades with those of clients but will ensure that clients are not at a disadvantage.

CWM's Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Eric Heiting at (608) 841-1555.

Form ADV, Part 2A, Item 12

Brokerage Practices

In order for CWM to provide asset management services, we request you utilize the brokerage and custodial services of Charles Schwab & Co (Schwab), with which we have an existing relationship. Schwab is an independent SEC registered broker-dealer. Schwab, and CWM are separate and unaffiliated. In considering which independent qualified custodian will be the best fit for CWM's business model, we are evaluating the following factors, which is not an all-inclusive list:

- Financial strength
- Reputation
- Reporting capabilities
- Execution capabilities
- Pricing, and
- Types and quality of research

While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including, but not limited to research, market information, and administrative services that help our firm manage your account(s). We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the recommended broker-dealers, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm.

You may direct us in writing to use a particular broker-dealer to execute some or all of the transactions

for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.

CWM does not have any soft dollar arrangements.

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

When CWM buys or sells the same security for two or more clients (including our personal accounts), we may place concurrent orders to be executed together as a single “block” in order to facilitate orderly and efficient execution. Each client account will be charged or credited with the average price per unit. We receive no additional compensation or remuneration of any kind because we aggregate client transactions. No client is favored over any other client. If an order is not completely filled, it is allocated pro-rata based on an allocation statement prepared by CWM prior to placing the order. Because of an order’s aggregation, some clients may pay higher transaction costs, or greater spreads, or receive less favorable net prices on transactions than would otherwise be the case if the order had not been aggregated. CWM may choose to aggregate orders for its proprietary or personnel’s accounts with those of its clients. CWM will receive no additional compensation or remuneration resulting from the aggregation of client transactions.

Flourish Cash

CWM Flourish Cash is a CWM branded product provided by Flourish Cash (‘Flourish’). Flourish is a service offered by Stone Ridge Securities LLC, a registered broker-dealer and FINRA member. Stone Ridge Securities LLC is not a bank. Stone Ridge provides cash management services to registered investment advisers like CWM and other financial institutions. Flourish has access to a wide range of cash management solutions through various select FDIC-member banks (‘Program Banks’) which allows Flourish to provide what it believes are better rates for short term cash deposits than traditional money market sweep vehicles generally offered by custodians. While Stone Ridge allows CWM to co-brand their Flourish product, CWM does not play any part in the management of Flourish assets nor does CWM receive any fees or remuneration from Flourish for deposits made or assets held at Flourish by CWM clients. Assets held in CWM Flourish Cash accounts are not subject to CWM oversight and CWM collects no asset management fees or other considerations for CWM client Flourish deposits. A Flourish Cash account is a brokerage account offered by Stone Ridge Securities LLC. The cash balance in a Flourish Cash account is swept from the brokerage account to deposit account(s) at one or more third-party banks that have agreed to accept deposits from customers of Stone Ridge Securities LLC (“Program Banks”). Because assets are maintained through Program Banks, assets invested through Flourish are protected by FDIC insurance up to \$2,000,000 for an individual account and up to \$8,000,000 for a two-person household. FDIC coverage limits are outside of CWM’s control, are subject to change, and vary by the type of account opened so clients must review all Flourish offering materials directly for details regarding eligibility, coverage limits and conditions. The accounts at Program Banks pay a variable rate of interest. Clients interested in a CWM Flourish Cash account are encouraged to review all offering documents provided by Stone Ridge Securities, LLC and consult with their CWM Financial Advisor prior to making a deposit.

Review of Accounts

Client accounts are reviewed at least quarterly by Eric Heiting, Principal Executive Officer of the firm. Eric Heiting reviews clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at CWM are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Eric Heiting, Principal Executive Officer of the firm. There is only one level of review and that is the total review conducted to create the financial plan.

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

Each client will receive at least quarterly a written report that details the clients' account which may come from the custodian.

If agreed upon between the Client and CWM, financial planning Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

Client Referrals and Other Compensation

CWM does not compensate any individual or firm for client referrals. Additionally, CWM does not receive any type of compensation for referring clients to other professional service providers.

Custody

CWM does not have physical custody of any client funds and/or securities and does not take custody of client accounts at any time. Client funds and securities will be held with a bank, broker dealer, or other independent qualified custodian. However, by granting CWM written authorization to automatically deduct fees from client accounts, CWM is deemed to have limited custody. You will receive account statements from the independent, qualified custodian holding your funds at least quarterly. The account statement from your custodian will indicate the amount of advisory fees deducted from your account(s) each billing cycle. Clients should carefully review statements received from the custodian. CWM also sends quarterly invoices detailing the manner and amount of advisory fees to all clients.

Investment Discretion

Before CWM can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a limited power of attorney, and/or trading authorization forms. By choosing to do so, you may grant the firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided to the IAR in writing. Please refer to the “Advisory Business” section of this Brochure for more information on our discretionary management services.

Form ADV, Part 2A, Item 17

Voting Client Securities

CWM does not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Form ADV, Part 2A, Item 18

Financial Information

CWM is not required to provide financial information to our clients because we do not require or solicit the prepayment of more than \$1,200 six or more months in advance.

Form ADV, Part 2A, Item 19

Requirements for State-Registered Advisers

This section is not applicable because our firm is SEC registered.