

# Montz Marcus Wealth Management Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Montz Marcus Wealth Management. If you have any questions about the contents of this brochure, please contact us at (504) 488-3700 or by email at: [info@montzharcus.com](mailto:info@montzharcus.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.*

*Additional information about Montz Marcus Wealth Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Montz Marcus Wealth Management's CRD number is: 301963.*

610 City Park Avenue  
New Orleans, LA 70119  
(504) 488-3700  
[info@montzharcus.com](mailto:info@montzharcus.com)  
<https://www.montzharcus.com>

*Registration as an investment adviser does not imply a certain level of skill or training.*

Version Date: March 148, 2024

## Item 2: Material Changes

Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Montz Marcus Wealth Management LLC.

Montz Marcus Wealth Management LLC believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide its clients with complete and accurate information at all times. Montz Marcus Wealth Management LLC encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Montz Marcus Wealth Management LLC (MHWM).

### Material Changes

This is an Other Than Annual amendment that includes material changes from the last annual updating amendment on March 6, 2023, of Montz Marcus Wealth Management LLC. Material changes relate to Montz Marcus Wealth Management LLC's policies, practices or conflicts of interests.

### Updated within this brochure.

Montz Marcus has added the use of third-party advisers within Items 4(B), 5(B) and 10(D). Montz Marcus no longer engages in TD Ameritrade's institutional advisor program, AdviserDirect, and has begun using Charles Schwab as a qualified custodian. (Item 14).

### Item 3: Table of Contents

#### Item 1: Cover Page

Item 2: Material Changes.....	ii
Item 3: Table of Contents.....	iii
Item 4: Advisory Business .....	2
Item 5: Fees and Compensation.....	7
Item 6: Performance-Based Fees and Side-By-Side Management .....	11
Item 7: Types of Clients .....	11
Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss .....	12
Item 9: Disciplinary Information.....	16
Item 10: Other Financial Industry Activities and Affiliations.....	16
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	190
Item 12: Brokerage Practices .....	20
Item 13: Review of Accounts.....	21
Item 14: Client Referrals and Other Compensation.....	22
Item 15: Custody .....	23
Item 16: Investment Discretion.....	23
Item 17: Voting Client Securities (Proxy Voting) .....	23
Item 18: Financial Information.....	23

## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

Montz Marcus Wealth Management (hereinafter “MHWM”) is a Limited Liability Company organized in the State of Louisiana. The firm was formed in April 2019, and the principal owner is Christine Champagne Montz.

### **B. Types of Advisory Services**

Before MHWM enters into an advisor-client relationship, we offer a complimentary general consultation to discuss services available, give a prospective client time to review our services, and determine whether the client might benefit from a relationship with the Advisor. Our services begin only after we, together with the client, formalize the relationship with a properly executed agreement. We offer the following services to our clients:

#### ***Investment Supervisory and Management***

MHWM offers ongoing investment supervisory and management services based on the individual goals, objectives, time horizons, and risk tolerance of each client. Once established, an Investment Policy Statement is created for each client, which outlines the client’s current financial situation (age, income, tax levels, and risk tolerance). MHWM evaluates the current investments of each client, and then constructs an investment plan and recommended portfolio that matches each client’s specific situation. MHWM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

Clients may engage MHWM to manage and/or offer investment advice on certain investments that are not maintained at their primary custodian, such as assets held in employer sponsored retirement plans, and/or assets held in qualified tuition plans (e.g., 401(k)’s, 529 plans). In these situations, MHWM directs or recommends the allocation of client assets among the various investment options available in each plan/custodian.

MHWM’s recommended portfolios generally consist of exchange-listed securities, securities traded over the counter, corporate debt securities, commercial paper, certificates of deposit, municipal securities, variable annuities, mutual funds, United States government securities, options contracts on securities, interests in partnerships investing in real estate or oil and gas interests. Investing in these types of securities helps to diversify an investment portfolio.

### Adviser's Use of Third-Party Managers

MHWM has chosen to offer certain services through third-party managers. These managers will have the authority to trade within a separately managed account held at our custodian. There will be an additional fee for these services, paid to the third-party manager, disclosed in the managers advisory agreement, along with MHWM fees as fully disclosed within the Advisory Contract.

### ***MHWM Comprehensive Financial Planning***

MHWM offers clients a broad range of financial planning services on a one-time basis, and financial planning updates as a client's situation may change after the initial plan is prepared. Each plan will be subject to a fee. (See Item 5: Fees and Compensation) In general, financial planning will address any or all of the following areas of interest/concern. With the initial planning fee, the client is offered access to the MHWM team for unlimited questions for one full year from plan completion. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following services:

- **Monthly Cash Flow Management** MHWM believes that what gets measured gets managed, and that personal financial management all begins with a basic understanding of your everyday spending habits. To gain this understanding, we will review your income and expenses and determine your current monthly savings, or deficits, along with advice on prioritizing how any savings should be leveraged, or how expenses could be reduced if they are exceeding your income. We may also recommend an appropriate cash reserve that should be considered for emergencies such as a loss of job, or an unexpected large repair, along with a review and recommendation of bank accounts (including higher interest paying money market funds) for these reserves, and strategies to meet these goals.
- **Debt/Loan Management:** We will provide advice on which loans to pay off first, or possibly refinance, based on factors such as your credit score, interest rates, maturity dates, and any income tax ramifications. MHWM believes that debt with favorable low interest rates can at times be advantageous and leveraged to your advantage. Together we will review all outstanding loans, including but not limited to, credit cards, student loans, home mortgages, auto loans, and personal loans, and then create a prioritized debt management plan best suited for your situation.
- **Investment Analysis:** We will review your current portfolio, developing an asset allocation strategy that aligns with your financial goals and risk tolerance, providing information and strategies on investing in stocks, bonds and mutual funds, reviewing employee retirement plans and equity compensation plans, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Employee Benefits Optimization:** We will provide a review and analysis as to whether you, as an employee, are taking maximum advantage of the employee benefits offered to you by your employer. If you are a business owner, we will

consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

- **Executive Compensation Review:** We will help with reviewing your total compensation package, including but not limited to; base salary, bonus incentives, retirement plan benefits, deferred compensation arrangements, equity compensation plans (e.g., stock options, restricted stock programs), employment agreements and severance arrangements, health/dental/short-term/long-term disability insurances, paid time off, HSA/FSA options, as well as discussing/recommending salary negotiation options, strategies and techniques.
- **Financial Goals:** We will help you identify specific financial goals and develop plans to attain each of them. Goals could include, but are not limited to, saving for a down payment for a home, paying off student debt, buying a new car, funding a child's education, saving for an upcoming vacation, making charitable contributions, or long-term wealth accumulation. We will identify what you wish to accomplish, create a budget/plan for each goal, determine how much to fund the plan and how often, and then track your progress and adjust accordingly if anything may change the timing, need or desire to achieve each goal.
- **College Savings:** We will provide analysis projecting the amount of funding that will be needed to pay for a child's public/private college or post-secondary education. Recommendations as to tax advantages savings plans and investing strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid and/or the best way to contribute to a grandchild's education (if appropriate).
- **Insurance Review:** We will review existing policies to ensure proper coverage for life, health, disability, liability, home, and automobile, as well as an analysis/recommendation for any savings opportunities. Existing life insurance policies will be reviewed to evaluate cash value and policy performance relative to benchmark, as well as interpretation of the life insurer's illustrated projections. If your policy is not performing in line with expectations, advice may be given regarding strategies (such as increasing the premium, extending the payment duration, or reducing the death benefit).
- **Retirement Planning:** MHWM's retirement planning services typically include projections of the likelihood that you will have enough money to comfortably retire at a desired age. For situations where projections show less than optimal results, we may make recommendations that present improved possible outcomes by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate investment and distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.
- **Tax Planning Strategies:** MHWM's advice may include ways to minimize your current and future income taxes as a part of your overall financial planning strategy. For example, we may make recommendations on which type of account(s) or specific investments to be owned based in part on their "tax

efficiency,” or “tax deferred status,” with consideration that there is always a possibility of future changes to federal, state and local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your tax professional with your approval or request.

- **Estate Planning:** We will help you with reviewing elements of your estate plan, which typically includes an analysis of your exposure to estate taxes and establishing or reviewing your current estate plan, which may include whether you have a will, designated beneficiaries on your accounts, powers of attorney, trusts and other related documents/plans. Our advice also may include ways for you to minimize, or avoid, estate taxes through implementing appropriate estate planning strategies, such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

Clients have full discretion whether to implement the financial plan prepared by MHWM. Clients who elect to engage MHWM to initiate the financial plan and have investable assets of \$250,000 or more, the comprehensive financial planning fee will be waived. See Item 5A&B for all fees.

### ***Project Consulting Services***

Consulting services are intended to serve as a periodic process to review and inform a client regarding specific issues or concerns regarding the client's existing investment account or financial planning needs. Our consulting services will include, but not be limited to, a consultation with the client to discuss the client's financial goals and objectives, discuss recommendations such as an investment portfolio, retirement needs, taxes, insurance needs, estate planning, business planning, executive compensation arrangements and other relevant topics with the client.

MHWM may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, MHWM will always ensure those other advisers are properly licensed or registered as an investment adviser. MHWM conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. MHWM then makes investments with a third-party investment adviser by referring the client to the third-party adviser. MHWM may also allocate among one or more private equity funds or private equity fund advisers. MHWM will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

### ***Educational Seminars***

MHWM offers educational seminars on occasion to help educate young professionals on the basics of financial planning including how to pay off student debt, insure their interests and how to save for retirement. These seminars may result in new business for MHWM but is not a requirement for attendance. Attendees are in no way required to implement a financial plan through any representative of MHWM. Insurance products may be introduced at these educational sessions as part of a comprehensive financial and life plan for those in attendance. Educational materials will have proper disclosures required by all regulated industries. (See Item 10 (C) for other conflicts of interests in commissionable sales).

MHWM does not charge fees for these seminars.

### ***Services Limited to Specific Types of Investments***

MHWM generally limits its investment advice to mutual funds, fixed income securities, real estate funds, insurance products including annuities, equities, private equity funds, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and private placements, although MHWM primarily recommends registered investment companies. MHWM may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

MHWM will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by MHWM on behalf of the client. MHWM may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent MHWM from properly servicing the client account, or if the restrictions would require MHWM to deviate from its standard suite of services, MHWM reserves the right to end the relationship.

MHWM takes into consideration clients' age, income, tax bracket, financial profile, and any additional information the client may provide that would impact the firm's recommendation to the client.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. MHWM does not participate in any wrap fee programs.

## E. Assets Under Management

MHWM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$ 518,912,956.00	\$ 44,918,226.00	December 31, 2023

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Portfolio Management Fees*

Total Assets Under Management	Annual Fees
\$0 - \$750,000	1.00%
\$750,000 - \$2,000,000	0.50%
\$2,000,000 - \$5,000,000	0.40%
\$5,000,000 +	0.30%

The advisory fee for portfolio management is calculated using the value of the assets in the Account as of the opening of business on the first business day of each quarter.

These fees are generally negotiable, and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of MHWM's fees within five business days of signing the Investment Advisory Agreement. Thereafter, clients may terminate the Investment Advisory Agreement generally with 30 days' written notice.

#### *Private Alternative Investment Fees*

Total Private Alternative Assets Under Management	Annual Fees
\$0 - \$1,000,000	1.00%
\$1,000,001 +	0.50%

The fee for MHWM's advisory services for private alternative investments is a separate fee from the fees contracted between the client and the third-party manager (see Additional Client Fees Charged below). The advisory fee is calculated using the value of the underlying assets of the Private Alternative Investment Contract (executed between the client and third-party manager) on the last business day of the prior billing period.

The MHWM advisory fee for private alternative investments is generally negotiable, and the final fee schedule will be memorialized in the client's MHWM advisory agreement. Clients may terminate the agreement without penalty for a full refund of MHWM's fees within five business days of signing the Investment Advisory Agreement. Thereafter, clients may terminate the Investment Advisory Agreement generally with 30 days' written notice.

### ***Additional Client fees Charged.***

Expenses related to the ordinary servicing of the Private Alternative Investment Contract (executed between the client and third-party manager), including but not limited to, fund fees, security transaction fees, and/or platform fees shall be paid by the Client to the Manager under the Contract. Other non-ordinary fees or fees incurred at the direction of the Client shall be paid by the Client. The fees will not exceed any limit imposed by any regulatory agency. Specifically, MHWM may direct clients to Private Fund Managers for engagement with them for private alternative investment opportunities.

### ***Pension Consulting Services Fees***

#### **Asset-Based Fees for Pension Consulting**

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
ALL ASSETS	0.50%

The advisory fee is calculated using the value of the assets on the last business day of the prior billing period

These fees are generally negotiable, and the final fee schedule will be memorialized in the client's advisory agreement.

Clients may terminate the agreement without penalty for a full refund of MHWM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement generally with 30 days' written notice. MHWM bills based on the balance on the first day of the billing period

### ***MHWM Financial Planning Service Fees***

#### **Fixed Fees for New Client Financial Planning Services**

The initial fixed rate for creating client financial plans begins at \$2,500. This fee is negotiable and will depend upon the client's needs, the complexity of the plan and other issues that may concern the client.

#### **Fixed Fees for Client Financial Planning Update**

As your situation may change and an additional financial plan is wanted, this service is a fixed fee beginning at \$2,500.

## **Financial Planning Service Fee for Clients with Assets Under Management with MHWM**

All above planning fees will be offset by the Assets Under Management fees paid to MHWM during the year.

Any client with Assets Under Management over \$250,000 will receive all financial planning services and have unlimited access to the MHWM Team for no additional costs.

## **Hourly Fees for Financial Planning Consultation**

The negotiated hourly fee for consultation services is \$250.00 an hour

Clients may terminate the agreement without penalty, for full refund of MHWM's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## ***Educational Seminars Fees***

MHWM does not charge for seminars.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance.

### ***Payment of Private Alternative Investment Fees***

The value of the assets under the private alternative investment agreement will not be aggregated or combined with any other assets under other agreements with the MHWM for fee calculation purposes. Clients may select the method in which they are billed. Fees are paid in advance.

### ***Payment of Pension Consulting Fees***

Asset-based pension consulting fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance.

### ***Payment of Selection of Other Advisers Fees***

In addition to our advisory fees, you will be responsible for paying fees associated with investment in your account. These fees may include:

- Mutual fund loads (if applicable). These charges are paid to brokers as a form of commission.

- Management fees for ETF's and mutual funds. These are fees charged by the managers of the ETF or mutual fund and are a portion of the expenses for the ETF or mutual fund.
- Brokerage costs and transaction fees for any securities or fixed income trades. These are generally charged by your custodian and or executing broker.
- Fees payable to third-party managers will be in accordance with the third-party managers agreement signed by the Client. The fees are separate from the fees that are disclosed to clients within our Advisory Agreement signed by the client with MHWM prior to investments being made. MHWM does not receive payment from third-party managers.
- Fees for selected Private Fund Managers as third-party adviser may be invoiced and billed directly to the client. Fees are paid quarterly in advance.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check and cash.

Fixed financial planning fees are paid in arrears upon completion.

Hourly financial planning fees are paid in arrears upon completion.

### **C. Client Responsibility for Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by MHWM. Please see Item 12 of this brochure regarding broker-dealer/custodian.

### **D. Prepayment of Fees**

MHWM collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

### **E. Outside Compensation for the Sale of Securities to Clients**

Christine Champagne Montz and Alexander Bruce Harcus are registered representatives of a broker-dealer. Christine Champagne Montz, and Alexander Bruce Harcus and Joseph Charles Montz are also insurance agents as well as Mary Elizabeth Brown. In these roles, they accept compensation for the sale of investment products to MHWM clients.

#### ***1. This is a Conflict of Interest***

Supervised persons may accept compensation for the sale of investment products,

including asset-based sales charges or service fees from the sale of mutual funds to MHWM's clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receive compensation, MHWM will document the conflict of interest in the client file and inform the client of the conflict of interest.

## ***2. Clients Have the Option to Purchase Recommended Products from Other Brokers***

Clients always have the option to purchase MHWM recommended products through other brokers or agents that are not affiliated with MHWM.

## ***3. Commissions are not MHWM's primary source of compensation for advisory services***

Commissions are not MHWM's primary source of compensation for advisory services.

## ***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on investment products recommended to clients.

# **Item 6: Performance-Based Fees and Side-By-Side Management**

MHWM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

# **Item 7: Types of Clients**

MHWM generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans
- ❖ Charitable Organizations
- ❖ Corporations or Business Entities

The Advisor's cumulative minimum account requirement for opening and maintaining an account is \$250,000. However, based on facts and circumstances the Advisor, at its sole discretion, can negotiate to accept accounts with a lower value.

## **Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss**

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

MHWM's methods of analysis include Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

#### ***Investment Strategies***

MHWM uses long term trading.

MHWM may recommend unusually risky investments to clients. For example, MHWM offers access to Private Alternative Investment offerings via third-party managers to qualified accredited investors who may be able to benefit from and are interested in investing in private alternative investment opportunities.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

#### ***Methods of Analysis***

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

**Quantitative analysis** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

### ***Investment Strategies***

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Selection of Other Advisers:** Although MHWM will seek to select only money managers who will invest clients' assets with the highest level of integrity, MHWM's selection process cannot ensure that money managers will perform as desired and MHWM will have no control over the day-to-day operations of any of its selected money managers. MHWM would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in

smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another, and losses may be magnified if no liquid market exists for the ETF’s shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering a circular, or similar material, which should be considered carefully when making investment decisions.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Private equity** funds carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

As a registered representative of Purshe Kaplan Sterling Investments, Christine Champagne Montz accepts compensation for the sale of securities.

As a registered representative of Purshe Kaplan Sterling Investments, Alexander Bruce Marcus accepts compensation for the sale of securities.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither MHWM nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Christine Champagne Montz is a registered representative of Purshe Kaplan Sterling Investments and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MHWM always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of MHWM in such individual's capacity as a registered representative.

Christine Champagne Montz is an accountant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MHWM always acts in the best interest of the client and

clients are in no way required to utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Christine Champagne Montz is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MHWM 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 utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Christine Champagne Montz acts as a pension consultant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MHWM always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Christine Champagne Montz works as board member at Lambeth House Inc.

Alexander Bruce Harcus is a registered representative of Purshe Kaplan Sterling Investments and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MHWM always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of MHWM in such individual's capacity as a registered representative.

Alexander Bruce Harcus is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MHWM 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 utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Alexander Bruce Harcus acts as a pension consultant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MHWM always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Joseph Charles Montz is an accountant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MHWM always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Joseph Charles Montz is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MHWM 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 utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Joseph Charles Montz acts as a pension consultant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MHWM always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Mary Elizabeth Brown is an independent licensed insurance agent, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. MHWM 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 utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

Morell Spencer Crane III acts as a pension consultant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. MHWM always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of MHWM in connection with such individual's activities outside of MHWM.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

MHWM has engaged with Fund Managers to offer private alternative investment opportunities to qualified accredited investors who may be able to benefit from and are interested in investing in private alternative investment opportunities. Clients will pay MHWM its standard fee under a separate agreement with MHWM. This fee and governing agreement are separate from the fees and agreement the client executes directly with the Fund Managers. Client will be responsible for paying the Fund Managers directly and in the manner in accordance with the agreement between the Client and Fund Managers. MHWM does not receive any portion of the fees the Client pays to the Fund Managers and does not receive any compensation in any form from the Fund Managers directly or indirectly.

MHWM may engage in arrangements with third party advisers to trade within separately managed accounts for clients held at Charles Schwab. Additional fees associated with this arrangement will be directly debited from the client's account and is in addition to the MHWM agreed upon fee.

The fees will not exceed any limit imposed by any regulatory agency. MHWM will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. MHWM will ensure that all recommended advisers are licensed, or notice filed in the states in which MHWM is recommending them to clients.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics**

MHWM has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. MHWM's Code of Ethics is available free upon request to any client or prospective client.

### **Recommendations Involving Material Financial Interests**

MHWM does not recommend that clients buy or sell any security in which a related person to MHWM or MHWM has a material financial interest.

### **Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of MHWM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of MHWM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. MHWM will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

### **Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of MHWM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of MHWM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, MHWM will never engage in trading that operates to the client's disadvantage if representatives of MHWM buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on MHWM's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and MHWM may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in MHWM's research efforts. MHWM will never charge a premium or commission on transactions beyond the actual cost imposed by the broker-dealer/custodian.

MHWM recommended TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC. Due to the merger of TDA and Charles Schwab & Co. MHWM recommends Charles Schwab & Co., Inc. as our qualified custodian.

#### ***1. Research and Other Soft-Dollar Benefits***

MHWM does not have a formal soft dollar program arrangement in which soft dollars are used to pay for third party services, MHWM may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). MHWM may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and MHWM does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. MHWM benefits by not having to produce or pay for the research, products or services, and MHWM will have an incentive to recommend a broker-dealer based on receiving research or services.

#### ***2. Brokerage for Client Referrals***

MHWM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

MHWM may permit clients to direct it to execute transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to MHWM to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; the client may be unable to participate in block trades (unless MHWM is able to engage in "step outs"); and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

If MHWM buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, MHWM would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. MHWM would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

## **Item 13: Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for MHWM's advisory services provided on an ongoing basis are reviewed at least Quarterly by Alexander Bruce Harcus, Vice President/CCO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at MHWM are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Alexander Bruce Harcus, Vice President/CCO. Financial planning clients are provided with 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.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

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

With respect to financial plans, MHWM's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of MHWM's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. MHWM will also provide at least quarterly a separate written statement to the client.

Each financial planning client will receive the financial plan upon completion.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

#### **Charles Schwab:**

MHWM receives access to Schwab's institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For MHWM client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to MHWM other products and services that benefit MHWM but may not benefit its clients' accounts. These benefits may include national, regional or MHWM specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of MHWM by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist MHWM in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of MHWM's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of MHWM's accounts. Schwab Advisor Services also makes available to MHWM other services intended to help MHWM manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to MHWM by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to MHWM. MHWM is independently owned and operated and not affiliated with Schwab.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

MHWM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, MHWM will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

### **Item 16: Investment Discretion**

MHWM provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, MHWM generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, MHWM's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to MHWM).

### **Item 17: Voting Client Securities (Proxy Voting)**

MHWM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

### **Item 18: Financial Information**

#### **A. Balance Sheet**

MHWM neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

#### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither MHWM nor its management has any financial condition that is likely to reasonably impair MHWM's ability to meet contractual commitments to clients.

#### **C. Bankruptcy Petitions in Previous Ten Years**

MHWM has not been the subject of a bankruptcy petition in the last ten years.