



*Form ADV Part 2A Disclosure Document (Brochure)*

**Levy Wealth Management Group, LLC**

1818 Market Street, Suite 3232  
Philadelphia, PA 19103  
215-875-8720

info@levywealth.com  
www.levywealth.com/

**March 2024**

This Brochure provides information about the qualifications and business practices of Levy Wealth Management Group, LLC ("LWMG" or "Advisor"). If you have any questions about the contents of this brochure, please contact us at 215-875-8720 or info@levywealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration with the SEC does not imply a certain level of skill or training.

Additional information about LWMG is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

Levy Wealth Management Group, LLCs has updated Form ADV Part 2 (brochure) as part of the annual amendment process. There were no material changes since our previous annual amendment that was filed in March 2023.

### Item 3: Table of Contents

Item 2: Material Changes.....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business .....	4
Item 5: Fees and Compensation .....	7
Item 6: Performance-Based Fees and Side-By-Side Management .....	9
Item 7: Types of Clients.....	10
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9: Disciplinary Information .....	14
Item 10: Other Financial Industry Activities and Affiliations .....	14
Item 11: Code of Ethics .....	15
Item 12: Brokerage Practices.....	16
Item 13: Review of Accounts .....	17
Item 14: Client Referrals and Other Compensation.....	17
Item 15: Custody .....	18
Item 16: Investment Discretion .....	18
Item 17: Voting Client Securities.....	18
Item 18: Financial Information.....	19

## **Item 4: Advisory Business**

Levy Wealth Management Group, LLC (“LWMG” or “Advisor”) was established in 2013 and provides comprehensive financial planning and wealth management services to individuals, professionals, business owners, corporate executives, retirement plans and businesses. The principal owners of LWMG are Victor Levy, Michael Clatterbuck, and Joseph Robostello.

As a registered investment advisor subject to Section 206 of the Advisers Act, LWMG acts as a Fiduciary related to the conduct of its investment advisory services. As such LWMG has an obligation to act in the best interest of its clients guided by the core fiduciary duties of loyalty and care.

LWMG provides advisory services through certain programs sponsored by LPL Financial LLC (LPL), a registered investment advisor and broker-dealer. Below is a brief description of each advisory service available to clients of LWMG. For more information regarding the LPL programs, including more information on the advisory services and fees that apply, the types of investments available in the programs and the potential conflicts of interest presented by the programs please see the LPL program account packet (which includes the account agreement and LPL Form ADV program brochure) and the Form ADV, Part 2A of LPL or the applicable program.

### **Advisory Services**

#### **LWMG Strategic Wealth Management Program (LSWM II)**

LWMG offers asset management services based on the individual needs of the client. In the LSWM II program, LWMG provides ongoing investment advice and management on assets in the client’s account. LWMG will have discretion to purchase and sell various types of investments, such as mutual funds, exchange-traded funds (“ETFs”), variable annuity subaccounts, equities, and fixed income securities. LWMG provides advice that is tailored to the individual needs of the client based on the investment objective chosen by the client. Clients may impose restrictions on investing in certain securities or groups of securities by indicating in the written advisory agreement with LWMG. LSWM II is a wrap fee program sponsored and managed by LWMG.

#### **Optimum Market Portfolios Program (OMP)**

OMP offers clients the ability to participate in a professionally managed asset allocation program using Optimum Funds shares. Under OMP, clients will authorize LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the client. LWMG will assist the client in determining the suitability of OMP for the client and assist the client in setting an appropriate investment objective. LWMG will have discretion to select a mutual fund asset allocation portfolio designed by LPL consistent with the client’s investment objective. LPL will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for the client. LPL will also have authority to rebalance the account. OMP is a wrap fee program sponsored by LPL.

### **Manager Access Select and Manager Access Network Programs (MAS and MAN)**

Manager Access Select and Manager Access Network offer clients the ability to participate in the Separately Managed Account Platform (the “SMA Platform”) or the Model Portfolio Platform (the “MP Platform”). In the SMA Platform, LWMG will assist clients in identifying a third-party portfolio manager (SMA Portfolio Manager) from a list of SMA Portfolio Managers made available by LPL. The SMA Portfolio Manager will manage client’s assets on a discretionary basis. LWMG will provide initial and ongoing assistance regarding the SMA Portfolio Manager selection and review process. In the MP Platform, clients authorize LPL to direct the investment and reinvestment of the assets in their accounts, in accordance with the selected model portfolio provided by LPL’s Research Department or a third-party investment advisor. MAS and MAN are wrap fee programs sponsored by LPL.

### **Retirement Plan Services**

LWMG offers investment advisory services to employers and employees with regard to their company retirement plan. These services are tailored to the specific needs of the client and will include recommendations and review of investment options and advice to plan sponsors. Retirement plan services can be provided on a discretionary or non-discretionary basis.

### **Financial Planning and Other Services**

LWMG provides financial planning services to clients including the development of an individualized investment plan based upon an analysis of the client’s objectives, risk tolerance, time horizon, income needs and other factors. Financial planning services, in some cases, are provided in conjunction with asset management services or separately for an additional fee.

### **IRA Rollovers**

Investors considering rolling over assets from a qualified employer-sponsored retirement plan (“Employer Plan”) to an Individual Retirement Account (“IRA”) should review and consider the advantages and disadvantages of an IRA rollover from their Employer Plan. A plan participant leaving an employer typically has four options (and may engage in a combination of these options):

- (1) Leave the money in the former employer’s plan, if permitted;
- (2) Rollover the assets to a new employer’s plan (if available and rollovers are permitted);
- (3) Rollover Employer Plan assets to an IRA; or,
- (4) Cash out the Employer Plan assets and pay the required taxes on the distribution.

At a minimum, Investors should consider fees and expenses, investment options, services, penalty-free withdrawals, protection from creditors and legal judgments, required minimum distributions, and employer stock. LWMG encourages you to discuss your options and review the above listed considerations with an accountant, third-party administrator, investment advisor to your Employer Plan (if available), or legal counsel, to the extent you consider necessary.

## Levy Wealth Management Group, LLC

---

By recommending that you rollover your Employer Plan assets to an IRA, LWMG will earn fees as a result. In contrast, leaving assets in your Employer Plan or rolling the assets to a plan sponsored by your new employer likely results in little or no compensation to LWMG. LWMG has an economic incentive to encourage investors to rollover Employer Plan assets into an IRA managed by LWMG. Investors may face increased fees when they move retirement assets from an Employer Plan to a Rollover IRA account. Even if there are no costs associated with the IRA rollover itself, there will be costs associated with account administration, investment management, or both. In addition to the fees charged by LWMG, the underlying investment (mutual fund, ETF, annuity, or other investment) will also charge a management fee. Custodial and trading fees may also apply. Investing in an IRA with LWMG will typically be more expensive than an Employer Plan.

Additional resources about IRA Rollovers are available to investors through FINRA's web site at [www.finra.org](http://www.finra.org).

For purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

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

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

As of December 31, 2023, discretionary assets under management were approximately \$943,418,690. In addition, LWMG has approximately \$224,087,000 in assets under advisement.

---

## Item 5: Fees and Compensation

### LWMG Strategic Wealth Management Program (LSWM II) Fees

Clients enter into an Investment Management Agreement (“IMA”) with LWMG that outlines the services provided and fees paid to LWMG. The client will pay an asset management fee to LWMG based on the value of the client’s LSWM II account, including cash holdings. Clients are billed in advance on a quarterly basis based on the account value on the last day of the prior quarter. Clients will be billed at the rate set forth in their agreement. Fees range from .25% to 2.0% annually. For the initial period of an engagement and subsequent deposits and withdrawals, the fee is adjusted and calculated on a pro rata basis. In the event the IMA is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is refunded to the client. LSWM II accounts are a wrap fee program sponsored by LWMG. Clients should review the separate LWMG Wrap Fee Program Brochure for more detail about the fees and expenses related to this program.

### Fees for LPL Advisory Programs – OMP – MAS - MAN

The account fee charged to the client for each LPL advisory program is negotiable, subject to the following maximum account fees:

Manager Access Select	2.5%
Manager Access Network	3.0%
OMP	2.5%

Included in the client’s account fee will be an advisory fee to LWMG, a separate program fee to LPL and a Separate Account Manager Fee. Clients are billed in advance on a quarterly basis based on the account value on the last day of the prior quarter. The fees vary by manager. Clients should review the LPL account application and other disclosure to see details about the fees that they will pay. Clients authorize LWMG and LPL to deduct from their account all account fees and any other fees and charges associated with the account. All such fees and charges will be noted on the Client’s account statements. OMP, MAS and MAN programs are wrap fee programs sponsored by LPL. Clients should review the separate LPL Wrap Fee Program Brochure for more detail about the fees and expenses related to this program.

### **Fee Discretion**

LWMG negotiates, in its sole discretion, a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, employer-employee relationship, account retention and pro bono activities. LWMG groups certain related client accounts for the purposes of determining the fee.

## Levy Wealth Management Group, LLC

---

### Direct Fee Debit

Clients generally provide LWMG and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. Some clients are billed directly. The financial institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to LWMG.

### Additional Fees and Expenses

In addition to the advisory fees paid to LWMG, clients can also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges could include securities brokerage commissions, transaction fees, custodial fees, overnight carrier fees for certain deliveries, early settlement fees when a client wishes to exit investment positions in order to withdraw cash, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 12, below. Other fees are disclosed in the LWMG Wrap Fee Program Brochure, IMA and LPL account documents.

### LSWM Conflicts

Although clients do not pay a transaction charge for transactions in a LSWM II account, clients should be aware that LWMG pays LPL transaction charges for those transactions. The transaction charges paid by LWMG vary based on the type of transaction (e.g., mutual fund, equity or ETF) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL. Transaction charges paid by the Advisor for equities and ETFs are \$9. For mutual funds, the transaction charges range from \$0 to \$26.50. Because LWMG pays the transaction charges in LSWM II accounts, there is a conflict of interest in cases where the mutual fund is offered at both \$0 and \$26.50. Clients should understand that the cost to the Advisor of transaction charges is a factor that LWMG considers when deciding which securities to select and how frequently to place transactions in a LSWM II account.

In many instances, LPL makes available mutual funds in a LSWM II account that offer various classes of shares, including shares designated as Class A Shares and shares designed for advisory programs, which can be titled, for example, as "Class I," "institutional," "investor," "retail," "service," "administrative," "platform" or "Advisor" share class. The Advisor Share Class offered for a particular mutual fund in LSWM II in many cases will not be the least expensive share class that the mutual fund makes available and was selected by LPL in certain cases because the share class pays LPL compensation for the administrative and recordkeeping services LPL provides to the mutual fund. Clients should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through LSWM II. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers a less expensive share class. Class A



## Levy Wealth Management Group, LLC

---

Shares typically pay LPL a 12b-1 fee for providing shareholder services, distribution, and marketing expenses (“brokerage-related services”) to the mutual funds. Advisor Share Class funds generally are not subject to 12b-1 fees. Clients should be aware that not all funds or share class options are available at LPL. Some funds require minimum investment amounts for certain lower cost share classes. For the purposes of meeting these minimum amount requirements, LPL bases the calculation on each account individually and does not aggregate holdings across related client accounts.

LWMG has a financial incentive to recommend share classes that have the lowest trading costs in cases where various share classes are available. This is a conflict of interest which might incline LWMG, consciously or unconsciously, to render advice that is not disinterested. Although the client will not be charged a transaction charge for transactions, the Advisor pays LPL a per transaction charge for mutual fund trades in your account. LWMG does not pay transaction charges for certain share classes that “Fully Participate” on the LPL platform, but generally does pay transaction charges for other share classes that are “Non-Participating”. This creates an incentive for LWMG to select Fully Participating funds. Clients should note that Fully Participating funds may be more expensive than Non-Participating funds. Furthermore, as noted above, the share classes available may not be the least expensive share class offered by the fund company. The cost to LWMG of transaction charges is a factor the Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to LWMG for Fully Participating share class purchases and sales, together with the fact that other shares have a trading cost, presents a conflict of interest between LWMG and the client. In short, it costs LWMG less to recommend and select Fully Participating mutual funds than Non-Participating funds. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with your Advisor the advisory fee for management of an account.

### **Limitations:**

The individuals that are licensed as registered representatives of LPL Financial are subject to regulations that restrict them from conducting securities transactions away from LPL Financial without written authorization from LPL Financial. Clients should, therefore, be aware that for accounts where LPL Financial serves as the custodian, LWMG is limited to offering services and investment vehicles that are approved by LPL Financial and is prohibited from offering some services and investment vehicles that are available through other broker/dealers and custodians.

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

LWMG does not charge performance-based fees.

## **Item 7: Types of Clients**

As noted in Item 4, LWMG provides financial planning and wealth management services to individuals, professionals, business owners, corporate executives, retirement plans and businesses in separately managed accounts.

A minimum account value of \$50,000 is required for Manager Access Select and Managed Access Network Programs, however, in certain instances, the minimum account size may be lower or higher.

A minimum account value of \$10,000 is required for OMP. In certain instances, LPL will permit a lower minimum account size.

There are no minimum account values for the LSWM II advisory program accounts.

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

LWMG has access to various research reports and model portfolios to which they refer in determining investment advice provided to clients. LWMG chooses from various research methods, investment styles and management philosophies. It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable.

LWMG receives research and investment recommendations regarding asset allocation, model portfolios, mutual funds, variable annuity subaccounts and money managers from LPL's Research Department and other vendors. LWMG may or may not follow these recommendations in providing investment advice.

We believe a diversified portfolio that is consistent with your risk tolerance, time horizon and goals and objectives is essential. Our advisors ensure you are educated on your choices, and we personally engage with you to keep connected and assure that your portfolio is aligned with your financial plan.

Our approach to investments is to elevate your portfolio beyond a one-dimensional strategy and to maintain focus on your big picture. We manage your expectations in the context of your general financial plan and core values.

Your unique circumstances and personal objectives dictate the method of investing, as well as the types of strategies chosen. Our independence provides us with the flexibility to offer investments that are suitable and align with your financial plan.

At the center of our investment process, we discuss the larger issues, such as current events and trends that could affect portfolios. Quarterly reports provide clear, concise information about

your investments and give you the opportunity to review your investments and determine whether your current portfolio correctly reflects your long-term financial goals. We look at the “big picture,” ensuring that your objectives are addressed in your portfolio and that your future path is always in focus.

**Asset Allocation:** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of equities, fixed income, cash, and other investments suitable to the client’s investment goals and risk tolerance. Additionally, we incorporate an analysis of current market data and valuations of various market sectors and asset categories to identify investment opportunities as well as pitfalls.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to market movements and, if not corrected, will no longer be appropriate for the client’s goals. The expected risk and return of various asset classes differ and a clients’ results will be affected by our selection of various asset classes.

**Mutual Fund and/or ETF Analysis:** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other fund(s) in the client’s portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client’s portfolio.

### **Risks:**

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized. Stock markets and bond markets fluctuate substantially over time. In addition, the performance of any investment is not guaranteed.

### **Types of Investments and Risks**

Depending on the type of service being provided, LWMG can recommend different types of securities, including mutual funds, unit investment trusts (“UITs”), closed end funds, ETFs, collective investment trusts, variable annuity subaccounts, equities, fixed income securities, options, hedge funds, managed futures, and structured products. Investing in securities involves the risk of loss that clients should be

## Levy Wealth Management Group, LLC

---

prepared to bear. Described below are some risks associated with investing and with some types of investments that an IAR can recommend depending on the service provided.

***Market Risk.*** This is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

***Interest Rate Risk.*** This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

***Credit Risk.*** This is the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.

***Issuer-Specific Risk.*** This is the risk that the value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.

***Investment Company Risk.*** To the extent a client account invests in ETFs or other investment companies, its performance will be affected by the performance of the investment managers and the underlying portfolio holdings. Investments in ETFs and other investment companies are subject to the risks of the investment companies' investments, as well as to the investment companies' expenses. If a client account invests in other investment companies, the client account may receive distributions of taxable gains from portfolio transactions by that investment company and may recognize taxable gains from transactions in shares of that investment company, which would be taxable when distributed.

***Equity Investment Risk.*** Our judgments about the attractiveness, value and potential appreciation of a particular individual security may be incorrect and there is no guarantee that individual securities will perform as anticipated. Sharp downward market moves may adversely impact long positions. Losses may also be incurred on individual positions as a result of issuer-specific matters such as unexpectedly disappointing earnings, lawsuits, analyst action or other matters. Equity returns are volatile and may fluctuate substantially over time.

***Bond Risk.*** Rising interest rates will generally cause the prices of bonds and other debt securities to fall. In addition, falling interest rates may cause an issuer to redeem, call or refinance a security before its stated maturity, which may result in the fund having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities may be subject to greater price fluctuations than shorter maturity debt securities. Bonds and other debt securities are subject to credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default. Lower quality debt securities generally have higher rates of interest and may be subject to greater price fluctuations than higher quality debt securities.

***Concentration Risk.*** To the extent a client account concentrates its investments by investing a significant portion of its assets in the securities of a single issuer, industry, sector, country or region, the overall adverse impact on the client of adverse developments in the business of

such issuer, such industry or such government could be considerably greater than if they did not concentrate their investments to such an extent.

*Sector Risk.* To the extent a client account invests more heavily in particular sectors, industries, or sub-sectors of the market, its performance will be especially sensitive to developments that significantly affect those sectors, industries, or sub-sectors. An individual sector, industry, or sub-sector of the market may be more volatile, and may perform differently, than the broader market. The several industries that constitute a sector may all react in the same way to economic, political or regulatory events. A client account's performance could be affected if the sectors, industries, or sub-sectors do not perform as expected. Alternatively, the lack of exposure to one or more sectors or industries may adversely affect performance.

*Alternative Strategy Mutual Funds.* Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry. These types of funds tend to have higher expense ratios than more traditional mutual funds. They also tend to be newer and have less of a track record or performance history.

*Closed-End/Interval Funds.* Clients should be aware that closed-end funds available within the program may not give investors the right to redeem their shares, and a secondary market may not exist. Therefore, clients may be unable to liquidate all or a portion of their shares in these types of funds. While the fund may from time to time offer to repurchase shares, it is not obligated to do so (unless it has been structured as an "interval fund"). In the case of interval funds, the fund will provide limited liquidity to shareholders by offering to repurchase a limited amount of shares on a periodic basis, but there is no guarantee that clients will be able to sell all of the shares in any particular repurchase offer. The repurchase offer program may be suspended under certain circumstances.

*Exchange-Traded Funds (ETFs).* ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares can trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs can be closed and liquidated at the discretion of the issuing company.

## Levy Wealth Management Group, LLC

---

*Exchange-Traded Notes (ETNs).* An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows: The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability.

*Variable Annuities.* If client purchases a variable annuity that is part of the program, client will receive a prospectus and should rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. Client should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts.

*Inflation Risk.* Inflation is a decline in the purchasing power of money over time. Inflation risk is the risk that the future real value of an investment, asset, or income stream will be reduced by inflation.

It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable. Investing in securities involves the risk of loss that clients should be prepared to bear.

### **Item 9: Disciplinary Information**

LWMG has no legal or disciplinary events to report that would impact the evaluation by a client or investor (or potential client or investor) of LWMG's advisory business or the integrity of our management.

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

Certain employees of LWMG are registered representatives ("Registered Reps") of LPL Financial. LPL Financial is a broker-dealer that is independently owned and operated and is not affiliated with LWMG. Registered Reps, in their separate capacity, can affect securities transactions for which they receive separate, yet customary compensation. From time-to-time Registered Reps recommend brokerage services or products to clients. When clients purchase brokerage services or products through a Registered Rep who is an employee of LWMG, the employee will earn compensation from LPL. This practice presents a conflict of interest and gives Registered Reps an incentive to recommend brokerage services and products based on the compensation received, rather than on the client needs. Clients have the option to purchase brokerage services and products through other brokers or agents that are not affiliated with LWMG. While LWMG and Registered Reps endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates

## Levy Wealth Management Group, LLC

a conflict of interest and affects the judgment of these individuals when making recommendations. LWMG addresses this conflict by disclosing to clients when they are acting as a registered representative and the brokerage commissions and other fees. Client will receive notification of brokerage charges from LPL.

Some employees of LWMG are licensed insurance agents. As such, these individuals are able to receive separate, yet customary compensation resulting from implementing insurance transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any and all recommendations is solely at the discretion of the client.

Leon L. Levy & Associates, an insurance agency, is under common control with LWMG. Leon L. Levy & Associates is an affiliate insurance agency with LWMG. As such owners common to both entities may derive a benefit and pose a conflict of interest that can impair the objectivity of LWMG and those individuals making advisory recommendations. Clients should be aware that there may be other insurance products that are offered by other insurance agents at a lesser cost than those recommended by a LWMG's investment adviser representative in his or her capacity as an independent insurance agent.

### **Item 11: Code of Ethics**

LWMG has adopted a Code of Ethics for all supervised persons of the Firm describing its high standards of business conduct and fiduciary duty to its clients. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, guidelines surrounding gifts and business entertainment items, personal securities trading, conflicts of interest, among other things. All supervised persons must acknowledge the terms of the Code initially upon hire as well as annually, or as amended.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions in the best interest of advisory clients.

Employees maintain personal securities accounts provided any personal investing by an employee in any accounts in which the employee has a beneficial interest is consistent with the Firm's personal trading guidelines and applicable regulatory requirements. Employees of the firm, on occasion, buy or sell for their personal accounts securities similar to those recommended to or owned by clients. All reportable transactions are reported to the Compliance Officer in accordance with the reporting requirements outlined in the Code and personal trading is monitored in order to reasonably prevent conflicts of interest between LWMG and its clients. Advisor does not engage in principal transactions with its clients in program accounts.

We will provide a copy of our Code of Ethics to any client or prospective client upon request.



## Item 12: Brokerage Practices

Clients select the broker-dealer and custodian for their accounts. Transactions are executed by the client's designated broker/custodian. LWMG, in most cases, recommends clients use LPL as their custodian. Because associated persons of LWMG are licensed with LPL, this presents a conflict of interest. Clients should understand that not all advisors require their clients to select a certain broker. By selecting LPL as the broker, clients may not be able to achieve the most favorable execution of client transactions. Therefore, this practice may cost clients more money. LWMG maintains a service relationship with LPL. Clients will be subject to separate fees and expenses charged by their custodians. LWMG receives support services and/or products from LPL Financial, many of which assist LWMG to better monitor and service program accounts maintained at LPL Financial; however, some of the services and products benefit LWMG and not client accounts.

Some of these support services and/or products are received without cost, at a discount, and/or at a negotiated rate:

- investment-related research
- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by LWMG in furtherance of its investment advisory business operations

LPL Financial provides these services and products directly or arranges for third party vendors to provide the services or products to Advisor. In the case of third-party vendors, LPL Financial may pay for some or all of the third party's fees.

These support services are provided to LWMG based on the overall relationship between LWMG and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involves the execution of client transactions as a condition to the receipt of services. LWMG will continue to receive the services regardless of the volume of client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by LWMG to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement. However, the receipt of these benefits from LPL Financial creates a conflict of interest. The receipt of these products and services presents a financial incentive for LWMG to recommend that its clients use LPL's custodial platform rather than another custodian's platform.



**Soft Dollar Arrangements:** LWMG does not receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions.

**Brokerage for Client Referrals:** LWMG does not recommend broker-dealers to clients based on our interest in receiving client referrals.

**Trade Allocation and Aggregation:** When the purchase and sale of securities is considered to be in the best interest of multiple Advisory Clients, the securities to be purchased or sold can sometimes be aggregated in order to obtain superior execution and/or lower brokerage expenses. Execution prices for identical securities purchased or sold on behalf of multiple accounts in any one business day will be averaged.

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

LWMG meets with most clients on at least an annual basis. These reviews typically include a review of the client's financial planning, accounts and asset allocation requirements. Additionally, we may review other tax, estate or investment planning needs. During these meetings, and at other times, LWMG provides clients with various reports to assist in the financial planning and account review process. Reports are customized to meet the needs of the client. Common reports include account positions, activities and performance.

All LSWMII program accounts are periodically reviewed for criteria such as allocation drift, cash balance, and trading activity. The reviews identify accounts where additional scrutiny or analysis by LWMG may be appropriate.

During any month that there is activity in the program account, client will receive a monthly account statement from LPL showing account activity as well as positions held in the account at month end. Additionally, client will receive a confirmation of each transaction that occurs within the program account unless the transaction is the result of a systematic purchase, redemption or exchange. Clients will also receive a detailed quarterly report showing positions and activity from LPL.

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

LWMG does not receive any economic benefit from anyone other than its clients for providing investment advice or other advisory services to its clients.

Clients should be aware that, although not necessarily related to the investment advisory services or the administrative services, various vendors, product providers, distributors and others may

## **Levy Wealth Management Group, LLC**

---

provide non-monetary compensation to LWMG by providing training, education and publications that may further LWMG's employees' skills and knowledge. Some vendors may occasionally provide LWMG with gifts, meals, and entertainment of reasonable value, consistent with industry rules and regulations. LWMG may, in accordance with its compliance policies, accept lodging or travel expenses from third parties or third-party payment of its conference fee costs or fees to attain professional designations.

LWMG does not directly or indirectly compensate any person for client referrals. If LWMG enters into a written agreements with a promoter to refer potential clients to LWMG, as permitted by applicable laws, the promoter receives fees based on providing the client referral, pursuant to such agreement. LWMG compensates promoters with a percentage share of the investment advisory fees as outlined in the agreement with each respective promoter. No additional fees are charged to clients as a result of our participation in these arrangements.

### **Item 15: Custody**

LWMG does not maintain physical possession of client cash and/or securities. LWMG is deemed to have custody on certain client accounts that have executed standing letters of authorization ("SLOA") for distributions. LWMG has implemented procedures to meet the specific conditions as stated in the SEC's SLOA no-action letter under which the obligation to obtain a surprise examination is waived.

Cash and securities are maintained at LPL Financial or other custodians, each a qualified custodian within the meaning of the Adviser's Act. Clients will receive account statements directly from a qualified custodian at least quarterly and should carefully review those statements. We urge clients to compare the account statements received from the custodian with the reports they receive from LWMG.

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

LWMG provides management services on a discretionary basis. The client authorizes the Advisor to have discretion by signing an Investment Management Agreement.

### **Item 17: Voting Client Securities**

LWMG does not accept proxy voting authority with respect to client securities. Clients retain the right to vote all proxies that are solicited for securities held in the account. Clients will receive proxies or other solicitations from the custodian of assets. If clients have questions regarding the solicitation, they should contact LWMG or the contact person that the issuer identifies in the

proxy materials. In addition, LWMG does not accept authority to take action with respect to legal proceedings relating to securities held in the account.

**Item 18: Financial Information**

Registered investment advisers are required to provide you with certain financial information or disclosures about the firm's financial condition. LWMG does not require or solicit prepayment of fees more than six months in advance. Additionally, LWMG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been subject to a bankruptcy proceeding.