



Redstone Wealth Management, LLC

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March 6, 2024

FORM ADV PART 2A BROCHURE – FIXED INCOME PORTFOLIOS

Redstone Wealth Management, LLC (IARD/CRD# 311525) is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Redstone Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at **(405) 844-9933 or Support@RedstoneWM.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 Redstone Wealth Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

We review and update our brochure, as needed and at least annually, to make sure that it remains current. The purpose of this page is to inform you of any material changes since the previous annual updating amendment filed with regulators on March 23, 2023.

On March 6, 2024, we submitted our annual updating amendment filing for the firm's fiscal year 2023. We had no material changes.

If you have questions, or if you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at **(405) 844-9933** or [**Support@RedstoneWM.com**](mailto:Support@RedstoneWM.com).

Item 3 - Table of Contents

Item 1 - Cover Page	1
Item 2 - Material Changes.....	2
Item 3 - Table of Contents	3
Item 4 - Advisory Business.....	4
Item 5 - Fees and Compensation.....	5
Item 6 - Performance-Based Fees and Side-By-Side Management.....	7
Item 7 - Types of Clients	7
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	7
Item 9 - Disciplinary Information	12
Item 10 - Other Financial Industry Activities or Affiliations.....	12
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	13
Item 12 - Brokerage Practices	14
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.....	19
Item 18 - Financial Information.....	19
Privacy Notice	20

Item 4 - Advisory Business

Description of Services and Fees

Redstone Wealth Management, LLC (hereinafter “Redstone Wealth Management”) is a registered investment adviser based in Oklahoma. We are a limited liability company, formed under the laws of the State of Oklahoma. We have been providing investment advisory services since 2020. Cantrell Group, Inc. is the principal owner of our firm. Lee Cantrell is President and co-owner Cantrell Group, Inc., and he serves as President and Chief Compliance Officer of Redstone Wealth Management.

You may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm, including Mr. Cantrell. Such persons are properly registered as investment adviser representatives in applicable jurisdictions where required.

Currently, we offer the following investment advisory services, personalized to each individual client.

Fixed Income Portfolio Management Services

We offer discretionary management services for fixed income portfolios. Discretionary asset management means we will make investment decisions and place buy or sell orders in your account without contacting you for prior approval of each transaction.

We tailor our investment advice to meet your stated needs and investment objectives with regard to fixed income securities. These services are limited to investments in fixed income securities, including but not limited to the following types of fixed income securities: bonds, certificates of deposit (CDs), fixed income exchange traded funds (ETFs), and other fixed income securities and/or contracts relating to the same, including investing Assets in short-term money-market instruments when we deem necessary. If you decide to hire our firm to manage your portfolio, we will meet with you to gather your financial information, discuss your goals, and help you decide how much risk you should take in your fixed income investments. The information we gather will help us implement an asset allocation strategy that will be specific to your goals. Typically, you may limit our discretionary authority by, for example, setting a limit on the type of fixed income securities that may be purchased for your account. Simply provide us with your restrictions or guidelines in writing.

Clients whose assets are invested in model portfolios may not be able to set restrictions on the specific holdings or allocations within the model, or on the types of fixed income securities that can be purchased in the model.

If you engage us for fixed income portfolio management services, we will monitor your portfolio’s performance on a continuous basis, and rebalance the portfolio whenever necessary, as changes occur in market conditions and/or your financial circumstances.

Additional Information

We rely on all information you provide to us, whether financial or otherwise, without independent verification. We request that you promptly notify us in writing of any material change in the financial and other information provided to us, and to promptly provide any such additional information as may be reasonably requested by us.

Due to the volatile and unpredictable nature of financial markets, we do not guarantee any future performance, any specific level of performance, or the success of any recommendations or strategies that we may take or recommend for you, or the success of our overall recommendations. Investment recommendations are subject to various market, currency, economic, political, and business risks, and investment decisions will not always be profitable.

Wrap Fee Programs

A wrap fee program combines asset management, advisory services, and trade execution for a single fee. Redstone Wealth Management does not manage or sponsor any wrap fee programs.

Assets Under Management

As of January 30, 2024, we managed approximately \$131,022,000 in client assets on a discretionary basis and no client assets on a non-discretionary basis.

Item 5 - Fees and Compensation

Fixed Income Portfolio Management Fees

Our annual fee for asset management services is based on a percentage of the market value of the assets under management and are based upon the following fee schedules:

INSTITUTIONAL FEE SCHEDULE (\$10,000,000 and over)		RETAIL FEE SCHEDULE (Under \$10,000,000)	
<u>Assets Under Management</u>	<u>Annualized Fee</u>	<u>Assets Under Management</u>	<u>Annualized Fee</u>
First \$10,000,000	0.75%	First \$500,000	1.00%
\$10,000,001 to \$25,000,000	0.50%	\$500,001 to \$1,000,000	0.95%
\$25,000,001 to \$50,000,000	0.25%	\$1,000,001 to \$5,000,000	0.90%
\$50,000,001 to \$100,000,000	0.17%	Amounts over \$5,000,000	0.80%
Amounts over \$100,000,000	0.12%		

Our fees are negotiable depending on factors such as the amount of assets under management, range of investments, and complexity of your financial circumstances, among others. The agreed upon fee to be paid by you will be clearly stated in the written agreement signed by you and us. Management fees are payable monthly or quarterly in advance. If the agreement is executed at any time other than the first day of the relevant billing period, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the billing period for which you are a client.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable management fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced management fee.

Typically, the custodian holding your account will deduct our fees and any other custodial fees directly from a designated account to facilitate billing provided you have given written authorization. Each time we deduct the

advisory fee from your account held with the qualified custodian, we will send the qualified custodian an invoice or statement of the amount of the fee to be deducted from your account. The qualified custodian will send you an account statement at least quarterly. This statement will detail all account activity, including the amount of any advisory fees deducted. You should carefully review account statements for accuracy. If you have questions regarding your account or if you did not receive a statement from your custodian, please contact us at **(405) 844-9933** or Support@RedstoneWM.com.

Our annual fees are exclusive of and in addition to brokerage commissions, transaction fees, and other related costs and expenses incurred by you. However, we will not receive any portion of the commissions, fees, and expenses paid to others. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

Termination of Management Services

The client can terminate the relevant management agreement within five days of entering into the agreement without penalty. After the five-day period, either party to the agreement may terminate the agreement upon 30-days' written notice to the other party. If the effective termination date falls on any day other than the last day of the relevant billing period, the fee will be prorated for the number of days through the effective date of termination and any unearned, prepaid fees will be promptly refunded to the client.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include an advisory fee and other fund expenses. You may also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through which your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Disclosure Brochure.

Compensation for the Sale of Securities and Insurance Products

Certain persons associated with our firm, who provide investment advice on behalf of our firm, including management persons, are also registered representatives with Peak Brokerage Services, LLC ("Peak"), an unaffiliated, registered securities broker-dealer and Financial Industry Regulatory Authority ("FINRA") member firm. Such persons, in their capacities as registered representatives of Peak, are eligible to receive commission-based compensation for buying and selling securities. This commission-based compensation is separate and distinct from advisory fees paid to our firm and our investment adviser representatives. You are under no obligation to purchase products or services through Peak or any person associated with Peak, including individuals associated with our firm. You may purchase or sell securities from any brokerage firm of your choice.

Associated Persons of Redstone Wealth Management, who are licensed as independent insurance agents, will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This

practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than basing those recommendations based solely on your needs. You are not required to purchase insurance products through any person associated with Redstone Wealth Management or Peak. You have full discretion whether to purchase recommended insurance products and you may purchase them from any insurance agency and agent you choose.

The sale of insurance instruments, and other commissionable products offered by persons associated with our firm are intended to complement our advisory services. However, the receipt of additional compensation presents a conflict of interest, as persons associated with our firm and we have a financial incentive to recommend products based on the compensation received rather than based solely on your needs.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

Item 6 - Performance-Based Fees and Side-By-Side Management

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. We do not accept performance-based fees or participate in side-by-side management. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 - Types of Clients

We offer fixed income portfolio management services to individuals, high net worth individuals, trusts, estates, charitable organizations, banks or other institutions, corporations, or other business entities. The minimum account size for institutional pricing is \$10,000,000.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

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

- *Fundamental Analysis* – involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's ability to service its debt compared to the current market value. The primary risk of fundamental analysis is that information obtained may be incorrect

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

- *Technical Analysis* – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when bonds will rise or fall. Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance. Please be advised that investing involves risk and that no particular investment strategy can guarantee against losses.
- *Cyclical Analysis* – Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company. The primary risks with cyclical analysis are similar to those of technical analysis.
- *Long Term Purchases* – Long-term bonds purchased with the expectation that the coupon rate of those debt securities will provide a higher income level; however, this implicates more price movement over that time, generally 20 years or more. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.
- *Short Term Purchases* – Short-term debt securities may be purchased with the expectation that the current price of the bond is undervalued and can be purchased at a discount and potentially sold within a relatively short period of time, generally less than 1-5 years. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of time.
- *Trading* – securities are sold within 30 days. The principal type of risk associated with trading is market risk. There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies. Additionally, trading is speculative. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times

in the financial instrument markets and such intervention (as well as other factors) may cause these markets to move rapidly.

- **Fixed Income Strategies** – We use a price-to-yield-curve analysis when building a fixed income portfolio that is custom tailored to each client based on liquidity, income, and long-term investment goals. We leverage the research provided by Charles Schwab's institutional fixed income desk to navigate the various options within each fixed income sector. We strive to maximize the income and yield to maturity (YTM) to the client per each individual fixed income offering. In general, the risks associated with fixed income investing can be categorized into four primary areas: Interest rate risk, credit rating risk, call risks, and volatility risks. More specifically, as it relates to each sector within the fixed income market, treasury bills, certificates of deposit, and agency bonds generally carry interest rate risk and call risk associated with these types of fixed income offerings. However, corporate bonds, municipal bonds, and fixed income exchange traded funds (ETFs), generally carry the additional risk of credit worthiness and volatility risk in addition to the aforementioned risks associated with treasury bills, certificates of deposit, and agency bonds.

Investing in securities involves risk of loss that you should be prepared to bear.

The investment advice provided along with the strategies suggested by Redstone Wealth Management will vary depending on each client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed would be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

General Investment Risk: All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

Loss of Value: There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and governmental economic or monetary policies.

Interest Rate Risk: Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

Credit Risk: Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of

a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Foreign Exchange Risk: Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

Portfolio Concentration Risks: There is an inherent risk for clients who have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, or one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

Cybersecurity Risks: Our firm and our service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate; however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established a business continuity plan and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks are also present for issuers of securities, investment companies and other investment advisers in which we invest, which could result in material adverse consequences for such entities and may cause a client's investment in such entities to lose value.

Recommendation of Particular Types of Securities

As disclosed under the "Advisory Business" section in this Brochure, we provide advice on various types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Risks Associated with Investing in Fixed Income Securities: A fixed-income security is an investment that provides a return in the form of fixed periodic interest payments and the eventual return of principal at maturity. Unlike variable-income securities, where payments change based on some underlying measure—such as short-term interest rates—the payments of a fixed-income security are known in advance. General risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S. or foreign), and currency risk. Fixed income securities may be affected by interest rate risk as increases or decreases in interest rates occur and also by credit risk in that issuers may not make payments on the securities.

- A **bond** is a fixed-income instrument that represents a loan made by an investor to a borrower (typically corporate or governmental). A bond could be thought of as an I.O.U. between the lender and borrower which includes the details of the loan and its payments. Bonds are used by companies, municipalities, states, and sovereign governments to finance projects and operations. Owners of bonds are debtholders, or creditors, of the issuer. Bond details include the end date when the principal of the loan is due to be paid to the bond owner and usually include the terms for variable or fixed interest payments made by the borrower. For example, if bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds also have liquidity and currency risk.
- **Certificates of deposit (CDs)** are generally considered safe instruments, although they are subject to the level of general interest rates, the credit quality of the issuing bank, and the length of maturity. With respect to certificates of deposit, depending on the length of maturity there can be prepayment penalties if the client needs to convert the certificate of deposit to cash prior to maturity. CDs also carry call risks associated with them as some offerings could be called prior to maturity leaving the investor to look for other CDs that may not pay the same level of interest.
- A **bond exchange traded fund (ETF)** is an exchange-traded fund investment option that invests clients' money into fixed-interest securities. They mainly invest in corporate bonds and treasuries. These are low-risk investments and provide regular coupon payments every month. It helps the individual investor get exposure to bond benchmark indices, which they would not have been able to do otherwise. However, if the investment manager fees associated with the bond ETFs are too high compared to the low return; it erodes the central part of the return. Funds invested in fixed interest securities generally have a low rate of return. If the interest rate rises, the investor may miss a chance to earn a better return on their initial investment.
- **Money market instruments** are high-quality, short-term fixed-income obligations, which generally have remaining maturities of one year or less, and may include U.S. government securities, commercial paper, certificates of deposit, and bankers' acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation, and repurchase agreements. However, there can be no assurances that such investments will not be subject to significant risks. A bond or fixed income ETF also typically has more volatility risk associated with it as opposed to individual bond holdings.
- **Treasury Bills (T-Bills)** are government backed bonds that are subject to interest rate risks and call-related risks.
- An **agency bond** is a security issued by a government-sponsored enterprise or by a federal government department other than the U.S. Treasury. Some are not fully guaranteed in the same way that U.S. Treasury and municipal bonds are. An agency bond is also known as agency debt. Federal government agency bonds

and government-sponsored enterprise bonds pay slightly higher interest than U.S. Treasury bonds. Most, but not all, are exempt from state and local taxes and they have interest rate risks.

- **Municipal bonds** are a type of debt security issued by local, county, and state governments. They are commonly offered to pay for capital expenditures, including the construction of highways, bridges, or schools. Municipal bonds act like loans, with bondholders becoming creditors. In exchange for borrowed capital, bondholders/investors are promised interest on their principal balance—the latter being repaid by the maturity date. Municipal bonds are often exempt from most taxes, which makes them attractive to people in higher income tax brackets. Types of municipal bonds include government obligations and revenue bonds. Default risk is low for municipal bonds compared with corporate bonds. However, revenue bonds are more vulnerable to changes in consumer tastes or general economic downturns than GO bonds. For example, a facility delivering water, treating sewage, or providing other fundamental services has more dependable revenue than a park's rentable shelter area. As a fixed-income security, the market price of a municipal bond fluctuates with changes in interest rates: When interest rates rise, bond prices decline; when interest rates decline, bond prices rise. In addition, a bond with a longer maturity is more susceptible to interest rate changes than a bond with a shorter maturity, causing even greater changes in the municipal bond investor's income. Furthermore, the majority of municipal bonds are illiquid; an investor needing immediate cash has to sell other securities instead. Many municipal bonds carry call provisions, allowing the issuer to redeem the bond prior to the maturity date. An issuer typically calls a bond when interest rates drop and reissues municipal bonds at a lower interest rate. When a bond is called, investors lose income from interest payments and face reinvesting in a bond with a lower return.
- **Corporate debt** obligations - include corporate bonds, debentures, notes, commercial paper, and other similar corporate debt instruments. Companies use these instruments to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and must repay the amount borrowed at maturity. Commercial paper (short-term unsecured promissory notes) is issued by companies to finance their current obligations and normally has a maturity of less than nine months. In addition, the firm may also invest in corporate debt securities registered and sold in the United States by foreign issuers (Yankee bonds) and those sold outside the U.S. by foreign or U.S. issuers (Eurobonds).

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Redstone Wealth Management's advisory business or of the integrity of its management personnel. We have no material history of legal or disciplinary events to report under this item. Information regarding management persons of our firm and Redstone Wealth Management can be found at www.adviserinfo.sec.gov.

Item 10 - Other Financial Industry Activities or Affiliations

Redstone Wealth Management is not registered as and does not have a pending application to register as, a securities broker-dealer, Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading

Advisor. No individuals associated with our firm are currently an associated person of a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor.

Insurance Activities and Affiliations

See Item 5 of this Form ADV Part 2A disclosure brochure for information regarding commission-based compensation for insurance services offered by licensed individuals associated with our firm. Mr. Cantrell and Mr. Terrell anticipate spending approximately 5% of their professional time providing insurance services.

Registrations with Broker-Dealer

See Item 5 of this Form ADV Part 2A disclosure brochure for information regarding commission-based compensation for the sale of securities. IARs of our firm, including Mr. Cantrell and Mr. Terrell, are registered representatives offering securities through Peak Brokerage Services, LLC ("Peak"), an unaffiliated, registered securities broker-dealer and Financial Industry Regulatory Authority ("FINRA") member firm. Mr. Cantrell and Mr. Terrell anticipate spending approximately 5% of their professional time on business activities conducted through Peak.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Description of Our Code of Ethics

Redstone Wealth Management has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Redstone Wealth Management's policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Redstone Wealth Management's Code of Ethics is available upon request. Please contact our Chief Compliance Officer at **(405) 844-9933** or Lee@RedStoneWM.com.

Personal Trading Practices

At times, Redstone Wealth Management and/or its Advisory Representatives may take positions in the same securities as clients. This is considered a conflict of interest with clients. Redstone Wealth Management and its Advisory Representatives will generally be “last in” and “last out” for the trading day when trading occurs in close proximity to client trades, however, we will uphold our fiduciary responsibilities to our clients. Front running (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (e.g., a thinly traded stock), disclosure will be made to the client(s) at the time of trading.

Item 12 - Brokerage Practices

Redstone Wealth Management routinely recommends and requests that clients implement trades and maintain custody of assets through an unaffiliated, qualified broker-dealer. All such broker-dealers must be members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Some broker-dealers may offer our firm services, which include custody of client securities, trade execution, clearance and settlement of transactions, and daily research and investment information.

We routinely recommend that you establish brokerage accounts with Charles Schwab & Co., Inc. ("Schwab") a FINRA-registered broker-dealer, member SIPC.

In choosing a broker-dealer or negotiating commission rates, we are not obligated to seek competitive bids or the lowest commission cost to you; but we determine that the commission rate charged is reasonable based on the quality of custodial services available to our clients. As a fiduciary, Redstone Wealth Management endeavors to act in your best interest.

The commissions paid by Redstone Wealth Management's clients comply with Redstone Wealth Management's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified financial institution might charge to effect the same transaction where Redstone Wealth Management determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Redstone Wealth Management seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and will buy and sell securities in your account(s) upon our instructions. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so, and you will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you.

Your Custody and Brokerage Costs

Schwab generally does not charge you separately for custody services, but is compensated by charging commissions, where applicable, or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account.

Research and Other Soft Dollar Benefits

Although not considered “soft dollar” compensation, Redstone Wealth Management may receive benefits from its broker-dealers and custodians for research services that may include reports, duplicate statements, software, and institutional trading support. This includes benefits from Schwab Advisor Services in the form of access to its institutional brokerage, trading, custody, reporting, and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we do not have to request them) and at no charge to us as long as we keep a total of at least \$10 million of our clients’ assets in accounts at Schwab. If we have less than \$10 million in client assets at Schwab, Schwab may charge us quarterly service fees. Below is a detailed description of Schwab’s support services.

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

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

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients’ accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Services that Generally Benefit Only Us: Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

Redstone Wealth Management understands its duty for best execution and considers all factors in recommending a specific broker-dealer to its clients. These research services may be useful in servicing all Redstone Wealth Management clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While Redstone Wealth Management may not always obtain the lowest commission rate, Redstone Wealth Management believes the rate is reasonable in relation to the value of the brokerage and research services provided.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers and custodians with which we have an institutional advisory arrangement; and, we do not receive other benefits from a broker-dealer in exchange for client referrals.

Directed Brokerage

IARs providing investment advice on behalf of our firm who are also registered representatives of Peak Brokerage Services, LLC ("Peak") may recommend Peak for some brokerage services. These individuals are subject to applicable rules that restrict them from conducting certain securities transactions away from Peak unless Peak provides the registered representative with written authorization to do so. Therefore, these individuals may be generally limited to conducting securities transactions through Peak. It may be the case that Peak charges higher transaction costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through Peak, these individuals (in their separate capacities as registered representatives of Peak) may earn commission-based compensation as result of placing the recommended securities transactions through Peak. This practice presents a conflict of interest because these registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. Not all advisers require clients to direct brokerage through a specific firm. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use Peak or other recommended broker/custodian we may not be able to accept your account. Please see the "Fees and Compensation" section at Item 5 in this Brochure for more information on the compensation received by registered representatives of Peak who are also affiliated with our firm.

Trade Aggregation/Block Trading

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage whenever possible and where in the clients' best interests (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. In rare instances, such as partial fills or limited shares of thinly traded or illiquid stocks, it may be necessary to place block trades for only small groups of clients over a period of time. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Item 13 - Review of Accounts**Managed Account Reviews**

Redstone Wealth Management monitors client's managed accounts on a continuous basis and recommends a formal review with the client at least annually. Accounts are reviewed by Brent Terrell, Investment Adviser Representative and Operations Manager and/or Lee Cantrell, President and Chief Compliance Officer.

Additional reviews may be offered in certain circumstances. Triggering factors that may stimulate additional reviews include, but are not limited to, changes in economic conditions, changes in the client's financial situation or investment objectives, or a client's request. Clients are encouraged to notify our firm if changes occur in their personal financial situation.

Redstone Wealth Management provides clients with a quarterly report including the account holdings, market values, and performance. Additionally, you will receive account statements directly from the Broker-Dealer or Custodian for your accounts at least quarterly. Unless you elect otherwise in your agreement with the Broker-Dealer or Custodian, you shall receive transaction confirmation notices for each transaction in your account.

Item 14 - Client Referrals and Other Compensation**Compensation for Client Referrals**

From time-to-time we may directly compensate non-employee (outside) individuals and/or entities (Promoters) for client referrals. In order to receive a cash referral fee from our firm, Promoters must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Promoter, you should have received disclosures at the time of the referral. If you become a client, the Promoter that referred you to our firm will receive a percentage of the advisory fee you pay our firm for as long as you are a client with our firm, or until such time as our agreement with the Promoter expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Promoter are contingent upon your entering into an advisory agreement with our firm. Therefore, a Promoter has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

Other Compensation

As described in Item 12 – Brokerage Practices above, Redstone Wealth Management has brokerage and clearing arrangements with Schwab. We may receive additional benefits from these firms in the form of electronic delivery of client information, electronic trading platforms, institutional trading support, proprietary and/or third-party research, continuing education, practice management advice, and other services provided by custodians for the

benefit of investment advisory Clients. Please refer to item 12 above for more information about the receipt of additional benefits from broker-dealers/custodians.

See Item 5 of this Form ADV Part 2A disclosure brochure for information regarding commission-based compensation for the sale of insurance products by licensed persons associated with Redstone Wealth Management.

Additionally, see Items 5, 10, and 12 of this Form ADV Part 2A disclosure brochure for information regarding commission-based compensation for the sale of securities by individuals who are dually registered as representatives of Peak, an unaffiliated, SEC-registered broker-dealer and FINRA member firm.

Item 15 - Custody

We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. Where the third party calculates and deducts our advisory fee, we are not deemed to have custody. Where we calculate the advisory fee and instruct the account custodian to debit your account(s) directly for the payment of our advisory fees, we are deemed to exercise custody over your funds or securities. Each time we deduct the advisory fee from your account held with the qualified custodian, we will send the qualified custodian an invoice or statement of the amount of the fee to be deducted from your account. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have questions regarding your account or if you did not receive a statement from your custodian, please contact us at **(405) 844-9933** or Support@RedstoneWM.com.

Item 16 - Investment Discretion

Redstone Wealth Management offers management services on a discretionary basis. Clients must grant discretionary authority in the advisory agreement. Discretionary authority extends to the types and amounts of securities to be bought and sold in client accounts. Apart from the ability to instruct the custodian to withdraw advisory fees from client accounts, Redstone Wealth Management does not have the ability to withdraw funds or securities from client accounts.

If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing.

Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

Item 17 - Voting Client Securities

We do not vote proxies solicited by, or with respect to, the issuers of securities held in your account. You are responsible for voting your proxies. Typically, your account custodian will deliver proxy materials directly to you electronically or by mail depending on the option you have selected with your account custodian. If we receive your proxy materials in error, we will forward them to you in the format received. You may contact us at **(405) 844-9933** or Support@RedstoneWM.com with any questions you may have regarding proxies.

Item 18 - Financial Information

Our firm does not have any financial conditions or impairments that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

Privacy Notice



This notice has been provided to you in accordance with the Securities and Exchange Commission's rule regarding the privacy of consumer financial information ("Regulation S-P"). Please take the time to read and understand the privacy policies and procedures that we have implemented to safeguard your nonpublic personal information.

INFORMATION WE COLLECT

Redstone Wealth Management, LLC must collect certain personally identifiable financial information about its customers to provide financial services and products. The personally identifiable financial information that we gather during the normal course of doing business with you may include:

- information we receive from you on applications or other forms;
- information about your transactions with us, our affiliates, or others;
- information we receive from a consumer reporting agency.

INFORMATION WE DISCLOSE

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted or required by law, or as necessary to provide services to you. In accordance with Section 248.13 of Regulation S-P, we may disclose all of the information we collect, as described above, to certain nonaffiliated third parties such as our attorneys, accountants, auditors, persons or entities that are assessing our compliance with industry standards, and with broker-dealer firms having regulatory requirements to supervise certain of Redstone Wealth's activities. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

Additionally, Regulation S-ID requires our firm to have an Identity Theft Protection Program (ITPP) that controls reasonably foreseeable risks to customers or to the safety and soundness of our firm from identity theft. We have developed an ITPP to adequately identify and detect potential red-flags to prevent and mitigate identity theft.

CONFIDENTIALITY AND SECURITY

We restrict access to nonpublic personal information about you to those Employees who need to know that information to provide financial products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

ACCURACY

We strive to maintain accurate personal information in our client files at all times. However, as personal situations, facts and data change over time; we encourage our clients to provide feedback and updated information to help us meet our goals. If have questions or need to update your information, please contact us at **(405) 844-9933** or Support@RedstoneWM.com.

Effective April 2023