

**Part 2A of Form ADV: *Firm Brochure***

**March 31, 2001 (Amended June 30, 2011)**

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**This brochure provides information about the qualifications and business practices of Omega Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at 703-387-0919 X 508 or at [Debra@OmegaWealthManagement.com](mailto:Debra@OmegaWealthManagement.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 Omega Wealth Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Omega Wealth Management, LLC is 132580.**

## **Item 2. Summary of Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss specific material changes that are made to the Brochure and provide clients with a summary of such changes.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

*As of the date of this Firm Brochure, there are no material changes to disclose regarding our firm.*

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#### **Item 4. Advisory Business**

Omega Wealth Management, LLC (hereafter “OWM” or “we”) is a Virginia limited liability corporation and a registered investment adviser with the U.S. Securities and Exchange Commission with its principal place of business in Arlington, VA. Our firm has been in business since 1999. The firm is owned by and managed by Lisa A. Kirchenbauer, President and shareholder.

Currently, OWM actively manages \$60 million of client assets on a non-discretionary basis.

OWM offers the following advisory services, where appropriate, to individuals, trusts, estates, corporations, and other business entities.

#### **Ongoing Life/Wealth Planning**

OWM'S business mission is to advise and guide clients in implementing appropriate financial and life planning strategies so that they can maximize their financial capacity to achieve their life and wealth goals.

To accomplish this mission, Omega Wealth Management:

1. leads clients through a formal process to identify their most significant life and wealth goals,
2. assesses the financial opportunities, obligations, and threats faced by each client,
3. educates the client about their financial concerns,
4. coordinates action by the client and appropriate professionals (e.g. portfolio managers, lawyers, accountants, bankers, insurance agents, brokers, book-keepers) to take care of those concerns.

In general, OWM gathers required information through in-depth client interviews and coordination with client's advisors. Information gathered includes a client's current financial status, future goals and attitudes towards risk, as well as the following areas of concern:

**Personal:** Family records, budgeting, personal liability, estate information and financial goals.

**Tax & Cash Flow:** Income tax and spending analysis and planning for past, current and future years. OWM will illustrate the impact of various investments on a client's current income tax and future tax liability.

**Investment Risk:** Completion of a questionnaire and computer analysis to provide guidance as to clients' attitude and tolerance for investment risk.

Insurance Risk Management: Analysis of areas of risk to a client's financial situation in case of death, disability or the need for long-term care.

Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.

Portfolio Monitoring: Assisting in the establishment of custodial accounts and investment management relationships not provided by OWM, review and monitoring of investments relative to the client's overall investment strategy and appropriate benchmarks, and the effect of those accounts on a client's overall financial situation.

Financial Life Planning Issues and Advice: A main focus of OWM is to provide financial education and coaching on life planning issues and concerns. Advice and planning analysis on various financial and life planning issues includes business, financial and life transitions.

Though OWM will support and coordinate action by the client regarding these concerns, implementation of the appropriate financial strategies depends upon the client taking action and is entirely at the client's discretion. Recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company.

### **Limited Term Advisory Services**

**Transition Planning Service:** OWM offers two six month engagement Transition Planning Services; career transition planning and general transition planning including inheritance, divorce, death of loved one or other significant life changing events. The Transition Planning Service provides analysis and coaching using several "Kolbe" assessments to determine your "best fits" from a career/job perspective, review of risk tolerance using the Finametrica risk tolerance profiling system, a written financial / life plan, and assistance with coordination of your advisors' (accountant, attorney, etc.)

**Pro Bono Service:** In an effort to create opportunity and success for people who may not be able to take advantage of our fee based services, OWM offers a one time, general planning meeting to qualified individuals and couples and to our clients' young adult children and lower income parents. To qualify income must be under \$65,000 for couples and \$40,000 for individuals.

### **Investment Management Services**

In conjunction with its Life/Wealth Planning service OWM also provides advice to clients regarding the investment of client funds based on their individual needs. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, OWM can create and manage a portfolio based on the client's individual circumstances. OWM will manage these advisory accounts on a non-discretionary basis only. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income).

OWM will create a portfolio consisting predominantly of no-load and load-waived mutual funds. OWM will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. The mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf. Clients will retain individual ownership of all securities.

## **SEI Management Program**

OWM offers advisory services through selected programs offered by SEI Investments Management Corporation ("SIMC"):

1. Managed Account Program
2. GoalLink Program
3. Private Client Model Program

Under these programs, each client enters into a tri-party agreement with OWM and SIMC which sets forth the terms under which the clients designated assets will be managed.

The services that OWM provides in connection with both programs generally include the following:

1. Collecting information about clients and assisting them in selecting the appropriate program and in designating assets to be managed.
2. Assisting client in determining their investment objectives, investment time horizons, and risk profiles.
3. Assisting clients in selecting an asset allocation policy within the parameters of the program selected;
4. Making investment recommendations consistent with the asset allocation policy;
5. On-going monitoring of the client's portfolio and recommending changes to the investment strategy as warranted;
6. Serving as primary client contact, including periodically conferring with clients about their accounts and responding to client inquiries.

A brief description of each program is as follows. For more information about the programs generally, about SIMC, and about the fees SIMC charges in connection with the programs see SEI's Form ADV, Part 2 Firm Brochure or the applicable program wrap brochure.

**Managed Account Program:** In this program, OWM and the Client select an investment strategy ("Strategy") which is then submitted and reviewed by an SIMC

Investment Adviser representative. Using the Strategy, SIMC may invest client assets in mutual funds advised or administered by SIMC or its affiliates ("SEI Funds"), or outside money managers ("Sub Advisers") hired by SIMC may invest client assets in individual securities. Client accounts may invest in a combination of individual securities and SEI Funds. The Managed Account Program offers a tax-management feature called ("IMAP") under which SIMC selects one sub-adviser to serve a tax manager for account. SIMC charges an additional fee for this service.

**GoalLink Program:** In this program using a variety of risk assessment and planning tools, OWM and the client select an Investment Strategy ("Strategy") which is then submitted and reviewed by a SIMC Investment Adviser representative. Based upon the selected Strategy, SIMC will have investment discretion over the assets and will adjust the strategy weights based on changes in the securities markets. However, the client may, at any time, impose reasonable restrictions on the management of his/her account or choose a new investment strategy. SIMC's investment authority is effective until changed or revoked in writing. SIMC may delegate its day-to-day responsibility for selecting particular securities to one or more portfolio managers unaffiliated with SIMC.

**Private Client Model Program:** In this program, the Adviser and the investor select an investment strategy and choose from one of many mutual fund asset allocation models, which may be provided by SEI Investments Management Corporation ("SIMC"), or purchase the individual mutual funds.

The investor, through the Adviser, may adjust their asset allocation to help ensure that the mix reflects the objectives of the chosen strategy. Investment options include SEI's Private Client Models, which reflect SIMC's institutional asset allocation models more aligned with individual investor's goals. SIMC expects to make changes to the Private Client Models periodically. Upon consent from the Adviser (on behalf of the client), the asset allocation changes will be made to the client's accounts.

## **Consulting Services**

Under exceptional circumstances only, clients may also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. OWM also provides specific consultation and administrative services regarding investment and financial concerns of the client. Additionally, OWM provides advice on non-securities matters. Generally, this is in connection with estate planning, insurance, and/or annuity advice.

## **Seminars, Workshops, and Public Speaking**

OWM staff members may, from time to time, be engaged to present workshops, seminars or speak publicly on a range of topics including financial life planning, traditional financial planning and investments. They may be compensated for their time, travel costs

and cost of materials. They may also charge a fee for participation in the program or receive a portion of any fee paid by participants.

OWM staff members will not provide specific investment advice to any participants as part of the public presentation. Specific advice can only be provided through the regular individual OWM advisory services.

## **Item 5. Fees and Compensation**

**Life/Wealth Advisory Fee:** OWM's minimum annual Life/Wealth Advisory fee is \$7,500 for clients with investable net worth of \$1 million. This fee increases with increasing investable net worth and the complexity of the planning required. Life/Wealth Advisory fees generally range from \$7,500 to \$35,000 a year and may be negotiable at OWM's discretion. Clients will be billed quarterly in advance. OWM will honor existing fee agreements for clients who have a prior relationship with Kirchenbauer Financial Management and Consulting, and may offer special arrangements for related family members.

**Transition Planning Fee:** Five meetings are scheduled plus interim communications as needed. The fee for this 6 month engagement is generally \$5,000 and may be negotiable depending on the complexity of the planning work required.

**Investment Management Fee:** The annual fee for Investment Management services will be charged as a percentage of assets under management, generally ranging from 0.35% to 0.50% per year. OWM will quote an exact percentage to each client based on both the nature and total dollar value of that account. Clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter.

**SEI Management Fee:** OWM charges an annual asset-based fee for the services it provides in connection with the SEI programs. The fee rate is subject to negotiation based on the nature and the total dollar value of the account. The rate generally ranges from 0.35% to 0.50% per year. The fee rate that a client will actually be charged is set forth in the client agreement. The OWM SEI Management fee will be charged on an arrears basis and will be remitted quarterly net of any applicable account and performance reporting charges not charged to the client. Upon written notification, the program agreement may be terminated by SIMC, OWM or the client. Prorated fees will be charged based on market value on the date notice is received. OWM may aggregate related accounts for fee calculation purposes in order to reduce the client fee. The client will pay additional and separate fees to SIMC for the services provided by SIMC and its affiliates under the program.



**Consulting Service Fee:** In certain circumstances, fees for specific administrative and other consulting services will be billed on an hourly basis, ranging from \$250 - \$350 per hour, depending on the nature and complexity of each client's circumstances. An estimate for total hours will be determined at the start of the advisory relationship. All Consulting fees are due and payable upon completion of the work.

**Seminars/Workshops/Public Speaking Fee:** OWM staff members may, from time to time, be engaged to present workshops, seminars or speak publicly on a range of topics including financial life planning, traditional financial planning and investments. They may be compensated for their time, travel costs and cost of materials. They may also charge a fee for participation in the program or receive a portion of any fee paid by participants.

### **General Information on Fees and Services:**

Negotiability of Fees and Minimum Requirements: In certain circumstances, all fees may be negotiable. Under no circumstances will we earn fees in excess of \$1200 more than six months in advance of services rendered.

Fee Calculation: The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Investment Advisers Act of 1940, as amended).

Termination of Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days prior written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Mutual Fund Fees and Expenses : All fees paid to OWM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. The mutual fund fees and expenses are described in each fund's prospectus and will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or, in some cases, a deferred sales charge. A client could invest in a mutual fund directly, without the services of OWM. In that case, the client would not receive the services provided by OWM which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by OWM to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Mutual Fund Risks: Before investing in mutual funds, clients should understand that mutual funds and annuities are not insured by the FDIC, NCUSIF, or any other federal government agency and are not deposits or obligations of, guaranteed by, or insured by,

the depository institution where offered or any of its affiliates. Mutual funds and annuities involve investment risk and may lose value.

Brokerage and transaction costs: Clients should be aware that they will pay commissions to broker dealers and other transaction costs to the custodians that are separate and distinct from the advisory fees charged by OWM. OWM in no way shares in these commissions.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

OWM in General: OWM is a Virginia-based limited liability corporation. This Firm Brochure provides clients with information regarding OWM and its advisory services that should be considered before becoming a client of OWM. This Firm Brochure also provides information about the qualifications and business practices of OWM. 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.

Any representation to the contrary is illegal. Additional information about OWM is available on the Internet at "[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)". You can search this site by a unique identifying number, known as a CRD number. The CRD number for OWM is 132580.

Use of "Registered Investment Adviser" : Clients should be aware that the term "Registered Investment Adviser" does not imply any certain level of skill or training.

Privacy Policy : OWM does not disclose any non-public, personal information (such as name, address or tax identification number) about its clients or former clients to anyone except as permitted by applicable law or required by regulation.

OWM maintains physical safeguards to protect such unauthorized disclosure and will notify clients of its policies and practices in this regard on an annual basis or at any time at which there is a material change in its policies which would require their consent. OWM does not sell customer lists. Even if you are no longer a client of OWM, our Privacy Policy will continue to apply to you. To conduct regular business, OWM may collect non-public personal information from sources such as: (a) information provided by you on applications or other forms you provide to us; and/or (b) information about your investment and securities transactions. Clients with questions regarding OWM's Privacy Policy should contact OWM.

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

As a matter of OWM policy and practice, we have not and do not offer or provide advisory services on a performance fee basis for any clients.

Side-by-side management refers to multiple client relationships where an adviser manages advisory client relationships and portfolios on a simultaneous basis for individuals, businesses, institutions and also mutual funds and/or hedge funds. In such circumstances, potential conflicts of interest may arise by and between the clients and the mutual and hedge funds, e.g., performance fee arrangements.

OWM currently does not have any performance based fee arrangements and does not provide advisory services to any mutual funds or hedge funds, therefore such potential or actual conflicts do not arise based on OWM's services and clients.

### **Item 7. Types of Clients**

OWM offers advisory and wealth planning services to individuals, estates, corporations, and other business entities.

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

**Methods of Analysis:** As part of its Life/Wealth Planning service, OWM may offer advice on any of the items indicated under types of investments. OWM may also recommend investments in Real Estate and Natural Resource Investment Trusts (REITs) and/or "registered" hedge fund of funds (not Limited Partnerships) to advisory clients.

For those clients participating in SEI's Managed Accounts or GoalLink Programs, OWM will provide the client with a copy of SEI's Form ADV Part 2 Firm Brochure.

Clients should refer to SEI's Form ADV Firm Brochure for information on the types of investments, methods of analysis, sources of information and investment strategies used by SEI in servicing client accounts.

Fundamental analysis: Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may mis-price a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mis-priced security and then waiting for the market to recognize its "mistake" and re-price the security. However, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses.

Technical analysis: Technical analysis seeks to identify price patterns and trends in financial markets and attempt to exploit those patterns. We follow and examine such indicators as           , volume, moving averages of the price and market sentiment. Since technical analysis predictions are only extrapolations from historical price patterns, investors bear risk that these patterns will not reoccur as expected.

Qualitative analysis: We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk of using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation: Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

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 stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

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 funds 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 continue or replicate that success in the future.

In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value.

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 fund or ETF less appropriate for the client's portfolio.

Risks for all forms of analysis: Our securities analysis methods rely on the assumption that the companies whose securities we recommend, purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are aware that indications, reporting or data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **Investment Strategies**

Omega Wealth Management uses the following strategies in managing client portfolios:

Long-term purchases: We purchase securities with the idea of holding them in a client's portfolio for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this asset class or security.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: On rare occasions we may purchase securities with the idea of selling them within a relatively short time (typically a year or less). We may do this in an attempt to take advantage of market conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Margin transactions: Generally, we will not recommend or utilize margin or borrowing as part of our investment strategies. The use of margin allows for the purchase securities for one's portfolio with money borrowed from one's brokerage account. This allows one to purchase more stock than would be able to with one's available cash, and would allow Adviser to purchase stock without selling other holdings.

As a higher risk strategy, a risk of margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in one's account minus what is owed the broker falls below a certain level, the broker will issue a "margin call," and the investor will be required to sell the position in the security purchased on margin or add more cash to the account. In some circumstances, one may lose more money than originally invested.

For all strategies: Investments in securities are not guaranteed, and you may lose money on your investments. We make significant efforts and inquiries to help us understand your tolerance for risk and any changes in your financial objectives and circumstances. We also request that clients notify us of any such changes promptly.

**Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal.**

## **Item 9. Disciplinary Information**

Our firm, its principal and associated persons have no reportable disciplinary or regulatory events to disclose.

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

OWM may provide non-advisory consulting to clients on topics such as business successions for separate and typical compensation. OWM may typically spend approximately 5% of their time with these related activities.

Lisa Kirchenbauer, President of Omega Wealth Management, LLC also owns and operates Omega Wealth Consulting, LLC. Omega Wealth Consulting offers training, coaching and consulting services to institutions, small businesses and individuals in the areas of business and life planning. Omega Wealth Management, LLC is Ms. Kirchenbauer's primary business. In her capacity with Omega Wealth Consulting, Ms. Kirchenbauer will earn separate and distinct compensation as owner and manager.

Clients should be aware that the receipt of additional compensation by our firm and its associated persons creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations.

We endeavor at all times to put the interest of our clients first as part of its fiduciary duty as a registered investment adviser and takes the following steps to address this conflict:

1. We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and its employees to earn compensation from advisory clients in addition to our advisory fees;
2. We disclose to clients that they are not obligated to purchase recommended investment products from our employees;
3. We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
4. Our management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
5. We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
6. We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
7. We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

## **Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading**

OWM has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. OWM's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth their practice of supervising the personal securities transactions of supervised persons with access to client information. Individuals associated with OWM may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is the expressed policy of OWM that no person employed by OWM shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, OWM requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. Prior approval must be given for purchase or sale of any individual securities, IPO or private placements (limited offerings).

OWM requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. OWM's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to disciplinary measures.

OWM will provide a copy of its Code of Ethics to any client upon request to the Chief Compliance Officer at OWM's principal address.

OWM or any related person(s) may have an interest or position in certain securities which may also be recommended to a client.

As these situations may represent a conflict of interest, OWM has established the following additional restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer or employee of OWM shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry.
2. OWM maintains records of all securities holdings for itself, and anyone associated with this advisory practice. These holdings are reviewed on a regular basis by the principal executive officer of OWM.
3. All clients are fully informed that certain individuals may receive separate compensation when effecting securities and/or insurance transactions during the implementation process.

4. OWM emphasizes the unrestricted right of the client to decline to implement any advice rendered.
5. OWM emphasizes the unrestricted right of the client to select and choose any broker or dealer and/or insurance company they wish.
6. Any individual not in observance of the above may be subject to termination.

## **Item 12. Brokerage Practices**

**Life/Wealth Advisory Services:** As OWM does not have discretionary authority to determine the broker-dealer to be used or the commission rates to be paid for unmanaged accounts, Life/Wealth Advisory Service clients seeking OWM's Portfolio Monitoring services must direct OWM as to the broker-dealer to be used for their account(s). In directing the use of a particular broker-dealer, it should be understood that OWM will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients. OWM may recommend any one or more of several brokers-dealers, but OWM clients should independently evaluate these brokers before opening an account.

**Investment Management Services:** OWM generally recommends that clients direct OWM to place all trades for accounts managed directly by OWM through Schwab. OWM has entered into an arrangement with Charles Schwab & Co. ("Schwab") under which Schwab agrees to provide custodial and execution services to OWM clients for negotiated fees between OWM and Schwab. OWM entered into this arrangement because OWM has evaluated Schwab and believes that Schwab will provide OWM clients with a blend of execution services, commission costs and professionalism that generally will result in best execution for their transactions. However, charges that clients pay in connection with trades through Schwab may be higher or lower than charges or commissions than clients might pay if transactions were executed at other broker-dealers. Each client is responsible for evaluating Schwab's services and determining whether to direct account transactions to Schwab is in the client's best interest. Once directed by the client, OWM will execute all transactions through Schwab, unless Adviser reasonably believes that to do so would result in a violation of law or breach of its fiduciary duties.

OWM reserves the right to decline acceptance of any client account that does not direct brokerage to a named broker-dealer or that directs the use of a broker dealer other than Schwab.

In directing the use of a broker-dealer other than Schwab it should be understood that OWM will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.



**SEI Management Services:** In order to be eligible for SEI's Management Programs, clients are required to use SEI Financial Services, a FINRA registered broker dealer, for the placement of all trades.

SEI Trust Company, a subsidiary of SEI Corporation, acts as the transfer agent and custodian for SEI Management Program accounts. OWM client accounts are required to be maintained at SEI Trust Company in order to participate in SEI's Programs.

**Consulting Services:** Consulting clients will be required to select their own broker dealers for the implementation of consulting recommendations. OWM may recommend any one of several brokers. OWM clients must independently evaluate these brokers before opening an account. The factors considered by OWM when making this recommendation are the broker's ability to provide professional services, OWM's experience with the broker, the broker's reputation, and the broker's financial strength, among other factors. OWM's consulting clients may use any broker or dealer of their choice.

**Schwab Institutional Services Program:** OWM participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Charles Schwab & Company, Inc., a FINRA registered broker dealer. Clients in need of brokerage and custodial services will have Charles Schwab & Company recommended to them. As part of the SI program, OWM receives benefits that it would not receive if it did not offer investment advice. While there is no direct linkage between the investment advice given and participation in the SI program, economic benefits are received which would not be received if OWM did not give investment advice to clients.

These benefits may include any or all of the following: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

The benefits received through participation in the SI program may or may not depend upon the amount of transactions directed to, or amount of assets custodied by, Charles Schwab & Co., Inc.

**SEI Select Advisor Council:** OWM staff members may also receive compensation in the form of hotel lodging, meals, and marketing/event financial support as part of their relationship with SEI. When part of the SEI Select Advisors Council, OWM receives benefits that it would not receive if it did not recommend SEI's investment management

services to OWM's clients. The benefits received through participation in SEI programs may or may not depend upon the amount of transactions directed to, or amount of assets custodied by, SEI Investments.

**Allocation of Investments:** As a matter of OWM policy and practice, investments and investment opportunities are allocated among advisory clients on a fair and equitable basis so as to not advantage or disadvantage any clients over time. In the event of limited investment opportunities, OWM will typically allocate investment opportunities among eligible OWM clients on a pro-rata basis.

### **Item 13. Review of Accounts**

**Account Reviews:** While the underlying securities in accounts covered by all of our Investment Management Services will be continuously monitored, these accounts will be formally reviewed at least three times a year by the President of OWM, Lisa Kirchenbauer and/or by the OWM Director of Financial Planning, unless by written agreement, the client has chosen semi-annual reviews. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, economic or political environment.

Life/Wealth Advisory clients who do not participate in any of our Investment Management Programs will have accounts reviewed at least semi-annually.

**Client Reporting:** In addition to the monthly statements and/or confirmations of transactions that Investment Supervisory Service clients receive from their broker dealer, OWM will provide, if requested by the client, quarterly reports that consist of a breakdown of the client's portfolio, investment cost basis, and performance of the account over the quarter against appropriate industry benchmarks. Clients participating in SEI's Management Programs are requested to refer to the Program disclosure document for information on the nature and frequency of the reports they are to receive.

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

OWM as a matter of firm policy and practice, does not receive additional compensation or referral fees from third parties for providing investment advice to its clients and does not compensate any firm for client referrals to OWM.

### **Item 15. Custody**

Our firm is deemed to have “constructive custody” under regulatory guidelines as a result of OWM’s authority from certain clients to directly debit client advisory fees from their custodian accounts consistent with industry practices and regulatory guidelines.

Clients receive monthly / quarterly statements from OWM and from their independent brokerage or bank qualified custodians. Clients are urged to carefully review each statement. In order to ensure that all account transactions, holdings and values are correct and current, we recommend that clients compare our firm's statements with the statements received from their independent qualified custodian(s).

### **Item 16. Investment Discretion**

As a matter of firm policy and practice, OWM offers and provides advisory services, wealth planning and related services on a non-discretionary basis only.

### **Item 17. Voting Client Securities & Legal Proceedings**

As a matter of OWM firm policy and practice, our firm does not vote proxies on behalf of advisory clients. Our client advisory agreement provides that our advisory clients expressly retain the authority and responsibility for voting proxies of portfolio securities. OWM may provide advisory clients with consulting assistance regarding proxy issues but the clients have the responsibility to receive and vote any proxies.

Further, clients should note that OWM does not advise or act on behalf of any client in legal proceedings, e.g., class actions or bankruptcies involving companies whose securities are held or previously were held by a client, including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

### **Item 18. Financial Information**

Under no circumstances will OWM require or solicit advisory fees in excess of \$1200 six or more months in advance of services rendered.

Further, OWM does not have any financial events or proceedings to disclose.