

Item 1 – Cover Page

**Militello Wealth Management, LLC**  
**8000 Maryland Avenue, Suite 1250**  
**Clayton, MO 63105**  
**P: 314-655-2118**  
**www.wilwm.com**

**July 30, 2011**

**This brochure provides information about the qualifications and business practices of Militello Wealth Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (314) 655-2118 and/or [sarab@milwm.com](mailto:sarab@milwm.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 Militello Wealth Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Militello Wealth Management, LLC is 135379.**

**Any references to Militello Wealth Management, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.**

**Item 2 - MATERIAL CHANGES**

This is the initial disclosure brochure. Therefore, there are no material changes to disclose.

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

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#### **Item 4 - ADVISORY BUSINESS**

Militello Wealth Management, LLC (hereinafter referred to as “MWM”) is an investment advisory firm offering a variety of advisory services customized to your individual needs.

- A. MWM was established in June of 2002. MWM is wholly owned by Richard Militello, Managing Member.
- B. MWM offers the following advisory services. Each of the services is more fully described below.
  - Asset Management
  - Asset Allocation Services not involving Asset Management
  - Financial Planning
- C. MWM tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities.

MWM typically takes a client through the following process before services are presented and rendered.

- First meeting – Introduction and basic data gathering through interviews
- Second meeting – Data gather through the use of interviews and a data gathering and suitability questionnaire
- Third meeting – Proposal presented
- Fourth meeting – Beginning stages of implementation

MWM employs the use of financial software and programs to assist with analyzing a client’s situation. MWM utilizes Thompson Reuters, eMoney and Morningstar. Depending on the services you have requested, MWM will gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
- Investment objectives
- Investment horizon
- Financial needs
- Cash flow analysis
- Cost of living needs
- Education needs
- Savings tendencies
- Other applicable financial information required by MWM in order to provide the investment advisory services requested.

- D. MWM participates in a wrap fee program as an asset manager sponsored by Royal Alliance Associates, Inc. The wrap program is referred to as the Vision2020 Advisor Program (“V2A”). A description of the program is provided below and in the wrap program brochure.

- E. As of July 2011, we have approximately \$41 million of client assets under our discretionary management and less than \$1 million of non-discretionary client assets under management.

### **Asset Management Services**

MWM offers two asset management programs as further described below: Vision2020 Advisor Program and the Militello Wealth Management Program.

Upon MWM completing its analysis of your situation, MWM will determine an asset allocation customized to your financial goals, objectives and risk tolerance. MWM will schedule a meeting with you and present the recommended portfolio allocation. Upon your approval, MWM will implement the portfolio allocation. MWM will provide continuous and ongoing management of your account.

Unless otherwise expressly requested by you, MWM will manage the account on a discretionary basis and make changes to the allocation as deemed appropriate by MWM. MWM will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. MWM may actively trade securities and hold such holdings for periods of 30 days or less or maintain positions for longer or shorter term periods. Discretionary authority will be granted by you to MWM by execution of the Asset Management agreement.

If you elect to have your accounts managed on a nondiscretionary basis, no changes will be made to the allocation of your account without prior consultation with you and your expressed agreement. However, MWM will periodically rebalance your account to maintain the initially agreed upon asset allocation. MWM does not deem rebalancing as a form of discretion.

MWM primarily uses open-ended mutual funds and uses no-load and load waived or mutual funds purchased at net asset value (NAV). However, managed accounts are not exclusively limited to mutual funds and may include stocks and bonds which are typically transferred or requested by you and exchange traded funds (ETFs). Managed portfolios may also consist of variable life and/or variable annuity sub-accounts, which MWM's Advisory Representatives may have already sold to their clients on a full commission basis, in their capacity as registered Representatives of Royal Alliance Associates, Inc.

You are advised transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

### **Vision2020 Advisor Program**

MWM offers the VISION2020 Advisor Program ("V2A") which provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing.

V2A provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, and based on your responses to a risk tolerance questionnaire (“Questionnaire”) and/or discussions that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, we construct a portfolio of investments for you. This portfolio may consist of mutual funds, exchange traded funds, equities, options, debt securities, variable life, and/or variable annuity sub-accounts (certain restrictions may apply) or other investments.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

**For further V2A details, please see the V2A Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in V2A. Please read it thoroughly before investing.**

### **Militello Wealth Management**

MWM provides continuous and ongoing asset management services. As described below under Item 5, clients will pay an advisory fee and transaction charges.

This asset management program is more suitable for clients with a more passive trading strategy who wish to unbundle the transaction costs from advisory and custodian costs

### **Asset Allocation Services Not Involving Asset Management**

If you have accounts for which MWM is not able to offer its management services, you may obtain asset allocation advice from MWM. This service is designed for qualified retirement plans and accounts not maintained with or through an MWM Advisory Representative.

The frequency of the advice will be solely depending on your ability to provide MWM with current and accurate account information. Preferably, MWM should be given duplicate statements or not less than quarterly statements. MWM will monitor your account on a periodic and not on continuous and ongoing, basis.

MWM will provide you with asset allocation recommendations. Implementation of the advice and execution of the transactions is solely your responsibility. MWM and its advisory representatives will not participate in the implementation of the advice. You will be notified by e-mail as to changes in fund selection or risk management of the account.

Based on the information gathered from you, MWM will provide you with a written asset allocation recommendation. The recommendations offered by MWM will be limited to those securities

available in your account. Additionally, MWM may base the asset allocation recommendations based on its model portfolios MWM utilizes in its managed assets account program disclosed above.

### **Financial Planning Services**

Financial planning services provide an analysis and roadmap of a client's management of their financial resources. Generally, financial planning services will involve preparing a financial program for a clients based on the client's financial circumstances and objectives. This information normally would cover present and anticipated assets and liabilities, including insurance, savings, investments, and anticipated retirement or other employee benefits.

If need by the client, planning services can include a cash flow analysis and advice as to the rearrangement of cash flow in order to fund certain long term objectives such as buying a house, planning for college, retirement, etc.

The program developed for a client will usually include general recommendations for a course of activity or specific actions to be taken by the client. Further, MWM may develop tax or estate plans for clients or refer clients to an accountant or attorney.

Plans are based on your financial situation at the time and are based on financial information disclosed by you to MWM. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. MWM cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify MWM promptly of the changes. You are advised that the advice offered by MWM may be limited and is not meant to be comprehensive. Therefore, you may need to seek the services of other professionals such as an insurance adviser, attorney and/or accountant.

You are not obligated to implement advice through MWM or Advisory Representatives. Should you implement the plan with MWM's Advisory Representatives commissions or other compensation may be received in addition to the advisory fee paid to MWM.

### **General Information**

You are advised the investment recommendations and advice offered by MWM are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform MWM promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to notify MWM of any such changes could result in investment recommendations not meeting your needs.

### **Item 5 - FEES AND COMPENSATION**

## Asset Management Services

### Vision2020 Advisor Program

MWM offers V2A as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary V2A fees may apply. Please see the V2A Wrap Fee Program Brochure for further details.

Our V2A account fee will range to a maximum fee of 2.50%.

### Militello Wealth Management

- A. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.

You may make additions to the Account or withdrawals from the Account, provided the Account continues to meet minimum account size requirements. Additional assets deposited into the Account after it is opened will be charged a pro-rata fee based upon the number of days remaining in the then current calendar quarter. Additionally, partial withdrawals from the account will result in a prorated portion of the fee being credited to the Account. No fee adjustments will be made for Account appreciation or depreciation.

Account Size	Annual Fee
\$1 to \$99,999	2.25%
\$100,000 to \$249,999	2.10%
\$250,000 to \$499,999	1.875%
\$500,000 to \$749,999	1.65%
\$750,000 to \$1,249,999	1.425%
\$1,250,000 to \$1,999,999	1.20%
\$2,000,000 to \$24,999,999	1.00%
Over \$25,000,000	0.90%

MWM may change the above fee schedule upon 30-days prior written notice to you.

- B. Advisory fees will generally be collected directly from your account, provided you have given MWM written authorization. You will be provided an invoice reflecting the calculation of the MWM's fee for each calendar quarter. Additionally, you will be provided with an account



statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, MWM has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to MWM, except for ERISA and IRA accounts.

- C. In addition to the advisory fees above, you will pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule. Additionally, you may pay fees for custodial services, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. Such fees are not charged by MWM and are charged by the product, broker/dealer or account custodian. MWM does not share in any portion of such fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with MWM and are compensation to the fund-manager.

If you hold class B or C mutual fund shares in the management account and the funds are liquidated, in addition to a transaction fee you will be subject to any applicable contingent deferred sales charge (CDSC). The CDSC will be deducted directly from the funds as a result of the liquidation.

Further, MWM utilizes mutual funds that assess a short term redemption fee if the fund is not held for a certain holding period. Holding periods range from 90 days to one year. Short term redemption fees will be charged to the client and taken from the liquidated assets.

Should a variable product be included in a managed account, MWM will provide a two year fee and commission offset for such variable contracts from the date of purchase.

- D. Advisory fees will be charged in advance of each calendar quarter. The quarterly advisory fee will be based on the value of the Account on the last business day of the just completed calendar quarter. Fees for partial periods will be prorated. The initial quarterly fee will be a pro-rated portion of the fee based on the number of days remaining in the calendar quarter.

#### Termination Provisions

You may terminate investment advisory services obtained from MWM, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with MWM. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you may terminate investment advisory services upon delivery of written notice to terminate to MWM. Should you terminate investment advisory services during a calendar quarter, you will be issued a pro-rated refund of the advisory fee from the date of termination to the end of the calendar quarter.

#### **Asset Allocation Services Not Involving Asset Management**

## Militello Wealth Management, LLC

Fees are negotiable. The fee will be based on the value of the account and in accordance with the fee schedule below. Each year the account will be revalued and the fee adjusted. The account will be valued as of the statement date of the month or quarter in which you signed the advisory agreement with MWM.

The fee is due to MWM in advance of each year. However, if the annual fee is \$1,200 or more, you will be invoiced either in quarterly installments in advance or every six months in arrears based on your preference.

<u>Cash Value</u>	<u>Advisory Fee</u>
\$0 - \$50,000	\$250
\$50,000 - \$100,000	\$500
\$100,000 - \$250,000	\$1,000
\$250,000 - \$500,000	\$1,500
\$500,000 - \$750,000	\$2,000
\$750,000 - \$1,000,000	\$2,500
\$1,000,000 - over	\$3,000

### Termination Provisions

The service will continue until terminated by you. You may terminate advisory services obtained from MWM, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with MWM. Thereafter, you may terminate investment advisory services with 30-days written notice to MWM. If fees were paid in advance, you will be refunded a prorated portion of the advisory fee. If fees are paid in arrears, you will be responsible for a prorated portion of the advisory fee for the period.

### **Financial Planning Services**

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees and/or commissions for additional services obtained such as asset management or products purchased such as securities or insurance.

Fees are negotiable. Your fees will be dependent on several factors including time spent with MWM, number of meetings, complexity of your situation, amount of research, services requested and staff resources.

<b>Fee Type</b>	<b>Maximum Fee</b>	<b>Payable</b>
Fixed Fee	\$500 to \$25,000	Payable one-half (1/2) upon execution of the advisory agreement with MWM and the balance due at the time of presentation of the plan, unless otherwise negotiated with you.
Hourly Fee	\$50 to \$200 per hour	An estimate of the anticipated time to provide the services will be provided at the start of the advisory relationship. 50% of the estimated fee will be due upon signing the Advisory Agreement, with the

## Militello Wealth Management, LLC

		balance (based on actual hours) due upon presentation of the plan to the client. Typically the financial plan will be presented to the client within 90 days of the contract date, provided that all information needed has been promptly provided by the client
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### Termination Provisions

You may terminate advisory services obtained from MWM, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with MWM. Thereafter, you may terminate investment advisory services with 30-days written notice to MWM. You will be responsible for any time spent by MWM.

### **General Information**

MWM recommends mutual funds that pay 12b-1 fees and no-load funds. You are advised Advisory Representatives of MWM are dually registered representatives of Royal Alliance Associates, Inc. ("Royal Alliance"), a registered broker/dealer, member of the Financial Regulatory Association (FINRA) and SIPC. Advisory Representatives of MWM who are Registered Representatives may receive trail commissions (i.e. 12b-1 fees) for a period of time as a result of directing securities transactions through Royal Alliance. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from your assets. 12b-1 fees may be initially paid to Royal Alliance and a portion passed to the Advisory Representatives. The receipt of such fees could represent an incentive for the Advisory Representatives to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a potential conflict of interest.

Accounts may not be established by the deposit of securities or the depositing of additional securities into existing fee based brokerage accounts, which were purchased by you on a commission basis through MWM Advisory Representatives. If such securities are deposited to a fee based account, the Advisory Representative will have earned a commission and will receive an advisory fee.

You may purchase the securities recommended by MWM directly or through other brokers or agents not affiliated with MWM.

### **Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

This section is not applicable to MWM since MWM does not charge performance based fees.

### **Item 7 - TYPES OF CLIENTS**

MWM's services are geared toward individuals both high net worth (i.e. clients with a net worth of \$1,500,000) and other than high net worth.

**Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

- A. MWM conducts fundamental and technical analysis. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns.

Mutual funds will be selected on the basis of any or all of the following criteria: performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives, management style and philosophy; and, the fund's management fee structure.

MWM investment management philosophy is long term (i.e. purchases of securities held at least a year). However, MWM will monitor portfolio holdings and if there are concern factors, MWM may determine to not continue to maintain the position in your portfolio. Factors that may result in a change include but are not limited to, economic factors, management changes with the security, tax law changes, objective change, and news or press releases.

MWM utilizes various sources of information to conduct research such as financial newspapers and magazines, due diligence trips to product sponsors, corporate rating services such as MorningStar, annual reports, prospectuses and press releases.

- B. You are advised investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by MWM will require you to be prepared to bear the risk of loss and fluctuating performance.

MWM does not represent, warrant or imply that the services or methods of analysis used by MWM can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by MWM will provide a better return than other investment strategies.

- C. MWM primarily uses mutual funds. The risks with mutual funds include
- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
  - Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
  - Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.

- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

These are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail. Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time MWM will direct the client to the appropriate Web page to access the prospectus.

Long-term purchases – Using a long-term purchase strategy generally assumes the Financial Markets will go up in the long-term which may not be the case. 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.

No investment strategy can avoid loss. Investing in securities involves risk of loss that you need to be prepared to bear.

#### **Item 9 - DISCIPLINARY INFORMATION**

There is no reportable disciplinary information required for MWM or its management persons that is material to your evaluation of MWM, its business or its management persons.

#### **Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

- A. As previously stated, Advisory Representatives are dually registered as advisory representatives of MWM and as registered representatives of Royal Alliance. You are under no obligation to purchase or sell securities through your Advisory Representative. However, if you choose to implement the plan, commissions may be earned in addition to any fees paid for advisory services. Commissions may be higher or lower at Royal Alliance than at other broker/dealers. Advisory Representatives may have a conflict of interest in having you purchase securities and/or insurance related products through Royal Alliance in that the higher their production with Royal Alliance the greater potential for obtaining a higher pay-out on commissions earned.

Under the rules and regulations of the FINRA, Royal Alliance has an obligation to perform certain supervisory functions regarding certain activities engaged in by advisory representatives who are also registered representatives of Royal Alliance. For such supervisory functions, MWM may pay Royal Alliance a portion of the advisory fees they receive. Royal Alliance and MWM are not affiliated.

- B, C. MWM is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. Further, MWM is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

MWM attempts to mitigate the conflicts of interest with the potential receipt of commissions if recommendations are implemented by providing you with these disclosures. Further, you are encouraged to consult other professionals and may implement recommendations through other financial professionals. Furthermore, as registered representatives with Royal Alliance, Advisory Representatives are subject to a supervisory structure at Royal Alliance for their securities business.

- D. MWM does not recommend third party manager programs. However, Richard Militello in the capacity as an advisory Representative of Royal Alliance may recommend third party manager programs through Royal Alliance.

#### **Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

##### **Code Of Ethics**

- A. MWM has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. MWM takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as MWM's policies and procedures. Further, MWM strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with MWM's Privacy Policy. As such, MWM maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, MWM's Code of Ethics establishes MWM's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.
- B. Neither MWM nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.
- C. MWM and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, MWM and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. MWM and its associated persons will not put their interests before your interest. MWM and its associated

persons may not trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients.

- D. MWM is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

You have the right to decline any investment recommendation. MWM and its associated persons are required to conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

## **Item 12 - BROKERAGE PRACTICES**

As previously stated, Advisory Representatives are registered representatives of Royal Alliance. As a result they are subject to FINRA Conduct Rule 3040 which may restrict them from conducting securities transactions away from Royal Alliance unless Royal Alliance provides them with written authorization. Advisory Representatives have obtained approval to offer you the ability to maintain accounts through Royal Alliance at its clearing firm or through Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a registered broker/dealer, member SIPC. MWM is independently owned and operated and not affiliated with Schwab or Royal Alliance.

You are advised that not all investment advisers require you to maintain accounts at a specific broker/dealer. You are advised you may maintain accounts at another broker/dealer. However, the services provided by MWM will be limited to only advice and will not include implementation. If you select another brokerage firm for custodial and/or brokerage services you will not be able to receive asset management services from MWM.

In initially selecting Royal Alliance, MWM conducted due diligence. MWM's evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to MWM
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that may bear on the overall evaluation of best price and execution

You are advised there is an incentive for MWM and the Advisory Representatives to recommend a broker/dealer over another based on the products and services that will be received rather than your best interest.

Royal Alliance has a wide range of approved securities products for which Royal Alliance performs due diligence prior to selection. Royal Alliance's registered representatives are required to adhere to these products when implementing securities transactions through Royal Alliance. Commissions charged for these products may be higher or lower than commissions you may be able to obtain if transactions were implemented through another broker/dealer. Royal Alliance also provides Advisory Representatives, and therefore the MWM, with back-office operational, technology, and other administrative support. Other services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. Such services are intended to help Advisory Representatives and MWM manage and further develop its business enterprise.

Royal Alliance and its clearing broker/dealer, Pershing, LLC also make available to MWM other products and services that benefit MWM but may not directly benefit you. Some of these other products and services assist MWM with managing and administering your accounts. These include software and other technology that provide access to your account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information and other market data; facilitate payment of MWM's fees from your accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of MWM's accounts, including accounts not held through Royal Alliance.

Due to the individual management of client accounts, we do not aggregate the purchase or sale of securities for various client accounts.

### **Item 13 - REVIEW OF ACCOUNTS**

- A. If you are participating in the Asset Management and Asset Allocation Services Not Involving Asset Management Programs you will be invited to participate in at least an annual review or as agreed by you and your Advisory Representative. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Your Advisory Representative will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections.

If you are participating in Financial Planning Services you will not receive regular reviews. MWM recommends you have at least an annual review and update to any plans. However, the time and frequency of the reviews is solely your decision. Additionally, you will be charged review fees based on the fee schedule disclosed under the program. Other than the initial plan or analysis, there will be no other reports issued.

The following individuals conduct reviews:

Richard Militello, Managing Member, Compliance Officer



Kyle Jones, Advisory Representative

- B. You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him review the portfolio allocation and make recommendations for changes.
- C. You will be provided statements at least quarterly direct from the account custodian. Additionally, you will receive confirmations of all transactions occurring direct from the account custodian. At least annually when you attend the annual review, MWM will provide you with a consolidated report of your managed account. You should compare the report with statements received direct from the account custodian. Should there be any discrepancy the account custodian's report will prevail.

#### **Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

- A. Product vendors recommended by MWM may provide monetary and non-monetary assistance with client events, provide educational tools and resources. MWM does not select products as a result of any monetary or non-monetary assistance. The selection of product is first and foremost. MWM's due diligence of a product does not take into consideration any assistance it may receive. Therefore, this is not considered a conflict of interest but a benefit for you and MWM.
- B. MWM does not directly or indirectly compensate any person who is not a supervised person of MWM for referrals. Further, MWM does not receive an economic benefit from a non-client for providing investment advice or advisory services to you.

#### **Item 15 - CUSTODY**

With the exception of deduction of MWM's advisory fees from your accounts, MWM does not take custody of your funds or securities.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your account custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

#### **Item 16 - INVESTMENT DISCRETION**

You may grant MWM authorization to manage your account on a discretionary basis. Discretionary authority will give MWM the authority to buy, sell, exchange and convert securities in your

managed accounts. You will grant such authority to MWM by execution of the advisory agreement. You may terminate discretionary authorization at any time upon receipt of written notice by MWM.

Additionally, you are advised that:

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish any mutual fund, variable annuity, or brokerage account;
- 3) MWM requires the use of the broker/dealer with which your Advisory Representative is registered for sales in commissionable mutual funds or variable annuities, if you elect to implement recommendations through your Advisory Representative;
- 4) With the exception of deduction of MWM's advisory fees from the account, if you have authorized automatic deductions, MWM will not have the ability to withdraw your funds or securities from the account.

#### **Item 17 - VOTING CLIENT SECURITIES**

MWM does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact MWM about questions you may have an opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

#### **Item 18 - FINANCIAL INFORMATION**

- A. MWM will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.
- B. As stated above, MWM has discretionary authority over client accounts; however that authority does not extend to the withdrawal of any client assets, with the exception of deduction of MWM's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.
- C. Neither MWM nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

#### **Item 19 - REQUIREMENTS FOR STATE REGISTERED ADVISERS**

This section is not applicable to MWM. MWM is not state registered. MWM is registered with the Securities and Exchange Commission.

## **BROCHURE SUPPLEMENT**

**Richard J. Militello**

**Militello Wealth Management, LLC  
8000 Maryland Avenue, Suite 1250  
Clayton, MO 63105  
P: 314-655-2118  
[www.wilwm.com](http://www.wilwm.com)**

**July 30, 2011**

**This brochure supplement provides information about Richard J. Militello that supplements the Militello Wealth Management, LLC brochure. You should have received a copy of that brochure. Please Richard J. Militello if you did not receive Militello Wealth Management, LLC's brochure or if you have any questions about the contents of this supplement.**

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

## **Richard J. Militello**

### **Educational Background and Business Experience**

*Year of Birth:* 1966

#### *Education:*

Name of School	Year Graduated	Degree	Major
Southern Illinois University	1989	BA	Communications
Southern Illinois University	1990	MA	Communications

#### *Business Background:*

Name of Employer	Type of Business	Title	Period of Employment
Militello Wealth Management, Inc.	Investment Adviser	Managing Member, Advisory Representative	06/2002 to Present
Royal Alliance Associates, Inc.	Broker/Dealer	Registered Representative, Advisory Representative	12/1990 to Present

### **Disciplinary Information**

Richard J. Militello is not subject to legal or disciplinary events that are material to a client or prospective client's evaluation of him or the services offered by him.

### **Other Business Activities**

Richard J. Militello is dually registered as an advisory representative of Militello Wealth Management, Inc. ("MWM") and as a registered representative and advisory representative of Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a registered broker/dealer, member of the Financial Industry Regulatory Association and SIPC and a federally registered investment adviser offering various advisory programs and services. Clients are under no obligation to purchase or sell securities through Richard J. Militello. Further, clients are under no obligation to participate in the advisory programs and services offered by Richard through Royal Alliance. Royal Alliance and MWM are not affiliated. Richard is an independent contractor of Royal Alliance.

Richard may recommend clients implement recommendations through Royal Alliance either on a commission basis or through one of the advisory programs. If clients implement investment recommendations through Royal Alliance on a non-fee basis, Richard will receive a commission. Additionally, as further disclosed in the Disclosure Brochure under the section entitled Fees and Compensation, Richard may receive trail compensation for investments directed through Royal Alliance. Further, if a client participates in an advisory program, Richard will share in a portion of the advisory fee collected by Royal Alliance.

Therefore, there is a conflict of interest to cause a client to direct certain securities business through Royal Alliance. As such, he may have an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products may not be suitable. Alternatively, he may have an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if he deems that the

payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest may exist between his interests and your best interests.

Additionally, Richard is a licensed insurance agent. You are not obligated to purchase insurance or securities products through Richard. However, if you implement insurance recommendations through him, he will receive commissions. The insurance business is a minority of his business and the amount of income he receives from insurance business fluctuates depending on the amount of sales. You are advised there may be other insurance products and services available through other insurance professionals at a lower cost than those products available through Richard.

It is important clients refer to the disclosures under Brokerage Practices in the Disclosure Brochure.

Richard allocates his time to the above activities approximately as follows:

Royal Alliance	50%
Insurance	10%

Richard is not actively engaged in any other investment-related business or occupation. Further, he is not actively engaged in any other business or occupation for compensation. "Actively engaged" is deemed to mean the business activity represents more than 10 percent of his time and income.

### **Additional Compensation**

Clients are advised the amount of commissions paid by Royal Alliance to Richard can fluctuate based on his overall production. Therefore, the more business placed by Richard through Royal Alliance can enable Richard to reach another threshold enabling him to earn a higher payout.

Richard J. Militello does not receive any economic benefit (i.e. sales awards and other prizes) for providing advisory services from a non-client.

### **Supervision**

Supervision and oversight of the activities conducted through MWM is conducted by Richard Militello, Chief Compliance Officer of MWM. Richard Militello can be contacted at (314) 655-2118. Richard Militello has procedures in place to be aware of any outside business activities engaged in by advisory representatives, oversee communications with the public, and review personal trading activities of Richard as well as in any account over which Richard has a direct or indirect beneficial interest. Further, Richard has a written code of ethics and policies and procedures that have been provided to all supervised persons. All supervised persons have provided written attestation of their agreement to comply with the code of ethics and written policies and procedures.

As a registered representative of Royal Alliance, Richard is subject to oversight by Royal Alliance over all his securities activities and certain outside business activities. Such oversight includes review of Richard's securities business to ensure he appears to be conducting suitable transactions.

Although Royal Alliance maintains supervisory and administrative relationships with MWM Advisory Representatives, Royal Alliance does not control MWM with respect to the conduct of its advisory activities. However, because Advisory Representatives are dually registered agents of Royal Alliance, Royal Alliance has certain supervisory and administrative duties pursuant of the requirements of FINRA Conduct Rule 3040.

In that regard, Royal Alliance will require and furnish certain account opening documentation to be completed by the clients and the Advisory Representatives. Once all such materials and forms have been completed by clients in consultation with their Advisory Representatives, the Advisory Representatives are required to submit these materials and forms to Royal Alliance for its review and approval, in its capacity as the Broker/Dealer of record. Such review does not include the provision of investment advisory services to the MWM's clients' accounts. In certain instances, Royal Alliance will collect, as paying agent for the MWM, the investment advisory fee due MWM from the account custodian. Royal Alliance will retain a portion as an administrative charge to MWM (not the clients) for the functions Royal Alliance is required to carry out by FINRA. Royal Alliance does not provide investment advisory services in connection with such programs.

### **Requirements for State-Registered Advisers**

This section is not applicable. MWM is a federally registered investment adviser.

**BROCHURE SUPPLEMENT**

**Kyle R. Jones**

**Militello Wealth Management, LLC  
8000 Maryland Avenue, Suite 1250  
Clayton, MO 63105  
P: 314-655-2118  
[www.wilwm.com](http://www.wilwm.com)**

**July 30, 2011**

**This brochure supplement provides information about Kyle R. Jones that supplements the Militello Wealth Management, LLC brochure. You should have received a copy of that brochure. Please Kyle R. Jones if you did not receive Militello Wealth Management, LLC's brochure or if you have any questions about the contents of this supplement.**

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

## Kyle R. Jones

### Educational Background and Business Experience

*Year of Birth:* 1983

#### *Education:*

Name of School	Year Graduated	Degree	Major
Southern Illinois University	2006	BS	Business Administration Finance

#### *Business Background:*

Name of Employer	Type of Business	Title	Period of Employment
Militello Wealth Management, Inc.	Investment Adviser	Advisory Representative	02/2011 to Present
Focus Financial Network, Inc.	Investment Adviser	Advisory Representative	08/2011 to Present
Royal Alliance Associates, Inc.	Broker/Dealer	Registered Representative	03/2011 to Present
NFP Securities, Inc.	Broker/Dealer	Registered Representative	07/2010 to 12/2010
Midwestern Securities Trading Company, LLC	Broker/Dealer	Registered Representative	06/2008 to 06/2010
UVest Financial Services Group, Inc.	Broker/Dealer	Registered Representative	11/2007 to 05/2008
Edward Jones	Broker/Dealer	Registered Representative	01/2007 to 10/2007
Ameriprise Financial Services, Inc.	Broker/Dealer	Registered Representative	11/2006 to 12/2006
Walmart	Retail	Sales Associate	07/2006 to 12/2006

### Disciplinary Information

Kyle R. Jones is not subject to legal or disciplinary events that are material to a client or prospective client's evaluation of him or the services offered by him.

### Other Business Activities

Kyle R. Jones is dually registered as an advisory representative of Militello Wealth Management, Inc. ("MWM") and as a registered representative of Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a registered broker/dealer, member of the Financial Industry Regulatory Association and SIPC. Clients are under no obligation to purchase or sell securities through Kyle R. Jones. Royal Alliance and MWM are not affiliated. Kyle is an independent contractor of Royal Alliance.

Kyle may recommend clients implement recommendations through Royal Alliance either on a commission basis or through one of the advisory programs. If clients implement investment recommendations through Royal Alliance on a non-fee basis, Kyle will receive a commission. Additionally, as further disclosed in the Disclosure Brochure under the section entitled Fees and Compensation, Kyle may receive trail compensation for investments directed through Royal Alliance.



Further, if a client participates in an advisory program, Kyle will share in a portion of the advisory fee collected by Royal Alliance.

Therefore, there is a conflict of interest to cause a client to direct certain securities business through Royal Alliance. As such, he may have an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products may not be suitable. Alternatively, he may have an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if he deems that the payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest may exist between his interests and your best interests.

Additionally, Kyle is a licensed insurance agent. You are not obligated to purchase insurance or securities products through Kyle. However, if you implement insurance recommendations through him, he will receive commissions. The insurance business is a minority of his business and the amount of income he receives from insurance business fluctuates depending on the amount of sales. You are advised there may be other insurance products and services available through other insurance professionals at a lower cost than those products available through Kyle.

It is important clients refer to the disclosures under Brokerage Practices in the Disclosure Brochure.

Kyle allocates his time to the above activities approximately as follows:

Royal Alliance	50%
Insurance	10%

Kyle is not actively engaged in any other investment-related business or occupation. Further, he is not actively engaged in any other business or occupation for compensation. "Actively engaged" is deemed to mean the business activity represents more than 10 percent of his time and income.

### **Additional Compensation**

Clients are advised the amount of commissions paid by Royal Alliance to Kyle can fluctuate based on his overall production. Therefore, the more business placed by Kyle through Royal Alliance can enable Kyle to reach another threshold enabling him to earn a higher payout.

Kyle R. Jones does not receive any economic benefit (i.e. sales awards and other prizes) for providing advisory services from a non-client.

### **Supervision**

Supervision and oversight of the activities conducted through MWM is conducted by Richard Militello, Chief Compliance Officer of MWM. Richard Militello can be contacted at (314) 655-2118. Richard Militello has procedures in place to be aware of any outside business activities engaged in by advisory representatives, oversee communications with the public, and review personal trading activities of Kyle as well as in any account over which Kyle has a direct or indirect beneficial interest. Further, Kyle has a written code of ethics and policies and procedures that have been provided to all supervised persons. All supervised persons have provided written attestation of their agreement to comply with the code of ethics and written policies and procedures.

As a registered representative of Royal Alliance, Kyle is subject to oversight by Royal Alliance over all his securities activities and certain outside business activities. Such oversight includes review of Kyle's securities business to ensure he appears to be conducting suitable transactions.

Although Royal Alliance maintains supervisory and administrative relationships with MWM Advisory Representatives, Royal Alliance does not control MWM with respect to the conduct of its advisory activities. However, because Advisory Representatives are dually registered agents of Royal Alliance, Royal Alliance has certain supervisory and administrative duties pursuant of the requirements of FINRA Conduct Rule 3040.

In that regard, Royal Alliance will require and furnish certain account opening documentation to be completed by the clients and the Advisory Representatives. Once all such materials and forms have been completed by clients in consultation with their Advisory Representatives, the Advisory Representatives are required to submit these materials and forms to Royal Alliance for its review and approval, in its capacity as the Broker/Dealer of record. Such review does not include the provision of investment advisory services to the MWM's clients' accounts. In certain instances, Royal Alliance will collect, as paying agent for the MWM, the investment advisory fee due MWM from the account custodian. Royal Alliance will retain a portion as an administrative charge to MWM (not the clients) for the functions Royal Alliance is required to carry out by FINRA. Royal Alliance does not provide investment advisory services in connection with such programs.

#### **Requirements for State-Registered Advisers**

This section is not applicable. MWM is a federally registered investment adviser.