

Item 1: Cover Page
Form ADV Part 2A: Firm Brochure
July 2016



FIRST WESTERN ADVISORS

3165 East Millrock Drive, Suite 340
Holladay, UT 84121
www.fwainvest.com

Firm Contact:

Gary Teran
Chief Compliance Officer

This brochure provides information about the qualifications and business practices of First Western Advisors. If clients have any questions about the contents of this brochure, please contact us at 801-930-6500 or by email at info@fwainvest.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 our firm is also available on the SEC's website at www.adviserinfo.sec.gov by searching CRD #13623.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for more information about our firm's Investment Adviser Representatives ("IARs").

Item 2: Material Changes

First Western Advisors (“FWA”) is required to make Clients aware of information that has changed since the last annual update to the Firm Brochure (“Brochure”) and that may be important to their Clients. Clients can then determine whether to review the brochure in its entirety or to contact FWA with questions about the changes.

Since our last amendment filing, our firm has added Fidelity Brokerages Services, LLC as one of our recommended custodians.

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

FWA will provide Clients with a new Brochure as necessary based on changes or new information, at any time, without charge. In addition, whenever Clients would like to receive a complete copy of the Firm Brochure, they may contact FWA by telephone at: 801-930-6500 or by email at info@fwainvest.com. FWA’s brochure is also available on its website www.fwainvest.com.

Additional information about First Western Advisors is also available via the SEC’s website www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with FWA who are registered, or are required to be registered, as investment adviser representatives of FWA.

Item 3: Table of Contents

Item 1: Cover Page.....	1
Item 2: Material Changes.....	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	5
A. Description	5
B. Types of Advisory Services Offered	5
1. Asset Management	5
2. Financial Planning & Consulting.....	6
C. Tailoring of Advisory Services	6
D. Participation in Wrap Fee Programs.....	6
E. Regulatory Assets Under Management.....	7
Item 5: Fees & Compensation	7
A. Compensation for Our Advisory Services	7
1. Asset Management	7
2. Financial Planning Fees	7
B. Deduction of Fees	8
C. Other Types of Fees & Expenses.....	8
D. Fees Paid in Advance	9
E. Compensation for the Sale of Securities or Other Investment Products	9
Item 6: Performance-Based Fees & Side-By-Side Management.....	9
Item 7: Types of Clients & Account Requirements	9
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss	10
A. Methods of Analysis.....	10
B. Investment Strategies	11
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities & Affiliations.....	11
A. Registration as a Broker-Dealer	11
B. Registration with Commodities	12
C. Material Relationships and Arrangements	12
1. First Western Advisors Insurance Services, Inc.....	12
2. Secured First Financial.....	12
D. Compensation from Outside Investment Advisers.....	12
Item 11: Code of Ethics, Participation or Interest in	12
Client Transactions & Personal Trading	12
A. Code of Ethics	12
B. Securities in which there is a Material Financial Interest.....	13
C. Investing in Same Securities as Clients	13
D. Trading in Securities at the Same Time as Clients	13

Item 12: Brokerage Practices	14
A. Selection of Broker-Dealers/Custodians.....	14
1. Soft Dollars	15
2. Brokerage for Client Referrals.....	15
3. Directed Brokerage	15
B. Aggregation of Purchase or Sale	16
Item 13: Review of Accounts or Financial Plans	16
A. Periodic Reviews	16
B. Factors that Trigger More Frequent Reviews	16
C. Frequency of Written or Verbal Reports	16
Item 14: Client Referrals & Other Compensation	16
A. Economic Benefits.....	16
B. Referral Fees	17
Item 15: Custody	17
Item 16: Investment Discretion	17
Item 17: Voting Client Securities	18
Item 18: Financial Information	18

Item 4: Advisory Business

A. Description

First Western Advisors was founded in 1982 in Salt Lake City, Utah. FWA is a FINRA-licensed broker-dealer and a SEC-Registered Investment Adviser. Carmel Sands, LLC is a principal owner with more than 75% ownership in FWA.

FWA provides personalized confidential financial planning and investment management to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the Client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning. FWA is also in the business of selling annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. Option strategies are also available based on customer sophistication and individual consultations may be necessary.

B. Types of Advisory Services Offered

FWA provides asset management services, financial planning services, and furnishes investment advice through consultations. We recognize that other professionals such as lawyers, accountants, insurance agents, etc., are engaged directly by the Client on an as-needed basis. Conflicts of interest will be disclosed to the Client in the unlikely event they should occur.

FWA offers many types of advisory services to meet Client-specific needs. Therefore, FWA does not hold out as specializing in a particular type of advisory service.

1. Asset Management

As part of our Asset Management service, IARs may invest Client assets in a proprietary FWA strategy, develop an individualized portfolio for Client assets, or utilize the services of a Third Party Money Manager/Separately Managed Account ("TPMM"). Assets may be invested primarily in no-load or low-load mutual funds, exchange-traded funds ("ETF"s), stocks or bonds. Stocks and bonds may be purchased or sold through a brokerage account when appropriate. As a registered broker-dealer, FWA may receive compensation from fund companies. FWA's IARs will not receive any portion of this compensation. Investments may also include equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities and mutual funds shares), U.S. government securities, options contracts, futures contracts, and interests in partnerships. Initial public offerings ("IPOs") are not available through FWA.

In order to determine the most suitable investments, the necessary information is gathered and recommendations are made after the consideration of Client-specific investment objectives, income needs, tax considerations, retirement goals, and other pertinent information. Other considerations for the use of a FWA strategy, or portfolio development and allocation of cash and/or assets received, may also include, but may not be limited, to Client risk tolerance, the current market conditions, Client-specific investment opportunities, economic data available, and research reports. Therefore, investment advisory services will be tailored to meet the individual needs of the Client(s). Should the Client(s) need to impose reasonable restrictions on investing in certain securities or types of securities, such restrictions may be established during initial Client meetings with their IAR. The initial meeting, which may be by telephone, is free of charge.

and is considered an exploratory review to determine the extent to which financial planning and investment management may be beneficial to the Client.

FWA may utilize the services of a TPMM (e.g., Envestnet), which provides for in-house and outsourced asset management. These platforms allow FWA to provide a customized statement of investment selection plan prior to implementation, which then allows FWA to develop a suitable asset allocation based on each Client's risk profile, investment horizon, financial circumstances, and investment objectives. Clients may be required to execute additional advisory agreements, which grant the TPMM discretionary authority to invest Client assets. Client portfolios are reviewed at least quarterly and rebalanced as appropriate. Each rebalancing or reallocation of Client assets may involve transaction charges imposed by the custodian.

2. Financial Planning & Consulting

On more than an occasional basis, FWA furnishes advice to Clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning. A written evaluation of each Client's initial situation is provided to the Client, often in the form of a net worth statement. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the Client unless immediate changes are recommended.

In some cases, a financial plan may be designed to help the Client with all aspects of financial planning without ongoing investment management after the financial plan is completed. The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations. Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the discretion of the Client.

C. Tailoring of Advisory Services

The goals and objectives for each Client are documented in our Client relationship management system and non-brokerage new account form. Additional Investment Policy Statements may be created that reflect the stated goals and objective. Each Client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

D. Participation in Wrap Fee Programs

FWA sponsors a Wrap Fee Program called Private Client Accounts ("PCA"). FWA's Wrap Fee Program may be offered directly with a custodian, Fidelity Brokerage Services, LLC, National Financial Services ("NFS") or Charles Schwab & Co, Inc. ("Schwab"). In a wrap fee program, Clients are charged an all-inclusive wrap fee on program assets that covers advisory, execution, and reporting services on Eligible Assets. A portion of these fees will be paid to FWA for advisory services. Wrap Fees may be collected monthly/quarterly in arrears, or monthly/quarterly in advance. Timing and frequency of billing is dependent on the program chosen.

The Wrap Fee Program does not include:

- Annual account fees (custodial fees), or other administrative fees such as wire fees, etc.
- Certain odd-lot differentials, transfer taxes, transaction fees mandated by the Securities Act of 1934, and charges imposed by law with regard to transactions in the Client's account
- Advisory fees, expenses or sales charges (loads) of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any, held in Client's account

Please see Form ADV Part 2A, Appendix 1 for more information about this program.

E. Regulatory Assets Under Management

As of December 31, 2015, FWA manages \$214,300,431.81 on a discretionary basis.

Item 5: Fees & Compensation

A. Compensation for Our Advisory Services

1. Asset Management

FWA is compensated for its advisory services using the following standard fee schedule:

Assets Under Management	Annualized Fee
\$0 to \$1,000,000	1.00% - 3.00%
\$1,000,000 to \$5,000,000	0.50% - 2.00%
\$5,000,001 to \$10,000,000	0.50% - 1.00%
\$10,000,001 to \$20,000,000	0.50% - 0.75%
\$20,000,001 to \$50,000,000	0.50% - 0.65%
\$50,000,001 +	0.35% - 0.50%

The fee table above may be used in conjunction with any one of the many services or programs provided to Clients. The actual fee assessed to the Client account(s) will be outlined in the advisory agreement to be signed by the Client. FWA, in its sole discretion, may charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.) All fees are subject to negotiation.

If a TPMM is chosen, Clients will be provided the necessary disclosure documents for a full description of the services offered. A portion of this fee will be paid to our firm and will be outlined in the written advisory agreement to be signed by the Client. The total combined annual advisory fee to be paid by the Client shall not exceed 3.00%.

2. Financial Planning Fees

Financial plans are priced according to the degree of complexity associated with the Client's situation. The fee for a financial plan may be included with the Investment Advisor Contract Fee and is predicated upon the facts known at the start of the engagement. In some cases, the fee for a financial plan may be separate from the Investment Advisory Contract Fee. The minimum fee range is \$150 to \$250 per hour and is negotiable. Since financial planning is a discovery process, situations occur wherein the Client is unaware of certain financial exposures or predicaments. In the event that the Client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The Client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

B. Deduction of Fees

Fees are usually deducted directly from the Client account(s) to facilitate the monthly or quarterly billing. The Client must therefore consent in advance to direct debiting of their investment account. The annual fee (billed monthly or quarterly) will first be deducted from cash available in the account. This includes cash and money market funds. If there are no cash or money market funds available, shares of mutual funds or individual securities may be liquidated to cover the quarterly fee. Liquidations will be done by the Investment Advisor Representative as indicated in the Investment Advisory Contract. As part of this process, Clients understand the following:

- a) The independent custodian sends statements at least quarterly showing the market values for each security included in the assets and all account disbursements, including the amount of the advisory fees paid to FWA; and
- b) Clients will provide authorization permitting FWA to be directly paid by these terms. FWA will send an invoice directly to the custodian.

The billing procedures for TPMMs vary based on the chosen TPMM. The total fee to be charged, as well as the billing cycle, will be detailed in the TPMM's ADV Part 2A and separate advisory agreement to be signed by the Client if the TPMM is responsible for the calculation and deduction of advisory fees.

C. Other Types of Fees & Expenses

Clients ultimately bear all custodial and fund-related fees and expenses, including brokerage fees and operating expenses. Assets invested in shares of the funds are subject to embedded advisory and other fees and expenses, as set forth in the prospectus.

FWA fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that shall be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, third-party investment and other third parties such as fees charged by managers, custodian fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a funds' prospectus. Such charges, fees and commissions are exclusive of and in addition to FWA's fee. FWA will not receive a portion of the commissions, fees, and costs if transactions are effected through Schwab or through the use of a TPMM. As a registered broker-dealer, FWA receives a portion of the commissions, fees, and costs if transactions are effected through NFS. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security. Item 12 further describes the factors that FWA considers in selecting or recommending broker-dealers for Client transactions and determining the reasonableness of their compensation (e.g., commissions).

Mutual funds and ETFs generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to FWA. Performance figures quoted by mutual funds or ETFs in various publications are after their fees have been deducted. Please see prospectus for details.

Wrap fee Clients will not incur transaction costs for trades. More information about this can be found in our separate Wrap Fee Program Brochure.

D. Fees Paid in Advance

Any Contract and or Agreement will remain in force until terminated by either party. Clients may terminate any Agreement or Contract at any time by notifying FWA in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the Client made an advance payment, FWA will refund any unearned portion of the advance payment. At termination, fees will be billed on a pro rata basis for the portion of the month or quarter completed. The portfolio value at the completion of the prior full billing month or quarter is used as the basis for the fee computation, adjusted for the number of days during the billing month or quarter prior to termination.

Once FWA receives notice from Client to terminate the account, FWA will not be obligated to provide any additional services under the Contract. FWA will, however, act upon Client's instructions with regard to liquidation or transfer of account assets. There may be rules and conditions applicable to each particular investment held in the account that may present longer waiting periods for liquidation. Client should allow a reasonable amount of time to liquidate and/or transfer assets and to handle bookkeeping, record keeping and processing. Upon termination by either party, the Client shall be exclusively responsible for instructions regarding the liquidation or transfer of assets held in the account. Any unearned fees shall be refunded by FWA and any fees unpaid shall be billed on a pro rata basis and paid by Client. All actions taken by FWA either before or after the death or incapacity of the Client, shall be binding on the Client and/or Client's legal representative.

The billing cycle and termination procedures for the TPMM will be outlined in the agreement signed by the Client.

E. Compensation for the Sale of Securities or Other Investment Products

FWA is a licensed broker-dealer, Member FINRA/SIPC. There are no proprietary products to cause a potential conflict of interest when developing each Client portfolio. IARs of FWA may also be registered representatives with FWA's broker-dealer licensure. FWA may receive additional compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds for transactions effected through FWA's broker-dealer licensure. To avoid further conflict of interest, it is FWA's policy not to additionally compensate registered representatives any portion of the previously mentioned fees. FWA generally addresses commissionable sales conflicts that arise when explaining to Clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending commissionable mutual funds, explaining that "no-load" funds are also available. Our firm does not prohibit Clients from purchasing recommended investment products through other unaffiliated brokers or agents.

Item 6: Performance-Based Fees & Side-By-Side Management

FWA does not charge fees based on a share of capital gains on or capital appreciation of the assets of a Client.

Item 7: Types of Clients & Account Requirements

FWA generally provides investment advice to individuals, high net worth individuals, corporations or business entities, corporate pension and profit-sharing plans, charitable institutions, foundations, or others at its sole discretion.

FWA does not currently have an account minimum for managing Client assets. Each mutual fund, ETF or security purchased, however, may impose specific dollar requirements for investing.

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

A. Methods of Analysis

FWA uses the following methods of analysis in formulating its investment advice and/or managing Client assets:

Fundamental Analysis: We attempt to measure the intrinsic value of a security by looking at economic and financial factors to determine if the company is underpriced or overpriced. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis & Charting: We attempt to determine the trend of a security by studying past market data, including price and volume. This presents a potential risk, as the price of a security can change directions at any time and past performance is not a guarantee of future performance.

Cyclical Analysis: We attempt to identify the industry cycle of a company to determine whether the company is in a market introduction phase, growth phase or maturity phase. Generally projected revenues, growth potential and business risk may fluctuate based on the company's cycle stage. Information for this analysis may be drawn from financial newspapers and magazines, research materials prepared by others, annual reports, corporate filings, prospectuses, company press releases and corporate ratings services.

The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases. Other sources of information that FWA may use include Morningstar Principia mutual fund information, Morningstar Principia stock information, Charles Schwab & Company's "SchwabLink" service, Advisor Intelligence, and the Internet.

Investing in securities involves risk of loss that Clients should be prepared to bear. All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (e.g., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Financial Risk:** Excessive borrowing to finance a business; operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many trades are interested in a standardized product. For example, treasury bills are highly liquid, while real estate properties are not.

B. Investment Strategies

The primary investment strategy used in Client accounts is based on the philosophy of modern portfolio theory or asset allocation and diversification. This means that we use actively-managed funds, exchange-traded funds, individual stocks and closed-end funds to allocate and diversify a Client's portfolio. Portfolios are globally diversified in an effort to reduce risk by allocating portfolio assets across many different investment sectors and categories.

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time. Each Client executes a non-brokerage new account form that captures client information including, time horizon, investment objectives, investment experience, etc., and may also complete an additional Investor Policy Statement that further documents their objectives and their desired investment strategy. Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Dividend Strategy: In the Dividend Strategy, assets are invested in high-quality companies that have demonstrated a history of increasing dividends. The typical dividend strategy portfolio consists of 30 – 50 individual stocks and ETFs diversified across 10 or more industry sectors. Investments in equities can be riskier than other types of investments, e.g., mutual funds. Risk is measured against the S&P 500 and the annual turnover is approximately 10 – 20%. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of FWA's advisory business or the integrity of FWA's management.

Item 10: Other Financial Industry Activities & Affiliations

A. Registration as a Broker-Dealer

FWA is a registered securities broker-dealer, Member FINRA, SIPC. IARs of FWA may also be registered representatives with FWA's broker-dealer licensure. FWA may receive additional compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds for transactions effected through FWA's broker-dealer licensure. To avoid further conflict of interest, it is FWA's policy not to additionally compensate registered representatives any portion of the previously mentioned fees. FWA generally addresses commissionable sales conflicts that arise when explaining to Clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending

commissionable mutual funds, explaining that “no-load” funds are also available. Our firm does not prohibit Clients from purchasing recommended investment products through other unaffiliated brokers or agents.

B. Registration with Commodities

FWA is not registered, and does not have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Material Relationships and Arrangements

1. First Western Advisors Insurance Services, Inc.

First Western Advisor Insurance Services, Inc. (“FWAIS”) is a separate entity owned by principals of FWA. As an outside business activity, FWA’s IARs are licensed insurance agents. They may recommend to advisory Clients a variety of insurance products, and may offer commissionable insurance products to Clients for which they may receive additional compensation. Clients are never under any obligation to purchase insurance products.

2. Secured First Financial

The securities principals of FWA have minority ownership interest in Secured First Financial (“SFF”). SFF is an independent insurance organization that provides marketing leads through their affiliate Now Management. SFF receives profits from the sale of insurance products. SFF also has independent contracts with insurance companies that pay a higher payout to offer their life insurance, fixed annuities etc. This is typical in the insurance industry and not typical in the variable annuity industry. Fixed insurance products are almost always volume based. FWA may use SFF (instead of First Western Advisors Insurance Services “FWAIS”) for fixed insurance products offered to Clients to achieve the higher payouts available with SFF’s independent insurance agency contracts. SFF does not offer variable annuities or any securities-related products. FWA may receive more or less compensation with the referral arrangement through SFF. Every case is examined to determine if the Client will pay more or less by doing business with SFF versus FWAIS. The affiliation between SFF and FWA may present a conflict of interest wherein FWA principals receive compensation from the net profits of SFF as part owners of SFF.

D. Compensation from Outside Investment Advisers

Please see Item 4 above for more information about the selection of TPMMs. The compensation paid to our firm by TPMMs may vary, and thus, creates a conflict of interest in recommending a TPMM that shares a larger portion of its advisory fees over another TPMM. Prior to referring Clients, FWA will ensure that TPMMS are licensed or notice filed with the respective authorities. A potential conflict of interest in utilizing TPMM may be an incentive to us in selecting a particular TPMM over another in the form of fees or services. In order to minimize this conflict FWA will make recommendations/selections in the best interest of the Clients.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

A. Code of Ethics

FWA has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its Client. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumormongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at FWA and the employees must acknowledge the

terms of the Code of Ethics annually, or as amended. FWA will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

B. Securities in which there is a Material Financial Interest

FWA anticipates that, in appropriate circumstances, consistent with Clients' investment objectives, it will cause accounts over which FWA has management authority to effect, and will recommend to investment advisory Clients or prospective Clients, the purchase or sale of securities in which FWA, its affiliates and/or Clients, directly or indirectly, have a position of interest. FWA's employees and persons associated with FWA are required to follow FWA's Code of Ethics.

It is FWA's policy that the firm will not affect any principal or agency cross securities transactions for Client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or for the account of an affiliated broker-dealer, buys from or sells any security to any advisory Client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another Client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory Client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

C. Investing in Same Securities as Clients

Subject to satisfying the Code of Ethics and applicable laws, officers, directors and employees of FWA and its affiliates may trade for their own accounts in securities that are recommended to and/or purchased for FWA's Clients. The Code of Ethics ("Code") is designed to assure that the personal securities transactions, activities and interests of the employees of FWA will not interfere with (i) making decisions in the best interest of advisory Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of FWA's Clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to Client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as Clients, there is a possibility that employees might benefit from market activity by a Client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between FWA and its Clients.

D. Trading in Securities at the Same Time as Clients

Certain affiliated accounts may trade in the same securities with Client accounts on an aggregated basis when consistent with FWA's obligation of best execution. In such circumstances, the affiliated and Client accounts will share commission costs equally and receive securities at a total average price. FWA will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Personal trading reviews ensure that the personal trading of employees does not affect the markets and that Clients of the firm receive preferential treatment. Since most employee trades are small mutual funds trades or exchange-traded fund trades, the trades do not affect the securities markets.

Item 12: Brokerage Practices

A. Selection of Broker-Dealers/Custodians

Specific custodian recommendations are made to Clients based on their individual needs for services. FWA recommends custodians based on the proven integrity and financial responsibility of the company and the best execution of orders at reasonable rates. FWA may recommend Charles Schwab & Co, Inc., National Financial Services, or Fidelity Brokerage Services, LLC (through NFS) as a qualified custodian.

The final decision to custody assets with Fidelity, Schwab or NFS is at the discretion of the Client, including those accounts under ERISA or IRA rules and regulations, in which case the Client is acting as either the Plan Sponsor or IRA accountholder. FWA is independently owned and operated and not affiliated with Fidelity, Schwab or NFS. FWA is provided access to Fidelity, Schwab and NFS' institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of FWA's Client assets are maintained in accounts at Schwab Advisor Services. Fidelity, Schwab and NFS services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Fidelity, Schwab and NFS generally do not charge separately for custody services, but are compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through or that settle into Fidelity, Schwab and/or NFS accounts. Fidelity, Schwab and NFS also make available to FWA other products and services that benefit FWA but may not benefit Client accounts. These benefits may include national, regional or FWA specific educational events organized and/or sponsored by Schwab Advisor Services or Fidelity Brokerage Services.

Other potential benefits may include occasional business entertainment of personnel of FWA by Fidelity, Schwab and/or NFS personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other products and services assist FWA in managing and administering Client accounts. These include software and other technology (and related technological training) that provide access to Client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple Client accounts), provide research, pricing information and other market data, facilitate payment of FWA's fees from its Client accounts, and assist with back-office training and support functions, recordkeeping and Client reporting. Many of these services generally may be used to service all or some substantial number of FWA accounts, including accounts not maintained at Fidelity, Schwab and/or NFS. Fidelity, Schwab and NFS also makes available to FWA other services intended to help FWA manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Fidelity, Schwab and/or NFS may make available, arrange and/or pay vendors for these types of services rendered to FWA by independent third parties. Fidelity, Schwab and/or NFS may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to FWA. While, as a fiduciary, FWA endeavors to act in its Client's best interests, FWA's recommendation/requirement that Clients maintain their assets in accounts at Fidelity, Schwab and/or NFS may be based in part on the benefit to

FWA of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Fidelity, Schwab and/or NFS, which may create a potential conflict of interest.

1. Soft Dollars

An investment adviser can enter into an arrangement with a broker-dealer where it receives free research in exchange for placing a specific amount of Client trades. This is called a “soft dollar arrangement.” Client commission dollars, instead of “hard” dollars, pay for research. The research is used by the investment adviser for that Client’s account or other Client accounts. The broker-dealer may provide research directly or obtain the research from third party vendors.

Section 28(e) of the Securities Exchange act of 1934 (“Section 28(e)”) permits an investment adviser to place a Client trade with a broker-dealer that does not offer the lowest commission for trade and that provides the investment adviser with research provided certain conditions are met. Conditions may include that the payment is reasonable in terms of the value of the services to be obtained through the soft dollars. Such an arrangement presents an obvious conflict of interest on the part of the investment adviser. The investment adviser has the incentive to direct Client trades to the broker-dealer that will provide it with the most research. However, if the investment adviser meets the requirements of Section 28(e), it will not be deemed to breach its fiduciary duty to a Client even if the Client pays a commission higher than the lowest commission available to obtain the research. This is called “paying up” for the research. FWA reviews the execution of trades at each custodian each quarter. Trading fees charged by the custodians is also reviewed on a quarterly basis. FWA does not receive any portion of the trading fees. NFS provides a month trade execution report that is reviewed and monitored by Supervisory Personnel of FWA.

As part of our fiduciary duties to our Clients, FWA will endeavor at all times to put the interests of Clients first. Clients should be aware, however, that the receipt of economic benefits by FWA or our related persons creates a potential conflict of interest and may indirectly influence our firm’s choice of Fidelity, Schwab or NFS as a custodial recommendation. This potential conflict of interest was examined when FWA chose to recommend Fidelity, Schwab and/or NFS, and have determined that the recommendation is in the best interest of FWA Clients and satisfies our fiduciary obligations, including our duty to seek best execution.

2. Brokerage for Client Referrals

FWA does not consider, in selecting or recommending broker-dealers, whether it or a related person receives client referrals from such broker-dealer or third party.

3. Directed Brokerage

FWA does not routinely recommend, request or require that a Client direct it to execute transactions through a specified broker-dealer.

Special Considerations for ERISA Clients

A retirement or ERISA plan Client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, FWA will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

B. Aggregation of Purchase or Sale

FWA provides investment management services for various Clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when our firm believes that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner that is deemed equitable to the accounts involved. In any given situation, our firm attempts to allocate trade executions in the most equitable manner possible, taking into consideration Client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Item 13: Review of Accounts or Financial Plans

A. Periodic Reviews

FWA's Chief Compliance Officer, in conjunction with the Investment Committee, performs account reviews at least annually. Periodic reviews consider the Client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the Client.

B. Factors that Trigger More Frequent Reviews

FWA may review Client accounts more frequently during major market or economic events, due to the Client's life events, or due to requests by the Client, etc. In addition, FWA IARs may schedule periodic reviews to meet goals and objectives on a case-by-case basis.

C. Frequency of Written or Verbal Reports

FWA does not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when Clients are contacted.

Item 14: Client Referrals & Other Compensation

A. Economic Benefits

Charles Schwab & Co, Inc.

FWA receives an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their Clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our Clients.

National Financial Services

As a registered broker-dealer, FWA receives a portion of the commissions, fees, and costs if transactions are effected through NFS. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy

or sell the security. Item 12 further describes the factors that FWA considers in selecting or recommending broker-dealers for Client transactions and determining the reasonableness of their compensation (e.g., commissions).

B. Referral Fees

FWA has been fortunate to receive many Client referrals over the years. The referrals came from current Clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm may compensate referring parties for these referrals.

FWA does not accept referrals fees or any form of remuneration from other professionals when a prospect or Client is referred to them.

FWA may receive reimbursements for due diligence meetings. FWA may also receive partial compensation for participation in joint marketing efforts. These joint ventures are designed for Client education as well as due diligence for representatives.

Item 15: Custody

Upon approval by Compliance, select IARs of FWA may act as trustees to Client accounts. As such, FWA is deemed to have custody. The Client funds and securities for which FWA has custody are verified by actual examination at least once during each calendar year by an Independent Public Accountant ("IPA") registered with the Public Company Accounting Oversight Board ("PCAOB"), at a time that is chosen by the accountant without prior notice or announcement to FWA and that is irregular from year to year. Clients are encouraged to raise any questions with us about the custody, safety, or security of their assets and our custodial recommendations.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains Client's investment assets. FWA urges you to carefully review such statements and compare such official custodial records to the account statement that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

FWA accepts discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account. FWA has the authority to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. FWA may consult with the Client prior to each trade to obtain concurrence if necessary.

Discretionary trading authority facilitates placing trades in Client accounts on your behalf so that we may promptly implement the investment policy that you have approved. When selecting securities and determining amounts, FWA observes the investment policies, limitations and restrictions of the Clients for which it advises. Investment guidelines and restrictions must be provided to FWA in writing.

A limited power of attorney is a trading authorization that may be used for this purpose. FWA uses the Investment Advisory Contract signed by the Client that expressly authorizes FWA's discretionary authority over the Client account(s).

Item 17: Voting Client Securities

As a matter of firm policy and practice, FWA does not vote proxies on behalf of advisory Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. Clients should contact their IAR if they have any questions and/or to obtain this information. Clients will receive their proxies directly from their custodian or transfer agent.

TPMMs selected or recommended by FWA may vote proxies for Clients. Therefore, except in the event a TPMM votes proxies, Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the Client's investment assets. Therefore (except for proxies that may be voted by a TPMM), FWA and/or the Client shall instruct the qualified custodian to forward to copies of all proxies and shareholder communications relating to the Client's investment assets.

Item 18: Financial Information

FWA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.