

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



FIRST WESTERN ADVISORS

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Firm Contact:

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Chief Compliance Officer

September 31, 2018

This brochure provides information about the qualifications and business practices of First Western Advisors (“FWA” or the “Firm”). If clients have any questions about the contents of this brochure, please contact FWA at 801-930-6500 or by email at info@fwainvest.com. The information in this brochure has not been approved or verified by the U.S. Securities & Exchange Commission (“SEC”) or by any state regulatory 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” or the “Firm”) 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.

This section provides Clients with a summary of the following material change:

First Western Advisors filed its last annual amendment to its Form ADV Part 2A Brochure March 2018. On August 24, 2018, the SEC entered an order against FWA in connection with FWA’s mutual fund share class selection practices. FWA cooperated with the SEC staff and had already undertaken remedial measures. FWA made an offer of settlement that was accepted by the SEC, resulting in the SEC issuing an order in which FWA was instructed to cease and desist from committing or causing violations of Sections 206(2), 206(4) and 207 of the Advisers Act and Rule 206(4)-7 thereunder. FWA was also censured and required to pay disgorgement, prejudgment interest and a monetary penalty. FWA neither admitted nor denied the SEC’s findings. See Item 9 for additional information regarding this matter.

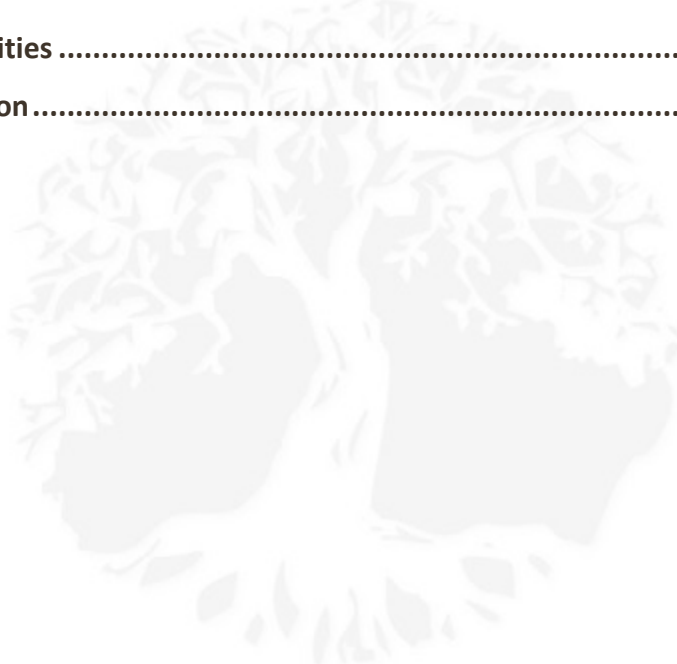
The foregoing is only a summary of the material changes to the Brochure. It does not purport to identify every change to the Brochure since the last annual update (e.g., format changes). This summary of material changes is qualified in its entirety by reference to the full discussion in this Brochure. Clients are encouraged to read the Brochure in detail and to contact their Investment Adviser Representative with any questions.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4: Advisory Business

A. Description

First Western Advisors was founded in 1982 in Salt Lake City, Utah. FWA is a FINRA-registered broker-dealer and a SEC-Registered Investment Adviser. Carmel Sands, LLC is a principal owner with more than 75% ownership in FWA. Gary W. Teran and Lisa I. Teran own 25% or more of Carmel Sands. Gary W. Teran is the Chief Compliance Officer of the firm. Lisa I. Teran is an employee of First Western Advisors.

FWA provides personalized confidential financial planning and investment management to individuals, trusts, estates, 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 FWA's Asset Management services, 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 in 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. Stocks and bonds may be purchased or sold through a brokerage account when appropriate. As a registered broker-dealer, FWA will receive compensation from mutual fund companies when specific share classes are purchased (see Item 5.E.). FWA's IARs will not receive any portion of this compensation.

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 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.

TPMM: FWA may utilize the services of a TPMM which provides for in-house and outsourced asset management. TPMM platforms allow FWA to provide a customized statement of investment selection plans 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.

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.

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 retirement planning 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.

3. Retirement Plan Consulting

3(21) Investment Consulting:

This service consists of assisting employees with monitoring and reviewing their company's participant-directed retirement plan. As the needs of the clients dictate, areas of advising could include:

- Market overview addressing the major markets, indices, sectors and the economic statistics that are affecting them;
- An in-depth portfolio summary, including fund and benchmark returns, style analysis and overall portfolio return;
- Assist with selection and monitoring of investment options at the plan level;

- A detailed examination of each mutual fund investment option within the plan, including performance numbers versus the category and index, manager style drift, risk/return, standard deviation, Sharpe ratio, upside and downside capture and fund allocation. This Agreement does not guarantee the future performance or results of any investment option recommended or reviewed.

The IAR will conduct strategic planning sessions to review current performance (quarterly reports) and establish future objectives and strategies for the Plan.

In performing the foregoing Services, FWA acknowledges that it will be acting as a 3(21) fiduciary to the plan pursuant to Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Investment Advisers Act of 1940. However, Client acknowledges that FWA does not maintain discretionary authority over the administration of the Plan, the establishment of the Plan's investment policy or the selection of the Plan's investment platform. FWA does not have the authority to interpret the Plan or determine eligibility of participants and is not the Plan Administrator as defined in ERISA. Additionally, FWA will not have any authority and does not assume any responsibility with respect to firm's stock or self-directed brokerage accounts.

C. Tailoring of Advisory Services

The goals and objectives for each Client are documented in systems and new client account forms. Additional documents 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 is not offering a Wrap Fee Program to new clients. FWA still manages existing Wrap accounts, which have been grandfathered, and will do so according to the Client agreement.

E. Regulatory Assets Under Management

As of December 31, 2017, FWA manages \$283,795,685 on a Discretionary basis.

Item 5: Fees & Compensation

A. Compensation for Our Advisory Services

1. Asset Management

The total fee for this service, including TPMMs will not exceed 3.00% of Assets Under Management and is generally lower. Fees are generally negotiable, and the billing procedures, frequency, and actual fee assessed to the Client account(s) will be outlined in the Investment Advisory Contract 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.).

TPMM: If a TPMM is chosen, Clients will be provided the necessary disclosure documents for a full description of the services offered. FWA will debit its portion of the fees, and the chosen TPMM will additionally debit the account for their fees. The total advisory fee charged by the IAR for the services

provided in such a relationship shall not exceed 1.00%. The fee charged by the chosen TPMM may vary and will be disclosed to the client in the documents provided to them upon entering the relationship with their manager of choice.

Dividend Strategy: If the Firm's Dividend Strategy is selected, the Firm charges earns a greater share of client compensation from this model than other asset management arrangements available. To ensure continued adherence to our fiduciary responsibilities, individual IARs are given no incentive to recommend the use of this strategy over the other options available.

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 Advisory 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. If 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.

3. Retirement Plan Consulting Fees

The fee for this service will not exceed 1.00% of Assets Under Management. Fees are generally negotiable, and the billing procedures, frequency, and 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.).

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. FWA will not receive a portion of these fees if transactions are effected through Fidelity, Schwab, or through the use of a TPMM. As a registered broker-dealer, FWA receives a portion of commissions, fees, and costs if transactions are effected through National Financial Services ("NFS"). These fees are usually small and incidental to the purchase or sale of a security.

The expense ratio of a mutual fund is the annual fee that all funds or ETFs charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as initial or deferred sales charges are not included in the expense ratio. Such charges, fees and commissions are exclusive of and in addition to FWA's fee. FWA will not receive a portion of these fees if transactions are effected through Fidelity, Schwab, or through the use of a TPMM. As a registered broker-dealer, FWA receives a portion these fees if transactions are effected through National Financial Services ("NFS"). These fees 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. Performance figures quoted by mutual funds or ETFs in various publications are after their fees have been deducted. Please see prospectus for details.

FWA and its IAR's will not select a mutual fund share class with a 12b1 fee when a lower-cost share class of the same mutual fund is available for the Firm to purchase within its Wrap Fee program. Mutual fund share class purchases with 12b1 fees can be purchased when effected through Fidelity, Schwab, or other TPMMs when FWA will not receive 12b1 fees and the purchase would otherwise cost the Client in additional transaction fees.

Item 12 describes the factors that FWA and its IAR's consider in selecting or recommending broker-dealers for Client transactions and determining the reasonableness of their compensation (e.g., commissions).

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 the Client to terminate the account, FWA will not be obligated to provide any additional services under the Contract. FWA will, however, act upon the Client's instructions with regard to liquidation or transfer of account assets. There may be rules and conditions applicable to each 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 also a registered broker-dealer, Member FINRA/SIPC. FWA offers in house strategies for which the Firm earns a greater share of the overall fee charged, however, FWA will adhere to its fiduciary duties and only recommend the use of such when deemed to be in the Client's best interest.

IARs of FWA may also be registered representatives with FWA since the Firm is also a registered broker-dealer... 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. 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. The 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, 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: FWA and its IAR's 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: FWA and its IAR's 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: FWA and its IAR's 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, the Internet, and other programs offered by custodians such as Fidelity and NFS.

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 FWA uses 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 new account paperwork 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

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of the advisor. Below is a summary of the material legal and disciplinary events involving First Western Advisors (FWA) during the last ten years.

Effective August 24, 2018, First Western Advisors (FWA) consented to the entry of an Order instituting proceedings by the U.S. Securities and Exchange Commission (SEC). The SEC found that from March 20, 2012 to December 31, 2016 (the relevant period), FWA's IARs invested or held mutual fund share classes charging 12b-1 fees on the National Financial Services ("NFS") platform where FWA, as a broker-dealer, received 12b-1 fees based on those investments for its advisory clients. The SEC found that FWA's disclosure documents failed to adequately inform clients that as a dually registered broker/dealer and investment advisor, this was a conflict of interest where certain mutual fund investments were available for the same fund at a lower cost. The Order alleges that the failure to select the lower-cost share class was inconsistent with FWA's duty to seek best execution for those transactions, and FWA failed to implement its policies and procedures. The SEC found FWA's conduct violated Sections 206(2), 206(4) and 207 of the Advisers Act and Rule 206(4)-7.

On August 3, 2018, without admitting or denying the SEC's findings, FWA submitted an Offer of Settlement. On August 24, 2018, the SEC entered an order against FWA (File Number 3-18673) in which FWA was instructed to cease and desist from committing or causing violations of Sections 206(2), 206(4) and 207 of the Advisers Act and Rule 206(4)-7 thereunder. FWA was also censured and ordered to pay disgorgement of \$139,698.50, prejudgment interest of \$13,068.62 and a civil penalty of \$50,000. Clients can also refer to Investment Adviser Public Disclosure at www.adviserinfo.sec.gov for additional information.

Prior to the entry of the SEC's examination and subsequent order, FWA executed several policies to address the mutual fund share class selection practices described in the SEC's order. The new policies include requiring IARs

to effect new purchases of mutual funds in advisory accounts at the lowest cost share class available to FWA on the NFS platform, and FWA has worked with NFS to ensure compliance with this policy. Additionally, FWA has taken steps to convert mutual fund investments in 12b-1 fee paying share classes to the lowest cost share classes available for the same funds at no costs or tax consequences to its existing advisory clients on the NFS platform.

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 as a broker-dealer. 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 in its capacity of a broker-dealer. 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 addresses commissionable sales conflicts that arise at the points of sale 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.

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, most 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.

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, buys from or sells any security to any advisory Client. 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 FWA in the capacity acts as agent for the client buying and selling on the same transaction. .

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 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. The custodians we use

FWA (“we”/“our”) does not maintain custody of your assets that we manage/on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Fidelity or Charles Schwab & Co., Inc. (Schwab), registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Fidelity or Schwab. Fidelity or Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Fidelity or Schwab as custodian, you will decide whether to do so and will open your account with Fidelity or Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so.

B. How we select custodians

We seek to recommend a custodian that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us”)

C. Your brokerage and custody costs

For our clients’ accounts that Fidelity, NFS, and Schwab maintain, they generally do not charge you separately for custody services but are compensated by charging you commissions or other fees on trades that they execute or that settle into your account. Certain trades (for example, many mutual funds and ETFs) may not incur commissions or transaction fees. They are also compensated by earning interest on the uninvested cash in your account.

D. Products and services available to us

Fidelity, NFS, and Schwab (“custodians”) provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to retail customers. Our custodians also make available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Our custodians’ support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of our custodians’ support services:

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

Services that may not directly benefit you. Our custodians also make available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both their own and that of third parties. We may use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at the custodian. In addition to investment research, our custodians also make available software and other technology that:

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

Services that generally benefit only us. Our custodians also offer other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

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

E. Our interest in our custodians’ services

The availability of these services from our custodians benefits us because we do not have to produce or purchase them. We don’t have to pay for their services. This creates an incentive to recommend that you maintain your account with our custodians, based on our interest in receiving services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Fidelity or Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Fidelity and Schwab’s services (see “How we select brokers/ custodians”) and not our custodians’ services that benefit only us.

Item 13: Review of Accounts or Financial Plans

A. Periodic Reviews

FWA's Chief Compliance Officer, in conjunction with the IARs, 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

We receive an economic benefit from Fidelity, NFS and Schwab in the form of the support products and services it makes available to us. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices).

Item 15: Custody

Under Securities & Exchange Commission regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Fidelity, NFS, or Schwab to deduct our advisory fees directly from your account. Fidelity, NFS, and Schwab maintain actual custody of your assets. You will receive account statements directly from Fidelity, NFS, and/or Schwab 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.

Upon approval by Compliance, select IARs of FWA may act as trustees to Client accounts. As such, FWA is deemed to have custody in these situations. 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 FWA about the custody, safety, or security of their assets and FWA's custodial recommendations.

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 the Client's behalf so that FWA may promptly implement the investment policy that the Client has 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.