

Cover Page - Item 1

Holloway Wealth Management, LLC

5225 SW 91st Terrace,
Gainesville, FL 32608
Phone: (352) 337-8177
Fax: (352) 378-8766
www.hollowaywealth.com

March 24, 2014

Form ADV Part 2A Brochure

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

This brochure provides information about the qualifications and business practices of Holloway Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (352) 337-8177. 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 Holloway Wealth Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes - Item 2

The purpose of this page is to inform you of any material changes since the previous version of this brochure.

On March 24, 2014, we submitted our annual updating amendment filing for the fiscal year 2013 and amended Item 4 of this Brochure to reflect total assets under management of \$157,788,000.

We review and update our brochure at least annually to make sure that it remains current.

Table of Contents - Item 3

Contents

Cover Page - Item 1	1
Material Changes - Item 2	2
Table of Contents - Item 3	3
Advisory Business - Item 4	4
Fees and Compensation - Item 5	6
Performance-Based Fees and Side-By-Side Management - Item 6	8
Types of Clients - Item 7	8
Methods of Analysis, Investment Strategies and Risk of Loss - Item 8	9
Disciplinary Information - Item 9	10
Other Financial Industry Activities and Affiliations - Item 10	10
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11	10
Brokerage Practices - Item 12	11
Review of Accounts - Item 13	12
Client Referrals and Other Compensation - Item 14	13
Custody - Item 15	13
Investment Discretion - Item 16	13
Voting Client Securities - Item 17	13
Financial Information - Item 18	14
Requirements for State-Registered Advisors - Item 19	14
Miscellaneous	14

Advisory Business - Item 4

Holloway Wealth Management, LLC (hereinafter "HWM") is a registered investment advisor based in Gainesville, Florida. We are a limited liability company under the laws of the State of Florida. We have been providing investment advisory services since 2006. Samuel Norris Holloway is the President and principal owner of HWM.

Currently, we offer the following investment advisory services, personalized to each individual Client:

- **Portfolio Management Services**

The following paragraphs describe what we do and what we charge. Each investment advisory service is listed below and describes how we tailor our advisory services to your individual needs. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our Firm who is an officer, employee, and all individuals providing investment advice on behalf of our Firm. Such persons are properly registered as investment adviser representatives in all required jurisdictions.

Portfolio Management Services

HWM provides ongoing portfolio management services to Clients. Clients purchasing this service receive a financial plan that is used to assist HWM in organizing a Client's financial information and determining the scope of services that are most suitable for a specific Client's financial situation and investment needs. Financial planning services can simplify and determine financial and investment alternatives by implementing a process that may include any or all of the following steps:

- Assessment of a Client's present financial situation by collecting information regarding net worth and cash flow statements, tax returns, insurance policies, investment portfolios, current asset allocations, pension plans, employee benefit statements, etc.
- Identification of a Client's financial and personal goals and objectives and areas of concern. Goals or objectives may include financing a child's college education or retirement planning. The identified goals or objectives are specific, realistic and measurable. All goals include time horizons.
- Creating a unique picture of the Client's overall financial situation. Obstacles to achieving financial independence are identified so that resolution may occur. Examples of problem areas can include too little or too much insurance coverage, inadequate cash flow or a high tax burden.
- Implementation services. Upon completion of the financial plan, HWM will provide implementation services through its portfolio management services, as described more fully below. HWM may also work in conjunction with the Client's other professional advisers, e.g. accountants or lawyers. Under such arrangements, HWM will act as a project manager that coordinates the work of the appropriate parties in a manner consistent with the Client's objectives.

Financial plans are based on the Client's financial situation and the financial information the Client provides to our Firm. Certain assumptions may be made with respect to interest and inflation rates, as well as past trends, historical market performance, and the economy. Past performance is in no way an indication of future results. HWM cannot offer any guarantees or promises that the Client's financial goals and objectives will be met. As the Client's financial situation, goals, objectives, or needs change, the Client must promptly notify HWM.

Non Wrap Program

Portfolio management refers to the management of money, including investments. Assets are usually held in what is called a portfolio. Determining the types and quantities of securities to hold in a portfolio is referred to as portfolio management.

Our Firm offers discretionary and non-discretionary portfolio management services to our Clients and prospective Clients. Discretionary portfolio management services means that once the portfolio has been agreed upon, the ongoing supervision and management of the portfolio will be our responsibility. This authority is granted to us by you in a written agreement. This allows our Firm to decide on specific securities, the quantity of the securities and placing buy or sell orders for your account without obtaining your approval for each transaction. This type of authorization is done using either the investment advisory agreement you sign with our Firm, a limited power of attorney agreement, or trading authorization forms. You may limit this authority by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. The non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

Our investment advice is tailored to meet our Clients' needs and investment objectives. If you decide to hire our Firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and decide how much risk you should take in your investments. The information we gather will help us implement an asset allocation strategy that will be specific to your goals, whether we are actively investing for you or simply providing you with advice.

There are a few ways we might create your investment portfolio depending on what we decide would work best for you. We may customize a portfolio that primarily consists of mutual funds. We may also customize a portfolio that is allocated amongst third party advisers based on one or more of the following: (i) model portfolios developed by HWM; (ii) model portfolios developed by third party advisers; (iii) customized portfolios developed by HWM for Client.

Third Party Model Portfolios: For those of our Clients who hire us for discretionary portfolio management services and who have signed an agreement with us to this effect, you should be aware that we may use one or more model portfolios developed by third party sub-advisors to manage a portion of your account. All sub-advisers that we recommend to Clients must be registered as investment advisers with either the Securities and Exchange Commission or with the appropriate state authority(ies). We will continuously monitor the performance of any accounts managed by the sub-adviser and will assume discretionary authority to hire or fire the sub adviser where such action is deemed to be in the best interest of the Client.

However we construct your investment portfolio, the Firm will, on a discretionary basis, re-balance or re-allocate assets amongst third party advisers based upon the agreed asset allocation and model

portfolios developed by HWM. For third party model portfolios, Client accounts will be automatically be re-balanced by the third party custodian and/or money manager without consulting HWM or the Client.

We recommend that you compare our invoices with the statement(s) you receive from the qualified custodian. If you see something that is inaccurate, please call our main office number, located on the cover page of this brochure.

Wrap Fee Program

We are a portfolio manager to and sponsor of a wrap fee program. A wrap fee program combines portfolio management, advisory services and trade execution for a single fee. HWM, as portfolio manager is responsible for the research, security selection and implementation of transaction orders in your account. The transactions in your account will be executed by Trust Company of America, ("TCA"). HWM receives a portion of the wrap fee for portfolio management services. TCA will also receive a portion of the fee for trade execution expenses. The terms and conditions under which a Client participates in HWM's wrap fee program will be set forth in a written agreement between the Client and HWM. The overall cost incurred from participation in our wrap fee program may be higher or lower than if the services were purchased separately.

Wrap account are managed to diversify Client's investments and may include various types of securities such as equities, Exchange Traded Funds (ETFs), investment company products, Indexes and investment grade fixed income securities. Other types of investments may also be recommended where the Firm deems such investments appropriate based on the Client's stated goals and objectives.

Our wrap fee accounts are discretionary (that is, we do not obtain the Client's approval for each transaction) and based on a long-term investment strategy. We select securities and maintain investment portfolios based upon our proprietary models which correlate to Client risk factors. These models represent uniformity of security holdings across the respective portfolios. The management of our wrap fee investment accounts does not permit Client restrictions of securities or security types.

HWM's non-wrap fee accounts allow for either discretionary or non-discretionary management and permits Client restrictions on types of securities. Additionally, our non-wrap accounts are individually managed and therefore may include different types of strategies and investments than our wrap fee portfolios.

Assets Under Management

As of December 31, 2013, we manage \$127,554,000 in Client assets on a discretionary basis, and \$30,234,000 in Client assets on a non-discretionary basis.

Fees and Compensation - Item 5

HWM charges fees based on a percentage of assets under management and fixed fees (not including subscription fees) for its advisory services.

Portfolio Management Services Fees (Wrap and Non Wrap Program)

If you decide to engage HWM for portfolio management services, we will charge an annual fee based upon a percentage of the market value of the assets being managed. Our fee for portfolio management services (Wrap and Non Wrap options) is set forth in the following fee schedule:

Portfolio Size	Annualized Fee*	
	WRAP Accounts	Non-WRAP Accounts
\$0 to \$500,000	1.75%	2.00%
\$500,001 to \$1,000,000	1.75%	1.75%
Accounts over \$1,000,000	1.75%	1.50%

* Older client relationships may be subject to a lower fee schedules. Sub-adviser fees are separate and apart from the fees charged by HWM. HWM allows the accounts for members of the same household to be combined for fee paying purposes. We combine the account valuations to assist you in meeting fee breakpoints and therefore lowering the overall fee level. HWM extends this option to all accounts residing in the same household.

Generally, the annual fee for portfolio management services is billed quarterly in arrears based on the market value of the assets on the last day of the preceding quarter or the average quarterly balance. Since this fee is negotiable, the exact fee paid by the Client will be clearly stated in the advisory agreement signed by the Client and the Firm.

The qualified custodian holding the client's funds and securities will pay the fees directly to HWM, provided the client supplies written authorization permitting this payment. HWM will not have access to client funds for payment of fees without written consent by the client. Further, the qualified custodian agrees to deliver an account statement, at least quarterly, directly to the client, showing all disbursements from the account. We encourage the client to review all account statements for accuracy. HWM will receive a duplicate copy of the statement that was delivered to the client. Fees are usually deducted from a designated Client account to facilitate billing.

Clients subscribed to our Non Wrap portfolio management option should note that our annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which will be incurred by the Client. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

At the inception of portfolio management services, the first quarter's fees will be calculated on a pro-rata basis. The agreement between HWM and the Client will continue in effect until either party terminates in accordance with the terms of the agreement. HWM's annual fee will be pro-rated through the date of termination and any remaining balance will be charged or refunded to the Client, as appropriate, in a timely manner.

Additional Fees and Expenses

The fees HWM charges may be negotiable based on the amount of assets under management, complexity of Client goals and objectives, and level of services rendered. As described above, the fees are charged as described and are not based on a share of capital gains of the funds of an advisory Client. All fees paid to HWM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a Client may pay an initial or deferred sales charge. A Client could invest in a mutual fund directly, without the services of HWM. In that case, the Client would not receive the services provided by HWM which are designed, among other things, to assist the Client in determining which mutual fund or funds are most

appropriate to each Client's financial condition and objectives. Accordingly, the Client should review both the fees charged by the funds and the fees charged by HWM to fully understand the total amount of fees to be paid by the Client and to thereby evaluate the advisory services being provided.

Compensation for the Sale of Securities or Other Investment Products

Registered Representatives:

Associated Persons who provide investment advice on behalf of our Firm may also be registered representatives with Geneos Wealth Management, Inc. ("Geneos"), a securities broker/dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority ("FINRA"). As a registered representative, an Associated Person may receive commission-based compensation for buying and selling securities, including 12b-1 fees (trails) for the sale of mutual funds or annuity products. This commission compensation is separate and in addition to HWM's advisory fees.

HWM's advisory Clients are not obligated to purchase the products or services of Geneos. You may purchase or sell securities apart from your advisory account at the brokerage Firm of your choice. The sale of mutual funds, annuity contracts, insurance instruments and other commissionable products offered by Associated Persons of HWM through Geneos are intended to compliment HWM's advisory services. However, a conflict of interest exists due to the receipt of dual forms of compensation. Principals of HWM regularly review Client transactions to ensure that HWM is acting in the best interest of its Clients.

HWM recommends many types of securities, including mutual funds to its advisory Clients. Where HWM does recommend a mutual fund to an advisory Client, HWM will generally recommend a no-load mutual fund. In situations outside of HWM's advisory accounts where Associated Person acting in the capacity of a registered representative of Geneos recommends a mutual fund, both no-load and 'loaded' funds options will be presented to the Client. It may be the case that HWM will receive advisory fees in addition to commissions and/or markups on securities.

All conflicts of interest between you and our Firm, and the Associated Persons of our Firm, are outlined in this Disclosure Brochure. If additional conflicts arise in the future, we will notify you in writing or supply you with an updated Disclosure Brochure.

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

We and our Associated Persons do not accept performance based fees. Performance based fees are based on a share of capital gains on or capital appreciation of the Client's assets.

Types of Clients - Item 7

We offer investment advisory services to individuals, pension and profit sharing plan participants, trusts, estates, charitable organizations, corporations, and other business entities.

HWM requires a minimum of \$250,000 to open and maintain an advisory account. At our sole discretion we may waive this requirement. This requirement can be met by combining two or more accounts owned by you or related family members.

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

The following are different methods of analysis that we may use when providing you with investment advice:

- **Fundamental Analysis** – fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- **Technical Analysis** – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

We may use one or more of the following investment strategies when advising you on investments:

- **Long Term Purchases** – securities held for over a year.
- **Short Term Purchases** – securities held for less than a year.
- **Trading** – securities held for less than 30 days.

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

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

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

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

Credit Risk: Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of material legal or disciplinary events by our Firm or our management persons.

Other Financial Industry Activities and Affiliations - Item 10

Executive officers and other Associated Persons of HWM are separately licensed as registered representatives with Geneos, a securities broker/dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority ("FINRA").

As dually licensed representatives, such individuals will receive commissions for the purchase and sale of securities and annuity products. This commission revenue is separate and in addition to revenue received from advisory fees. This arrangement represents a conflict of interest due to the receipt of both advisory and commission compensation. HWM has policies and procedures in place to monitor all Client transactions. Where HWM finds an Associated Person has not acted in the best interest of the Client, HWM may cancel the transaction. Alternatively, HWM may deduct the commission costs from the advisory fee paid by the Client. In any event, all Client transaction costs will be disclosed to the Client.

Executive officers and other Associated Persons of HWM may be separately licensed as insurance agents and may effect transactions in insurance products for their Clients and earn commissions for these activities. The Firm expects that Clients to whom it offers advisory services may also be Clients for whom these individuals act as insurance agents. Clients are instructed that the fees paid to the Firm for advisory services are separate and distinct from the commissions earned by its IARs for placing the Client in insurance products. Clients to whom the Firm offers advisory services are informed that they are under no obligation to use the Firm's IARs for insurance services and may use the insurance brokerage Firm and agent of their choosing.

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

Description of Our Code of Ethics

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

- The duty at all times to place the interests of Clients first;

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

Clients who would like to receive a copy of HWM's Code of Ethics, may contact Caroline Jennings Holloway, Chief Compliance Officer ("CCO") at (352) 337-8177.

Personal Trading Practices

At times HWM and/or its Advisory Representatives may take positions in the same securities as Clients, which may pose a conflict of interest with Clients. HWM and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to Client trades. We will not violate our fiduciary responsibilities to our Clients. Front running (trading shortly ahead of Clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the Client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

Brokerage Practices - Item 12

Principals and Investment Adviser Representatives of HWM are registered representatives Geneos. If a Client chooses to implement advice through us, the broker/dealer used for Client accounts is Geneos. Geneos performs "due diligence" on mutual funds, limited partnerships, and insurance products. Only those investments that meet Firm requirements will be on the Geneos "approved product list" and be offered for sale to Clients.

For HWM's portfolio management programs we recommend and request Clients to implement trades and maintain custody of assets through discount brokers. We will recommend the services of Fidelity Investments or TIAA-CREF for 403(b) accounts. We may also recommend SEI Trust Company for custodial services. As a condition of the WRAP Program, transactions for Clients' accounts are executed by Trust Company of America, ("TCA"). All Firms recommended to Clients for custodial services are independent and unaffiliated. These Firms offer us services, which include custody of Client securities, trade execution, clearance and settlement of transactions, and daily research and investment information.

Research and Other Soft Dollar Benefits

Although not considered "soft dollar" compensation, HWM may receive various benefits from custodians for research services, reports, software, and institutional trading support.

In some cases, the Firm(s) we recommend for custodial services charge a higher fee for a particular type of service, than can be obtained from another broker. Clients may utilize the custodian of their choice and have no obligation to purchase or sell securities through the custodian(s) that HWM recommends.

HWM understands its duty for best execution and considers all factors in making recommendations to Clients. These research services may be useful in servicing all HWM Clients, and may not be used in connection with any particular account that may have paid compensation to the Firm providing such services. While HWM may not always obtain the lowest commission rate, HWM believes the rate is reasonable in relation to the value of the brokerage and research services provided.

Brokerage for Client Referrals

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

Directed Brokerage

Associated Persons who are registered representatives of Geneos are subject to FINRA Conduct Rule 3040 that restricts these registered individuals from conducting securities transactions away from Geneos unless Geneos provides the representative with written authorization. Therefore, HWM reserves the right to not accept a Client account if the Client wishes to select a broker or dealer/custodian other than Geneos, TIAA-CREF, SEI Trust Company, TCA or Fidelity Investments. Due to the nature of its advisory services, HWM does not have the authority to negotiate commissions or obtain volume discounts, although HWM will attempt, to achieve best execution of transactions.

Trade Aggregation

While individual Client advice is provided to each account, Client trades may be executed as a block trade. HWM encourages its existing and new Clients to use TCA. Only accounts in the custody of TCA would have the opportunity to participate in aggregated securities transactions. All trades using TCA will be aggregated and done in the name HWM. The executing broker will be informed that the trades are for the account of HWM's Clients and not for HWM itself. No advisory account within the block trade will be favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price and receive the same commission rate. The aggregation should, on average, reduce slightly the costs of execution, and HWM will not aggregate a Client's order if in a particular instance HWM believes that aggregation would cause the Client's cost of execution to be increased. TCA will be notified of the amount of each trade for each account. HWM and/or its Advisory Representatives may participate in block trades with Clients, and may also participate on a pro rata basis for partial fills, but only after the determination has been made that Clients will receive fair and equitable treatment.

Review of Accounts - Item 13

HWM monitors the individual investments within HWM's portfolio management programs each day the market is open. Portfolio performance is reviewed, at a minimum, on a quarterly basis. HWM offers portfolio management Clients an in-person portfolio review meeting on an annual basis. Material market, economic, or political events, or changes in a Client's financial circumstances, may trigger more frequent reviews. If the Client's account is invested in a portfolio developed by a third party the account will be automatically re-balanced by the third party custodian and/or money manager without consulting HWM or the Client.

The account reviews are performed by the Client's Advisory Representative. The Chief Compliance Officer and other designated compliance staff monitor the portfolios and financial plans for investment objectives and other supervisory review.

Clients will receive statements directly from their account custodian(s) on at least a quarterly basis. This statement will show total portfolio value and the securities holdings and activity in the account.

Client Referrals and Other Compensation - Item 14

We do not receive economic benefits from third parties in exchange for providing investment advice or other advisory services to our Clients.

We and our related persons do not compensate, either directly or indirectly, any person or entity who is not our supervised person for Client referrals.

Custody - Item 15

HWM is deemed to have custody of Client funds solely because of the fee deduction authority granted by the Client in the investment advisory agreement.

Clients will receive account statements at least quarterly from the broker-dealer or other qualified custodian. Clients are urged to compare custodial account statements against statements prepared by HWM for accuracy. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors. The custodial statement is the official record of your account for tax purposes.

Investment Discretion - Item 16

HWM offers Portfolio Management Services to its advisory Clients on both a discretionary and non-discretionary basis. HWM will manage Client accounts on a discretionary basis if the Client has granted discretionary authority in the Client advisory agreement. Discretionary authority extends to the type and amount of securities to be bought and sold, and does not require advance Client approval. HWM does not have the ability to withdraw funds or securities from the Client's account.

In a non-discretionary account, an Associated Person of HWM recommends the purchase or sale of securities for review and approval by the Clients. HWM will only purchase or sell securities which have been approved by Clients in advance.

You may limit this authority if you wish by, for example, setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

Voting Client Securities - Item 17

Proxy Voting

HWM does not vote proxies. It is the Client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

Financial Information - Item 18

We are required in this Item to provide you with certain financial information or disclosures about HWM's, financial condition. HWM 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.

Requirements for State-Registered Advisors - Item 19

This section is intentionally left blank- Our Firm is SEC registered

Miscellaneous

Class Action Lawsuits

From time to time, securities held in the accounts of Clients will be the subject of class action lawsuits. HWM has no obligation to determine if securities held by the Client are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a Client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the Firm has no obligation or responsibility to initiate litigation to recover damages on behalf of Clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by Clients.

Where the Firm receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a Client, it will forward all notices, proof of claim forms, and other materials, to the Client. Electronic mail is acceptable where appropriate, and the Client has authorized contact in this manner.

Trade Error Correction Procedures

On infrequent occasions, an error may be made in a Client account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, the Firm generally seeks to rectify the error by placing the Client account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation. Any losses resulting from error correction will be placed in SFG's error correction account. Any gains resulting from error correction will be credited to the Client's account.

Confidentiality

HWM views protecting its customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, the Firm has instituted policies and procedures to ensure that customer information is kept private and secure.

HWM does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a Client account,

HWM may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

HWM restricts internal access to nonpublic personal information about its Clients to those employees who need to know that information in order to provide products or services to the Client. HWM maintains physical and procedural safeguards that comply with state and federal standards to guard a Client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the Firm's policy never to sell information about current or former customers or their accounts to anyone. It is also the Firm's policy not to share information unless required to process a transaction, at the request of the Client, or as required by law.

A copy of the Firm's privacy policy notice will be provided to each Client prior to, or contemporaneously with, the execution of the advisory agreement. Thereafter, the Firm will deliver a copy of the current privacy policy notice to its Clients on an annual basis. If you have any questions on this policy, please contact Caroline Jennings Holloway, CCO at (352) 337-8177.

Cover Page - Item 1

Holloway Wealth Management, LLC

5225 SW 91st Terrace,
Gainesville, FL 32608
Phone: (352) 337-8177
Fax: (352) 378-8766
www.hollowaywealth.com

March 20, 2012

**Firm Form ADV Part 2A, Appendix 1:
Wrap Fee Program Brochure**

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

This Wrap Fee program brochure provides information about the qualifications and business practices of Holloway Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (352) 337-8177. 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 Holloway Wealth Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes - Item 2

Revised: March 20, 2012

The purpose of this page is to inform you of any material changes since the previous version of this brochure.

On March 20, 2012, we filed an annual updating amendment reflecting the following changes to the ADV Part 2A, Appendix 1: Wrap Fee Program Brochure:

1. Item 1: We changed our principal office address to :

5225 SW 91st Terrace,
Gainesville, FL 32608

We review and update our brochure at least annually to make sure that it remains current.

Table of Contents - Item 3

Contents

Cover Page - Item 1	1
Material Changes - Item 2	2
Table of Contents - Item 3	3
Services Fees and Compensation - Item 4	4
Account Requirements and Types of Clients - Item 5	6
Portfolio Manager Selection and Evaluation - Item 6.....	6
Client Information Provided to Portfolio Managers - Item 7	9
Client Contact with Portfolio Managers - Item 8.....	9
Additional Information - Item 9	10
Requirements for State-Registered Advisors - Item 10	11
Miscellaneous	11

Services Fees and Compensation - Item 4

Holloway Wealth Management, LLC (hereinafter “HWM”) offers a Wrap Fee program (“Program”) whereby the Firm manages Client accounts for a single fee that includes portfolio management services, custodial services and the transaction/commission costs. Under this Program, HWM offers discretionary investment advice designed to assist Clients in obtaining professional asset management for a convenient single “Wrap Fee.”

HWM, as portfolio manager is responsible for the research, security selection and implementation of transaction orders in your account. The transactions in your account will be executed by Trust Company of America, (“TCA”). HWM receives a portion of the Wrap Fee for portfolio management services. TCA will also receive a portion of the fee for trade execution expenses. The terms and conditions under which a Client participates in HWM’s Wrap Fee program will be set forth in a written agreement between the Client and HWM. The overall cost incurred from participation in our Wrap Fee program may be higher or lower than if the services were purchased separately.

Wrap account are managed to diversify Client’s investments and may include various types of securities such as equities, Exchange Traded Funds (ETFs), investment company products, Indexes and investment grade fixed income securities. Other types of investments may also be recommended where the Firm deems such investments appropriate based on the Client’s stated goals and objectives. Investments and allocations are determined and based upon the Clients predefined objectives, risk tolerance, time horizon, financial horizon, financial information, and other various suitability factors that are determined. Further restrictions and guidelines imposed by Clients may affect the composition and performance of a Client’s portfolio. For these reasons, performance of the portfolio may not be identical with the average Client of HWM. On an ongoing basis, HWM reviews the Client’s financial circumstances and investment objectives and makes any adjustments to the Client’s portfolio as may be necessary to achieve the desired results.

Our Wrap Fee accounts are discretionary, that is, once the portfolio allocation has been agreed upon, the ongoing supervision and management of the portfolio will be our responsibility. This authority is granted to us by you in a written agreement. This allows our Firm to decide on specific securities, the quantity of the securities and placing buy or sell orders for your account without obtaining your approval for each transaction. This type of authorization is done using either the investment advisory agreement you sign with our Firm, a limited power of attorney agreement, or trading authorization forms.

HWM offers a unique product line where asset allocation models, ranging from conservative short term to aggressive long term, are developed and managed based on research and analysis conducted by HWM. Once the Client portfolio is constructed, HWM provides continuous supervision of the portfolio as changes in the market conditions and Client circumstances may require. The management of our Wrap Fee investment accounts does not permit Client restrictions of securities or security types.

Program Fee

HWM charges a single asset-based fee for advisory services, which includes the cost of portfolio management services, custodial services and the execution of securities transactions. The annual fee for the HWM Wrap Fee Program is billed quarterly in arrears based on the average daily balance. Fees will

be assessed pro rata in the event the portfolio management agreement is executed at any time other than the first day of a calendar quarter.

The Client pays one fee to HWM. HWM will then pay TCA for its fees based on the amount of assets contained in such account. Client authorizes HWM to debit the fee from the Client's account. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance. On an annualized basis, HWM's charges a fee of 1.75% for the Program, this fee is subject to negotiation.

In determining whether to establish a Program account, a Client should be aware that the overall cost to the Client of the Program may be higher or lower than the Client might incur by purchasing separately the types of securities available in the Program. In order to compare the cost of the Program with unbundled services, the Client should consider the turnover rate in HWM's investment strategies, trading activity in the account and standard advisory fees and brokerage commissions that would be charged at TCA, or at other broker-dealers and investment advisers.

Additional Fees and Expenses

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

There may be other costs assessed, which are not included in the Program Fee, such as national securities exchange fees; charges for transactions with respect to assets not executed through the custodian, costs associated with exchanging currencies; wire transfer fees; or other fees required by law.

Termination

Either party may terminate the investment advisory agreement (Agreement) within five days of the date of acceptance without penalty to the Client. After the five-day period, either party may terminate the Agreement by providing a 30 days' written notice to the other party. Refunds are generally not applicable as fees are payable in arrears. However, in the event there are any prepaid unearned fees, HWM will return a pro rata share to the Client.

Upon termination of accounts held at TCA, TCA delivers securities and funds held in the account as instructed by Client, unless Client requests that the account be liquidated. After the Agreement has been terminated, transactions are processed at the prevailing brokerage rates. Client becomes responsible for monitoring their own assets and HWM has no further obligation to act or provide advice with respect to those assets.

Account Requirements and Types of Clients - Item 5

We offer investment advisory services to individuals, pension and profit sharing plan participants, trusts, estates, charitable organizations, corporations, and other business entities.

We require a minimum of \$250,000 to open and maintain an account. At our sole discretion we may waive this requirement. This requirement can be met by combining two or more accounts owned by you or related family members.

Portfolio Manager Selection and Evaluation - Item 6

Advisory Business

Currently, we offer the following investment advisory services, personalized to each individual Client:

- ***Portfolio Management Services***

The following paragraphs describe what we do and what we charge. Each investment advisory service is listed below and describes how we tailor our advisory services to your individual needs. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our Firm who is an officer, employee, and all individuals providing investment advice on behalf of our Firm. Such persons are properly registered as investment adviser representatives in all required jurisdictions.

Portfolio Management Services

HWM provides ongoing portfolio management services to Clients. Clients purchasing this service receive a financial plan that is used to assist HWM in organizing a Client's financial information and determining the scope of services that are most suitable for a specific Client's financial situation and investment needs. Financial planning services can simplify and determine financial and investment alternatives by implementing a process that may include any or all of the following steps:

- Assessment of a Client's present financial situation by collecting information regarding net worth and cash flow statements, tax returns, insurance policies, investment portfolios, current asset allocations, pension plans, employee benefit statements, etc.
- Identification of a Client's financial and personal goals and objectives and areas of concern. Goals or objectives may include financing a child's college education or retirement planning. The identified goals or objectives are specific, realistic and measurable. All goals include time horizons.
- Creating a unique picture of the Client's overall financial situation. Obstacles to achieving financial independence are identified so that resolution may occur. Examples of problem areas can include too little or too much insurance coverage, inadequate cash flow or a high tax burden.

- Implementation services. Upon completion of the financial plan, HWM will provide implementation services through its portfolio management services, as described more fully below. HWM may also work in conjunction with the Client's other professional advisers, e.g. accountants or lawyers. Under such arrangements, HWM will act as a project manager that coordinates the work of the appropriate parties in a manner consistent with the Client's objectives.

Financial plans are based on the Client's financial situation and the financial information the Client provides to our Firm. Certain assumptions may be made with respect to interest and inflation rates, as well as past trends, historical market performance, and the economy. Past performance is in no way an indication of future results. HWM cannot offer any guarantees or promises that the Client's financial goals and objectives will be met. As the Client's financial situation, goals, objectives, or needs change, the Client must promptly notify HWM.

Non Wrap Program

Portfolio management refers to the management of money, including investments. Assets are usually held in what is called a portfolio. Determining the types and quantities of securities to hold in a portfolio is referred to as portfolio management.

Our Firm offers discretionary and non-discretionary portfolio management services to our Clients and prospective Clients. Discretionary portfolio management services means that once the portfolio has been agreed upon, the ongoing supervision and management of the portfolio will be our responsibility. This authority is granted to us by you in a written agreement. This allows our Firm to decide on specific securities, the quantity of the securities and placing buy or sell orders for your account without obtaining your approval for each transaction. This type of authorization is done using either the investment advisory agreement you sign with our Firm, a limited power of attorney agreement, or trading authorization forms. You may limit this authority by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. The non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

Our investment advice is tailored to meet our Clients' needs and investment objectives. If you decide to hire our Firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and decide how much risk you should take in your investments. The information we gather will help us implement an asset allocation strategy that will be specific to your goals, whether we are actively investing for you or simply providing you with advice.

There are a few ways we might create your investment portfolio depending on what we decide would work best for you. We may customize a portfolio that primarily consists of mutual funds. We may also customize a portfolio that is allocated amongst third party advisers based on one or more of the following: (i) model portfolios developed by HWM; (ii) model portfolios developed by third party advisers; (iii) customized portfolios developed by HWM for Client.

Third Party Model Portfolios: For those of our Clients who hire us for discretionary portfolio management services and who have signed an agreement with us to this effect, you should be aware that we may use one or more model portfolios developed by third party sub-advisors to manage a portion of your account. All sub-advisers that we recommend to Clients must be registered as

investment advisers with either the Securities and Exchange Commission or with the appropriate state authority(ies). We will continuously monitor the performance of any accounts managed by the sub-adviser and will assume discretionary authority to hire or fire the sub adviser where such action is deemed to be in the best interest of the Client.

However we construct your investment portfolio, the Firm will, on a discretionary basis, re-balance or re-allocate assets amongst third party advisers based upon the agreed asset allocation and model portfolios developed by HWM. For third party model portfolios, Client accounts will be automatically be re-balanced by the third party custodian and/or money manager without consulting HWM or the Client.

We recommend that you compare our invoices with the statement(s) you receive from the qualified custodian. If you see something that is inaccurate, please call our main office number, located on the cover page of this brochure.

Wrap Fee Program

Please refer to the, "Services, Fees and Compensation - Item 4" section of this brochure for a detailed description of our Wrap Fee Program.

Performance Based Fees - Side by Side Management

We and our Associated Persons do not accept performance based fees. Performance based fees are based on a share of capital gains on or capital appreciation of the Client's assets.

Methods of Analysis

The following are different methods of analysis that we may use when providing you with investment advice:

- Fundamental Analysis – fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- Technical Analysis – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

Investment Strategies

We may use one or more of the following investment strategies when advising you on investments:

- Long Term Purchases – securities held for over a year.
- Short Term Purchases – securities held for less than a year.
- Trading – securities held for less than 30 days.

Risk of Loss

The investment advice provided along with the strategies suggested by HWM will vary depending on each Client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully

understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

Certain investment strategies may utilize a concentrated investments. Concentrated portfolios generally hold the securities of a limited number of companies and, therefore, may be more volatile because the risk specific to each company may represent a larger portion of assets. It is likely that the performance of these portfolios will differ significantly from that of the broad equity market.

Voting of Client Securities - Proxy Voting

HWM does not vote proxies. It is the Client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

Client Information Provided to Portfolio Managers - Item 7

Since HWM and its Associated Persons are the sole portfolio managers to the Program, we do not provide information about our Clients to other portfolio managers.

Confidentiality

HWM views protecting its customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, the Firm has instituted policies and procedures to ensure that customer information is kept private and secure.

HWM does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a Client account, HWM may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

HWM restricts internal access to nonpublic personal information about its Clients to those employees who need to know that information in order to provide products or services to the Client. HWM maintains physical and procedural safeguards that comply with state and federal standards to guard a Client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the Firm's policy never to sell information about current or former customers or their accounts to anyone. It is also the Firm's policy not to share information unless required to process a transaction, at the request of the Client, or as required by law.

A copy of the Firm's privacy policy notice will be provided to each Client prior to, or contemporaneously with, the execution of the advisory agreement. Thereafter, the Firm will deliver a copy of the current privacy policy notice to its Clients on an annual basis. If you have any questions on this policy, please contact us.

Client Contact with Portfolio Managers - Item 8

HWM and its Associated Persons are the sole portfolio managers to the Program. Clients are free to contact us at any time. Our primary contact regarding questions about the Program is Caroline Jennings Holloway, CCO. Clients may contact her at (352) 337-8177.

Additional Information - Item 9

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of material legal or disciplinary events by our Firm or our management persons.

Other Financial Industry Activities and Affiliations

Executive officers and other Associated Persons of HWM are separately licensed as registered representatives with Geneos, a securities broker/dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority ("FINRA").

As dually licensed representatives, such individuals will receive commissions for the purchase and sale of securities and annuity products. This commission revenue is separate and in addition to revenue received from advisory fees. This arrangement represents a conflict of interest due to the receipt of both advisory and commission compensation. HWM has policies and procedures in place to monitor all Client transactions. Where HWM finds an Associated Person has not acted in the best interest of the Client, HWM may cancel the transaction. Alternatively, HWM may deduct the commission costs from the advisory fee paid by the Client. In any event, all Client transaction costs will be disclosed to the Client.

Executive officers and other Associated Persons of HWM may be separately licensed as insurance agents and may effect transactions in insurance products for their Clients and earn commissions for these activities. The Firm expects that Clients to whom it offers advisory services may also be Clients for whom these individuals act as insurance agents. Clients are instructed that the fees paid to the Firm for advisory services are separate and distinct from the commissions earned by its IARs for placing the Client in insurance products. Clients to whom the Firm offers advisory services are informed that they are under no obligation to use the Firm's IARs for insurance services and may use the insurance brokerage Firm and agent of their choosing.

Description of Our Code of Ethics

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

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

Clients who would like to receive a copy of HWM's Code of Ethics, may contact Caroline Jennings Holloway, CCO at (352) 337-8177.

Personal Trading Practices

At times HWM and/or its Advisory Representatives may take positions in the same securities as Clients, which may pose a conflict of interest with Clients. HWM and its Advisory Representatives will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to Client trades. We will not violate our fiduciary responsibilities to our Clients. Front running (trading shortly ahead of Clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the Client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

Review of Accounts

HWM monitors the individual investments within the Program each day the market is open. Portfolio performance is reviewed, at a minimum, on a quarterly basis. HWM offers Clients an in-person portfolio review meeting on an annual basis. Material market, economic, or political events, or changes in a Client's financial circumstances, may trigger more frequent reviews.

The account reviews are performed by the Client's Advisory Representative. The Chief Compliance Officer and other designated compliance staff monitor the portfolios and financial plans for investment objectives and other supervisory review.

Clients will receive statements directly from their account custodian(s) on at least a quarterly basis. This statement will show total portfolio value and the securities holdings and activity in the account.

Client Referrals and Other Compensation

We do not receive economic benefits from third parties in exchange for providing investment advice or other advisory services to our Clients.

We and our related persons do not compensate, either directly or indirectly, any person or entity who is not our supervised person for Client referrals.

Financial Information

We are required in this Item to provide you with certain financial information or disclosures about HWM's, financial condition. HWM 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.

Requirements for State-Registered Advisors - Item 10

This section is intentionally left blank- Our Firm is SEC registered

Miscellaneous

Trade Aggregation

While individual Client advice is provided to each account, Client trades may be executed as a block trade. HWM encourages its existing and new Clients to use TCA. Only accounts in the custody of TCA would have the opportunity to participate in aggregated securities transactions. All trades using TCA will be aggregated and done in the name HWM. The executing broker will be informed that the trades are for the account of HWM's Clients and not for HWM itself. No advisory account within the block trade will be favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price and receive the same commission rate. The aggregation should, on average, reduce slightly the costs of execution, and HWM will not aggregate a Client's order if in a particular instance HWM believes that aggregation would cause the Client's cost of execution to be increased. TCA will be notified of the amount of each trade for each account. HWM and/or its Advisory Representatives may participate in block trades with Clients, and may also participate on a pro rata basis for partial fills, but only after the determination has been made that Clients will receive fair and equitable treatment.

Class Action Lawsuits

From time to time, securities held in the accounts of Clients will be the subject of class action lawsuits. HWM has no obligation to determine if securities held by the Client are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a Client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the Firm has no obligation or responsibility to initiate litigation to recover damages on behalf of Clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by Clients.

Where the Firm receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a Client, it will forward all notices, proof of claim forms, and other materials, to the Client. Electronic mail is acceptable where appropriate, and the Client has authorized contact in this manner.

Trade Error Correction Procedures

On infrequent occasions, an error may be made in a Client account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, the Firm generally seeks to rectify the error by placing the Client account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation. Any losses resulting from error correction will be placed in HWM's error correction account. Any gains resulting from error correction will be credited to the Client's account.