



**MONTICELLO WEALTH MANAGEMENT, LLC**

1777 NE Loop 410  
Suite 200  
San Antonio, TX 78217  
Telephone: 210-736-7717

Website: [www.monticellowealth.com](http://www.monticellowealth.com)

IARD/CRD Number: 175346

**February 27, 2018**

**This brochure provides information about the qualifications and business practices of Monticello Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at 210-736-7717 or [Todd@monticellowealth.com](mailto:Todd@monticellowealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Monticello Wealth Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.**

**Additional information about Monticello Wealth Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Summary of Material Changes**

There have been material changes since the February 20, 2017 Form ADV Part 2 and 2b filed on the IARD system as follows:

We moved to Suite 200 on December 15, 2017.

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**Item 4: Advisory Business**

Monticello Wealth Management offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to Monticello Wealth Management rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Monticello Wealth Management setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”). Monticello Wealth Management has been registered as an investment adviser since July 2015 and is owned by Jefferson Bank.

While this brochure generally describes the business of Monticello Wealth Management, certain sections also discuss the activities of its Supervised Persons, which refer to Monticello Wealth Management’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on Monticello Wealth Management’s behalf and is subject to Monticello Wealth Management’s supervision or control. Monticello Wealth Management is a fiduciary and is required to act in a client’s best interest at all times.

**Financial Planning and Consulting Services**

Monticello Wealth Management offers clients a broad range of financial planning and consulting services, which may include any or all of the following functions:

- Cash Flow Forecasting
- Trust and Estate Planning
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving
- Distribution Planning

Currently these services are only rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, Monticello Wealth Management is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Monticello Wealth Management may recommend clients engage Monticello Wealth Management for additional related services and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage Monticello Wealth Management or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Monticello Wealth Management under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Monticello Wealth Management of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Monticello Wealth Management’s recommendations and/or services.

**Wealth Management Services**

Monticello Wealth Management provides clients with wealth management services which generally includes a broad range of comprehensive financial planning and

consulting services as well as discretionary and non-discretionary management of investment portfolios.

Monticello Wealth Management primarily allocates client assets among various mutual funds in accordance with their stated investment objectives. In addition, Monticello Wealth Management may also recommend that certain clients allocate some assets to independent investment managers (“Independent Managers”) for specialized management.

Where appropriate, Monticello Wealth Management may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Monticello Wealth Management to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Monticello Wealth Management directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product’s provider.

Monticello Wealth Management tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Monticello Wealth Management consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Monticello Wealth Management if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if Monticello Wealth Management determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Monticello Wealth Management’s management efforts.

Clients may wish to transfer into their managed account certain assets held elsewhere and continue to hold these assets without Monticello Wealth Management charging a fee or providing advice on these assets. These assets are considered “unmanaged” assets and will only be traded when Monticello Wealth Management receives specific trading instructions from the client to do so. These assets will not be reflected in any performance reports provided to the client since they are not considered a part of the managed portfolio and may not be consistent with Monticello Wealth Management’s investment philosophy. The Client will receive confirmations and statements showing all trading activity in the account(s).

### **Use of Independent Managers**

As mentioned above, Monticello Wealth Management may select certain Independent Managers to manage a portion of its clients’ assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Monticello Wealth Management evaluates a variety of information about Independent

Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, Monticello Wealth Management seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Monticello Wealth Management also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Monticello Wealth Management continues to provide services relative to the recommendation of the Independent Managers. On an ongoing basis, Monticello Wealth Management monitors the performance of those accounts being managed by Independent Managers. Monticello Wealth Management seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Monticello Wealth Management retains LWI Financial Inc. ("LWIF"), an independent third-party account administrator that is an SEC registered investment adviser to perform certain services such as account administration, portfolio allocation analysis, asset-class investment strategy, back-office fulfillment, report and statement production, and fee debiting. Such services are paid directly by Monticello Wealth Management.

LWIF may also sponsor educational seminars for the benefit of Monticello Wealth Management and its clients. Such educational seminars provide Monticello Wealth Management with access to information and ideas regarding practice development, client servicing, investment strategy, relationship management and financial planning. Attendance expenses associated with such educational seminars may be paid or reimbursed, either in whole or in part, by LWIF.

As of December 31, 2017, Monticello Wealth Management has \$319,166,188 of non-discretionary assets under management.

#### **Item 5: Fees and Compensation**

Monticello Wealth Management offers services for fees based upon assets under management or advisement.

##### **Wealth Management Fees**

Monticello Wealth Management offers wealth management services for an annual fee based on the amount of assets under the Monticello Wealth Management's management. This fee generally varies in accordance with the following blended fee schedule:

<b>Portfolio Value</b>	<b>Base Fee</b>
First \$1,000,000	0.95%
Next \$1,000,000	0.65%
Next \$3,000,000	0.50%
Above \$5,000,000	0.35%

The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by Monticello Wealth Management on the last day of the previous billing period.

If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is not adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services Monticello Wealth Management provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Monticello Wealth Management may negotiate a fee rate that differs from the range set forth above.

### **Fee Discretion**

Monticello Wealth Management may, in its sole discretion, negotiate to charge a lesser fee for clients and employees of Monticello Wealth Management's affiliated bank, Jefferson Bank, and/or based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

### **Additional Fees and Expenses**

In addition to the advisory fees paid to Monticello Wealth Management, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges will typically include margin costs, charges imposed directly by a mutual fund in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Monticello Wealth Management's brokerage practices are described at length in Item 12, below.

### **Direct Fee Debit**

Clients generally provide Monticello Wealth Management and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which Monticello Wealth Management retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Monticello Wealth Management. Alternatively, clients may elect to have Monticello Wealth Management send a separate invoice for direct payment.

### **Account Additions and Withdrawals**

Clients may make additions to and withdrawals from their account at any time, subject to Monticello Wealth Management's right to terminate an account. Additions may be in cash or securities provided that Monticello Wealth Management reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to Monticello Wealth Management, subject to the usual and customary securities settlement procedures. However, Monticello Wealth Management generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Monticello Wealth Management may consult with its clients about

the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Advice offered by Monticello Wealth Management may involve investment in mutual funds. Clients are hereby advised that all fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Further, there may be transaction charges involved with purchasing or selling of securities. Monticello Wealth Management does not share in any portion of the brokerage fees/transaction charges imposed by the custodian holding the client funds or securities. (See Item 12 Brokerage Practices) The client should review all fees charged by mutual funds, Monticello Wealth Management, and others, so that the total amount of fees to be paid by the client are fully understood. Clients have the option to purchase investment products that Monticello Wealth Management recommends through other brokers or agents that are not affiliated with us.

#### **Item 6: Performance-Based Fees and Side-by-Side Management**

Monticello Wealth Management does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

#### **Item 7: Types of Clients**

Monticello Wealth Management offers services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

#### **Minimum Account Requirements**

Monticello Wealth Management does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and billing practices from Monticello Wealth Management. In these instances, Monticello Wealth Management may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

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

##### **Methods of Analysis and Investment Strategies**

Monticello Wealth Management works with clients to determine their financial goals and objectives, time horizon and risk tolerance to establish a customized model portfolio. Generally a written investment plan is created for each client. The written plan includes the model portfolio to be used, a description of the investment methodology and a depiction of a wide range of expected returns over the long term to help set realistic client expectations.

Monticello Wealth Management's investment strategy is based on the well-documented premise that global financial markets are highly efficient and the primary factor affecting the variability of returns is asset allocation. Monticello Wealth Management primarily utilizes low-cost, institutional class mutual funds, that capture the returns of a broad mix of asset classes both domestic and non-domestic.

Academic research indicates the asset allocation mix is the primary determinant of



portfolio returns over time. Monticello Wealth Management's models are influenced by the research of Nobel Laureate and University of Chicago Professor Gene Fama and noted finance professor Ken French from Dartmouth.

In addition to publicly available research, Monticello Wealth Management has the benefit through its association with LWIF to access and utilize research provided by LWIF's Investment Committee. Nobel-Prize winning professor Harry Markowitz serves on the LWIF Investment Committee. In addition, Dimensional Fund Advisors, provides research papers to Monticello Wealth Management.

Monticello Wealth Management recommendations are generally designed as a long-term investment strategy. MWM clients usually have a long-term investment horizon of at least five to ten years and often much further. Monticello Wealth Management may, however, adjust its recommendations based upon the needs, objectives or preferences of the client. These adjustments based on a client's specific wishes may result in an asset allocation that is less than optimal relative to long term needs but are "behaviorally" acceptable to the client.

### **Risk of Loss**

#### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Monticello Wealth Management's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Monticello Wealth Management will be able to predict those price movements accurately or capitalize on any such assumptions.

#### *Mutual Funds*

An investment in a mutual fund involves risk, including the loss of principal. Mutual fund shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

#### *Use of Independent Managers*

As stated above, Monticello Wealth Management may select certain Independent Managers to manage a portion of its clients' assets. In these situations, Monticello Wealth Management continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to

successfully implement their investment strategies. In addition, Monticello Wealth Management generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

#### **Item 9: Disciplinary Information**

Monticello Wealth Management has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

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

This item requires investment advisers to disclose certain financial industry activities and affiliations. Monticello Wealth Management does not have any other financial industry activities or affiliations that need to be disclosed.

#### **Related Bank**

Monticello Wealth Management is under common control and shares the same office with Jefferson Bank, a family-owned bank that provides broad and diverse banking offerings to individuals and businesses. In the event a client requires banking services, Monticello Wealth Management may recommend Jefferson Bank. Monticello Wealth Management does not receive any portion of any compensation received by Jefferson Bank and does not receive a referral fee in connection with banking services that Jefferson Bank renders to Monticello Wealth Management clients. However, because of the common ownership and possible involvement by Monticello Wealth Management employees with the bank, there exists a conflict of interest to the extent that Monticello Wealth Management recommends the banking services of Jefferson Bank.

#### **Item 11: Code of Ethics**

Monticello Wealth Management has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. Monticello Wealth Management's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by Monticello Wealth Management or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of Monticello Wealth Management's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, Monticello Wealth Management's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with Monticello Wealth Management's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated.

When Monticello Wealth Management is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person will access to this information may knowingly effect for themselves or for their immediate family (*i.e.*, spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;

- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Monticello Wealth Management to request a copy of its Code of Ethics.

## **Item 12: Brokerage Practices**

### **Recommendation of Broker/Dealers for Client Transactions**

Monticello Wealth Management generally recommends that clients utilize the custody, brokerage and clearing services of Schwab Advisor Services™ ("Schwab") for investment management accounts.

Factors which Monticello Wealth Management considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Schwab may enable Monticello Wealth Management to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other Financial Institutions.

The commissions paid by Monticello Wealth Management's clients to Schwab comply with Monticello Wealth Management's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Monticello Wealth Management determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. Monticello Wealth Management seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Monticello Wealth Management periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

### **Software and Support Provided by Financial Institutions**

Monticello Wealth Management may receive without cost from Schwab computer software and related systems support, which allow Monticello Wealth Management to better monitor client accounts maintained at Schwab. Monticello Wealth Management may receive the software and related support without cost because Monticello Wealth Management renders investment management services to clients that maintain assets at Schwab. The software and support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The software and related systems support

may benefit Monticello Wealth Management, but not its clients directly. In fulfilling its duties to its clients, Monticello Wealth Management endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Monticello Wealth Management's receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits may influence Monticello Wealth Management's choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, Monticello Wealth Management may receive the following benefits from Schwab:

- Credits to be used toward qualifying third-party technology expenses;
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

### **Brokerage for Client Referrals**

Monticello Wealth Management does not consider, in selecting or recommending broker/dealers, whether Monticello Wealth Management receives client referrals from the Financial Institutions or other third party.

### **Directed Brokerage**

Clients must open a brokerage account with a Financial Institution in which Monticello Wealth Management has a relationship that allows it to purchase the securities it recommends on behalf of clients. Monticello Wealth Management is not affiliated with these Financial Institutions. Not all advisers require clients to direct brokerage to a particular Financial Institution.

### **Trade Aggregation**

Because Monticello Wealth Management primarily invests in open-end funds, transactions for each client generally will be effected independently and not combined or "batched."

If we make a trade error that results in a loss to a client, we will make the client whole. If we make a trade error that results in a gain to a client, and the gain can be attributed to a client, the client is entitled to keep the gain. If we make a trade error that results in a gain to a client and the gain cannot be attributable to a particular client, Schwab, and not Monticello Wealth Management, keeps the gain. In that case, if the gain is more than \$100, Schwab will donate the gain to charity. If the gain is less than \$100, Schwab will keep the gain to minimize and offset its administrative time and expense.

## **Item 13: Review of Accounts**

### **Account Reviews**

Monticello Wealth Management monitors client portfolios on a continuous and ongoing basis, accounts are typically rebalanced quarterly, and annual reviews with clients are ongoing. Such reviews are conducted by Monticello Wealth Management's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Monticello Wealth Management and to keep Monticello Wealth Management informed of any changes thereto. Monticello Wealth Management

contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### **Account Statements and Reports**

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Monticello Wealth Management and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Monticello Wealth Management or an outside service provider.

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

### **Client Referrals**

In the event a client is introduced to Monticello Wealth Management by either an unaffiliated or an affiliated solicitor, including employees of Jefferson Bank, Monticello Wealth Management may pay that solicitor a referral fee in accordance with applicable state securities laws. Any such referral fee is paid solely from Monticello Wealth Management's investment management fee and does not result in any additional charge to the client. If the client is introduced to Monticello Wealth Management by an unaffiliated solicitor, the solicitor is required to provide the client with Monticello Wealth Management's written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of Monticello Wealth Management is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of Monticello Wealth Management's written brochure(s) at the time of the solicitation.

### **Other Compensation**

Monticello Wealth Management is a consultant and general advisor to the General Partner on matters pertaining to the real estate business and the operation of a real estate fund. The General Partner shall pay the Consultant a consulting fee as a flat fee in two stages for the various duties performed.

## **Item 15: Custody**

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorize Monticello Wealth Management and/or the Independent Managers to debit client accounts for payment of Monticello Wealth Management's fees and to directly remit that those funds to Monticello Wealth Management in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which Monticello Wealth Management retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Monticello Wealth Management.

In addition, as discussed in Item 13, Monticello Wealth Management may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Monticello Wealth Management. Clients may have standing letters of authorization on

their accounts. The Firm has reviewed those relationships and determined that they meet the IAA no action letter seven conditions and do not trigger the surprise custody audit.

#### **Item 16: Investment Discretion**

Monticello Wealth Management does not exercise discretion on behalf of clients.

#### **Item 17: Voting Client Securities**

##### **Declination of Proxy Voting Authority**

Monticello Wealth Management generally does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact Monticello Wealth Management at the contact information on the cover of this brochure with questions about any such issuer solicitations.

#### **Item 18: Financial Information**

Monticello Wealth Management is not required to disclose any financial information due to the following:

- Monticello Wealth Management does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- Monticello Wealth Management does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- Monticello Wealth Management has not been the subject of a bankruptcy petition at any time during the past ten years.

#### **Confidentiality**

Protecting client privacy is very important to Monticello Wealth Management. Monticello Wealth Management views protecting its clients' private information as a top priority. Pursuant to the requirements of the Gramm-Leach-Bliley Act, Monticello Wealth Management has instituted policies and procedures to ensure that customer information is kept private and secure. Monticello Wealth Management does not disclose any non-public personal information about its clients or former clients to any nonaffiliated third parties, except as permitted by law. In the course of servicing a client account, Monticello Wealth Management may share some information with its service providers, such as, but not limited to, transfer agents, custodians, broker/dealers, accountants, and lawyers.

Monticello Wealth Management restricts internal access to non-public personal information about its clients to those employees who need to know that information in order to provide products or services to the client. Monticello Wealth Management maintains physical and procedural safeguards that comply with federal standards to guard a client's non-public personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be Monticello Wealth Management's policy never to sell information about current or former customers or their accounts to anyone. It is also Monticello Wealth Management's policy not to share information unless required to process a transaction, at the request of Monticello Wealth Management customer, or as required by law. A copy of Monticello Wealth Management's privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of the advisory agreement. Thereafter, Monticello Wealth Management will deliver a copy of the current privacy policy notice to its clients prior to changing its sharing practices.





# Monticello

## WEALTH MANAGEMENT

**Todd Brockwell**  
**Monticello Wealth Management, LLC**  
1777 NE Loop 410  
Suite 200  
San Antonio, TX 78217  
Telephone: 210-736-7717

Website: [www.monticellowealth.com](http://www.monticellowealth.com)

**CRD Number: 6711710**

**February 27, 2018**

**This brochure supplement provides information about Todd Brockwell that supplements the Monticello Wealth Management brochure. You should have received a copy of that brochure. Please contact Todd Brockwell, Chief Compliance Officer, at 210-736-7717 or [Todd@monticellowealth.com](mailto:Todd@monticellowealth.com) if you did not receive Monticello Wealth Management's brochure or if you have any questions about the contents of this supplement.**

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

## **ITEM 2 Educational Background and Business Experience**

**Todd Brockwell**

Year of Birth: 1967

Formal Education after High School: Texas A&M University, 1990, Bachelor of Business with a concentration in Accounting

Mr. Brockwell earned the Chartered Financial Analyst (CFA) designation in 2004. The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals. There are currently more than 90,000 CFA charterholders working in 135 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### **High Ethical Standards**

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

### **Global Recognition**

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment. Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

### **Comprehensive and Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession. To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

Business Background for the Previous Five Years:

Monticello Wealth Management, LLC, San Antonio, TX, President, 09/2016 to Present  
Brockwell Family Advisors, Consultant, 01/2016 – 09/2016



**ITEM 3 Disciplinary Information**

There are no legal or disciplinary events that are related to the above listed supervised person.

**ITEM 4 Other Business Activities**

The above listed supervised person does not have a pending application to register as a registered representative, an associated person of a futures commission merchant, a commodity pool operator, or a commodity trading adviser.

**ITEM 5 Additional Compensation**

None.

**ITEM 6 Supervision**

Todd Brockwell, Chief Compliance Officer and Managing Member, is responsible for monitoring the activities of Monticello Wealth Management's supervised persons. Mr. Brockwell's telephone number is 210-736-7717. Mr. Brockwell reviews all written client performance materials and newsletters prior to use. Monticello Wealth Management's supervised persons receive Monticello Wealth Management's Investment Adviser Supervisory Manual and Code of Ethics and are asked to annually certify to the understanding of the material. Through an electronic environment, Mr. Brockwell is able to review client information, including client statements.



# Monticello

## WEALTH MANAGEMENT

**Kyle G. Grest**  
**Monticello Wealth Management, LLC**  
1777 NE Loop 410  
Suite 200  
San Antonio, TX 78217  
Telephone: 210-736-7798

Website: [www.monticellowealth.com](http://www.monticellowealth.com)

**CRD Number: 6001706**

**February 27, 2018**

**This brochure supplement provides information about Kyle Grest that supplements the Monticello Wealth Management brochure. You should have received a copy of that brochure. Please contact Todd Brockwell, Chief Compliance Officer, at 210-736-7717 or [Todd@monticellowealth.com](mailto:Todd@monticellowealth.com) if you did not receive Monticello Wealth Management's brochure or if you have any questions about the contents of this supplement.**

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

## **ITEM 2 Educational Background and Business Experience**

**Kyle Grest**

Year of Birth: 1986

Formal Education after High School:

Trinity University, San Antonio, TX, Bachelor of Arts, Theoretical Economics/Mathematics, 2009

Post-Baccalaureate study in Economics, University of Vienna, Austria, 2009-2011

Mr. Grest earned the Chartered Financial Analyst (CFA) designation in 2017. The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals. There are currently more than 90,000 CFA charterholders working in 135 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

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Business Background for the Previous Five Years:

Monticello Wealth Management, LLC, San Antonio, TX, Senior Investment Advisor, 10/2017 to Present

US Trust, Bank of America Private Wealth Management, San Antonio, TX, Vice President/Portfolio Manager, 05/2014 – 10/2017

US Trust, Bank of America Private Wealth Management, Dallas, TX, Portfolio Manager Associate, 07/2013 – 05/2014

AXA Advisors, LLC, Portland, Oregon, Financial Professional/Registered Representative, 11/2011 – 06/2013

**ITEM 3 Disciplinary Information**

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None.

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