



Form ADV Part 2A: Firm Brochure

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This brochure provides information about the qualifications and business practices of Compton Wealth Advisory Group, LLC ("Compton Wealth"). If you have any questions about the contents of this brochure, please contact Mark Compton at 757-351-0741 or email mark@comptonwealth.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.

Throughout this brochure the words "we", "us" and "our" refer to Compton Wealth.

Additional information about Compton Wealth is also available on the SEC's website at: www.adviserinfo.sec.gov.

Item 2: Material Changes

Since Compton Wealth's filing of this Brochure in March of 2018:

- We have begun recommending all Clients use Charles Schwab & Co., Inc. as their custodians; and
- Our employees are no longer licensed as registered representatives of a broker-dealer.

For any questions regarding these changes please feel free to contact us at 757-351-0741.

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Item 4: Advisory Business

Compton Wealth was founded in 2009 and is wholly owned by Mark A. Compton. As of December 31, 2017, Compton Wealth had \$564,227,328 in assets under management on a discretionary basis.

Financial Planning

We provide a wide array of general personal financial planning services in addition to investments. Such services may include some or all of the following: Retirement, Educational, Insurance, and Estate Planning. We will prepare and present a financial plan, and will be available to help the client implement the recommendations.

Investment Advisory and Management Services

Our investment advisory and management services are provided on a discretionary and non-discretionary basis primarily managed by us or by third-party investment managers recommended by us.

We begin by helping clients identify their particular risk tolerances and investment objectives and then help clients select suitable investments or investment managers to help meet those risk tolerances and objectives. Investment manager selection includes an initial third-party investment manager due diligence, performance reporting and account monitoring, ongoing manager due diligence, and continuous client consultation. We provide ongoing investment advisory and management services that are tailored to the individual needs of the client. Account supervision is guided by the stated objectives of the client and any restrictions imposed by the client.

Item 5: Fees and Compensation

Financial Planning

In consideration of financial planning services provided by Compton Wealth, the Client will pay Compton Wealth an hourly fee of \$250 per hour with a minimum fee of \$2,500 for the agreed upon engagement. Prior to entering into an engagement, the Client and Compton Wealth will agree on the nature of services to be provided and a good faith estimate of the fee for the completion of the engagement. The financial planning services fees generally may be negotiable at the discretion of Compton Wealth. At Compton Wealth's discretion, any fee paid related to investment services may be applied to financial planning services.

The client shall pay us within 30 days from the date of the invoice or upon presentation of the written financial plan. A client may cancel the financial planning agreement and receive a full refund if we are notified within five business days after signing an agreement. If cancellation

occurs thereafter, the client is responsible only for expenses incurred to that point. In such an event, an itemized invoice will be provided documenting the expenses that have been incurred.

Investment Advisory and Management Services

For investment advisory and/or management services our clients typically pay an annual fee based on a percentage of assets under management based on the following schedule, subject to a minimum fee of \$2,500.

Assets Under Management	Annual Fee
Less than \$250,000	1.50%
\$250,000 to \$500,000	1.25%
\$500,000 to \$1 million	1.00%
\$1 million to \$1,999,999	0.95%
\$2 million to \$2,999,999	0.90%
\$3 million to \$3,999,999	0.85%
\$4 million to \$4,999,999	0.80%
\$5 million to \$9,999,999	0.75%
\$10 million to \$24,999,999	0.65%
\$25 million to \$50 million	0.50%
More than \$50 million	0.40%

Compton Wealth charges fees quarterly in arrears based on the average market value of all assets in client's account during each calendar quarter. The account value upon which the fee is based will include the current fair market value of all your investments managed by Compton Wealth. The average market value is calculated using the end of day values on the last trading day of each month in the quarter. Most clients authorize Compton Wealth to deduct fees automatically from their brokerage accounts, but clients may request that Compton Wealth send quarterly invoices to be paid by check. If a client terminates the investment management agreement with Compton Wealth in the middle of a billing period, Compton Wealth will either deduct fees automatically from the client's account or send an invoice to the client for an amount that is pro-rated based on the number of days that the account was managed during that quarter. The client must provide notice of termination in accordance with the terms of the investment advisory agreement.

Clients may also be subject to other fees including account maintenance fees, custodial fees, and transaction charges in addition to the fees outlined above. A schedule of the fees charged will be provided with the account application. In addition to the program fees, clients may also incur the management fees and any other expenses of any mutual funds or other investment vehicles that we select for a client's portfolio. Since these fees and expenses are typically deducted directly from the investment vehicle, they are not necessarily obvious to shareholders but they represent a real cost to our clients.

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

We do not charge any performance fees. Some investment advisers experience conflicts of interest in connection with the side-by-side management of accounts with different fee structures. However, these conflicts of interest are not applicable to us.

Item 7: Types of Clients

We primarily provide customized investment management services to high-net-worth individuals and associated trusts, estates, and other legal entities. We do not impose a minimum account size to become an advisory client; however certain third-party investment managers that we recommend may require a minimum amount of investable assets to open and maintain an account. All clients are subject to a minimum annual fee of \$2,500.

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

Methods of Analysis and Investment Strategies Generally

During the initial meetings with prospective clients, we explain our services offered, compensation, and define each other's responsibilities. We also discuss how long the relationship will last and how to make decisions. Both parties will determine if working together makes sense, and all necessary disclaimers will be made.

If the client decides to engage our firm, we will discuss their current financial situation and gather all necessary documents. Together we define their goals and objectives; retirement goals, income needs, education funding for children and grandchildren, family legacy or estate planning concepts, charitable gifting, tax considerations, and investment risk tolerance.

After the client provides the required information and documents, Compton Wealth will analyze their situation to identify strategies that are believed to be in the best interest of meeting the client's goals and objectives. These strategies are discussed with the client prior to implementation to be sure the client understands the strategies, are comfortable with the strategies, and agrees with the recommendations. At this stage, we discuss any concerns the client may have and revise the recommendations if necessary.

If the client agrees with the recommended strategies: we begin the implementation process; open new investment accounts or change existing account information to reflect Compton Wealth as the financial advisor; and make changes to reflect the proposed course of action.

Once we have finished with planning and implementing, we enter the monitoring phase of the relationship. We meet regularly with the client to track their progress toward accomplishing their goals and objectives. Clients are also provided quarterly account statements from Charles Schwab & Co., Inc. ("Schwab"). Our services are ongoing until either party chooses to terminate the relationship.

Third-Party Investment Managers

Compton Wealth may recommend Clients use the investment advisory services of professional portfolio management firms for the individual management of client accounts. Compton Wealth will assist Clients in identifying a third party portfolio manager (Portfolio Manager). The Portfolio Manager manages client's assets on a discretionary basis. Compton Wealth will provide initial and ongoing assistance regarding the Portfolio Manager selection process. The Portfolio Manager may have a minimum account value (e.g., \$100,000) that is required for a Client to invest with them.

Risks

The description below is an overview of the risks entailed in our investment strategies and is not intended to be complete. All investing involves the risk of loss and the investment strategy offered by us could lose money over short or long periods. Performance could be hurt by a number of different market risks including but not limited to:

Stock Market Risk: Stock market risk, which is the chance that stock prices overall will decline. An investment in individual securities or in a portfolio of securities could lose money. We cannot give any guarantee that we will achieve the client's investment objectives or that any client will receive a return of their investment. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Alternative Strategy Mutual Funds: Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values, interest rates and price volatility because of the fund's concentration in the real estate industry.

Exchange-Traded Funds ("ETFs"): ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities are not registered as an investment company.

Leveraged and Inverse ETFs, ETNs and Mutual Funds: Leveraged ETFs, ETNs and mutual funds, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally

correspond to the underlying index, they may not be able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re-setting of returns within the product may add to the underlying costs and increase the tracking error. As a result, this may prevent these products from achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored, as frequently as daily, and may not be appropriate as an intermediate or long-term holding. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds.

Cybersecurity: Compton Wealth and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. A cybersecurity breach could expose both Compton Wealth and its clients to substantial costs (including, without limitation, those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse client reaction, the dissemination of confidential and proprietary information and reputational damage), civil liability as well as regulatory inquiry and/or action. While Compton Wealth has established a business continuity plan in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cybersecurity breaches, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified.

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 a client's evaluation of the adviser or the integrity of the adviser's management. Neither we nor any of our personnel have been involved in any legal or disciplinary events in the past 10 years that would require disclosure in response to this Item.

Item 10: Other Financial Industry Activities and Affiliations

Our employees may be licensed as insurance agents and receive commission when selling insurance products. The receipt of commissions on the sale of insurance products may create an incentive for the employee to recommend insurance products to clients. Whether or not to use the insurance services is at the discretion of the client. To the extent that advisory clients use the

insurance services from or through our employees, commissions will be paid to them as an appropriately licensed agent. Clients are advised that similar insurance services are available elsewhere.

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

We have adopted a written Code of Ethics (“Code”) that is applicable to all employees. Among other things, the Code requires our employees to act in the clients’ best interests, abide by all applicable regulations, avoid even the appearance of insider trading and pre-clear and report on many types of personal securities transactions. Our restrictions on personal securities trading apply to employees, as well as employees’ family members living in the same household. A copy of our Code is available upon request by contacting Mark Compton at 757-351-0741.

Our employees are generally permitted to trade alongside client accounts as long as they receive the average price that is applicable to clients and pay their share of any transaction costs. However, no employees are allowed to participate in partially filled orders until all clients’ orders have been filled. The Chief Compliance Officer monitors employee trading, relative to client trading, to ensure that employees do not engage in improper transactions.

Item 12: Brokerage Practices

For most clients, Compton Wealth recommends the establishment of brokerage accounts with Schwab a FINRA-registered broker-dealer, members SIPC, to maintain custody of clients’ assets and to effect trades for their accounts. We consider a wide range of factors in deciding which broker/custodian to recommend, including:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, etc.)
- breadth of investment products made available (mutual funds, ETFs, etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of Schwab
- availability of other products and services that benefit us, as discussed below (see *Products and Services Provided by Schwab* below)

Products and Services Provided by Schwab

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like Compton Wealth. Schwab provides Compton Wealth and its clients with access to its institutional brokerage - trading, custody, reporting, and related services—many of which are not typically available to retail customers. Schwab also makes available various support services. Some of those services help Compton Wealth manage or administer clients' accounts, while others help Compton Wealth manage and grow its business.

The following is a more detailed description of Schwab's support services:

Services that Benefit Clients

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which Compton Wealth might not otherwise have access or that would require a significantly higher minimum initial investment by Compton Wealth's clients.

Services that May Not Directly Benefit Clients

Schwab also makes available other products and services that benefit Compton Wealth but may not directly benefit clients. These products and services assist Compton Wealth in managing and administering Compton Wealth's Clients' accounts. Schwab includes investment research, and that of third parties. Compton Wealth may use this research to service all or a substantial number of its clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also purchases, reimburses or makes available benefits, software, and other technology that:

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

Services that Generally Benefit Only Compton Wealth

Schwab also offers other services intended to help Compton Wealth manage and further develop its business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession

Schwab may provide some of these services themselves. In other cases, they will arrange for third-party vendors to provide the services to Compton Wealth. Schwab may also discount or waive their fees for some of these services or pay all or a part of a third party's fees.

Compton Wealth's Interest in Schwab's Services

The availability of these services from Schwab benefits Compton Wealth because Compton Wealth does not have to produce or purchase them. Compton Wealth does not have to pay for Schwab's services so long as Compton Wealth's clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. Beyond that, these services are not contingent upon Compton Wealth committing any specific amount of business to Schwab in trading commissions or assets in custody.

The \$10 million minimum may give Compton Wealth an incentive to recommend that clients maintain accounts with Schwab, based on Compton Wealth's interest in receiving Schwab's services that benefit Compton Wealth's business rather than based on clients' interests in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. Compton Wealth believes, however, that its recommendation of Schwab, when appropriate, as custodian and broker is in the best interests of clients. Compton Wealth's recommendation is primarily supported by the scope, quality, and price of Schwab's services. Compton Wealth does not believe that recommending clients to collectively maintain at least \$10 million of those assets at Schwab in order to avoid paying Schwab quarterly service fees presents a material conflict of interest.

Transactions for client's accounts that we have discretionary trading authority may be effected either independently or aggregated. The blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple clients' accounts. Block trading may allow us to execute trades in a more timely and equitable manner.

Directed Brokerage

As noted above, Compton Wealth generally recommends the establishment of brokerage accounts with Schwab to maintain custody of clients' assets and to effect trades for their accounts.

If you have instructed Compton Wealth to execute any or all securities transactions for your account with or through one or more brokers, you represent and warrant that you have negotiated the terms and conditions (including, but not limited to, commission rates) relating to all services provided by such brokers and that you are satisfied with such terms and conditions. We shall not have any responsibility for obtaining for your account from any such broker the best prices or any particular commission rates for transactions with or through any such designated broker. You recognize that you may not obtain rates as low as it might otherwise obtain if we had discretion to select broker/dealers other than those you chose. You further agree that if we believe, in our exclusive discretion, that we cannot satisfy our fiduciary duty of best execution by executing a securities transaction for your account with a broker designated by you, we may execute that securities transaction with a different broker. You shall promptly inform Compton Wealth in writing if you desire that we cease executing transactions with or through any such designated broker.

Best Execution Reviews

As a fiduciary, we seek to obtain best execution in all securities transactions. However, this does not mean that we will always obtain the best possible price or the lowest commission. On at least an annual basis Compton Wealth's Chief Compliance Officer evaluate the pricing and services offered by Schwab and other trading counterparties with those offered by other reputable firms. Compton Wealth has sought to make a good-faith determination that Schwab and other chosen trading counterparties provide clients with good services at competitive prices. However, clients should be aware that this determination could have been influenced by Compton Wealth's receipt of products and services from Schwab.

Item 13: Review of Accounts

We review the performance of managed accounts on a continuous, ongoing basis. On a quarterly basis, we review the account's rebalancing activity, review the fees charged to the account, review trading in the account against any client-directed restrictions, and review the performance of the account. We meet with the client upon request and review any changes in their financial goals or profile which would require any changes in their asset allocation.

Clients receive account statements directly from the custodian on at least a quarterly basis.

Item 14: Client Referrals and Other Compensation

We do not compensate any person or company for client referrals nor do we offer or receive sales awards or prizes for providing investment advice to clients.

Item 15: Custody

All clients' accounts are held in custody by unaffiliated broker/dealers or banks, but Compton Wealth can access many clients' accounts through its ability to debit advisory fees. For this reason Compton Wealth is considered to have custody of client assets. You will receive account statements directly from the custodian(s) holding your account assets no less than quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review these statements, and should compare these statements to any account information provided by us. Please note that the custodians' account statement serves as your permanent record of your assets held with each custodian.

Item 16: Investment Discretion

Compton Wealth typically has investment discretion over all clients' accounts. For accounts handled on a discretionary basis, we typically have the authority to determine the securities to be

bought and sold without obtaining client consent to specific transactions subject to any reasonable restrictions placed by the client. Clients grant Compton Wealth trading discretion through the execution of a limited power of attorney included in Compton Wealth's advisory contract.

Item 17: Voting Client Securities

As a matter of policy, we disclaim any responsibility for voting client securities. Clients may contact us for advice or information about a particular proxy vote but we do not exercise proxy voting authority over client securities and should not be designated by custodians as the party to receive information on voting client proxies. The obligation to vote client proxies rests with the client.

Item 18: Financial Information

A balance sheet is not required to be provided as Compton Wealth (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.