

**FORM ADV Uniform Application for Investment Adviser  
Registration**

**Part 2A: Investment Adviser Brochure**

Item 1 Cover Page

**Liberty Wealth Management, LLC**

411 30<sup>th</sup> St Second Floor Oakland, CA 94609

Phone: (510) 658-1880

Fax: (510) 658-1886

CRD # 286001

[www.libertygroupllc.com](http://www.libertygroupllc.com)

December  
2017

*This brochure provides information about the qualifications and business practices of Liberty Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. 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. Please note, where this brochure may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training. Additional information about the firm and its representatives is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)*

## ***Item 2: Material Changes***

This disclosure brochure represents the most up-to-date information regarding Liberty Wealth Management, LLC (“LWM” or “Liberty Group”). This is the initial ADV Part 2 being submitted for registration with the SEC.

### ***Item 3: Table of Contents***

Part 2A: Investment Adviser Brochure .....	1
Item 1: Cover Page .....	1
Item 2: Material Changes .....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business .....	4
Item 5: Fees and Compensation .....	6
Item 6: Performance-based Fees and Side-by-Side Management .....	8
Item 7: Types of Clients .....	8
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss .....	8
Item 9: Disciplinary Information .....	10
Item 10: Other Financial Industry Activities and Affiliations .....	10
Brokerage Affiliations .....	10
Affiliations .....	10
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	10
Code of Ethics .....	10
Participation or Interest in Client Transactions .....	11
Personal Trading .....	11
Item 12: Brokerage Practices .....	11
Soft Dollar Arrangements - Research .....	<b>Error! Bookmark not defined.</b>
Item 13: Review of Accounts .....	14
Item 14: Client Referrals and Other Compensation .....	14
Item 15: Custody .....	14
Item 16: Investment Discretion .....	15
Item 17: Voting Client Securities .....	15
Item 18: Financial Information .....	15

#### ***Item 4: Advisory Business***

Successor firm to one established in 1999 by firm President David Hollander, Liberty Wealth Management, LLC (“LWM” or “Liberty Group”) provides portfolio and asset management services to individuals, pensions, profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. The firm’s asset management services are rendered via a variety of programs including one-on-one consultation as well as third party asset management.

The firm is also a licensed insurance brokerage/agency with a variety of state licensing authorities. The firm is owned and operated by Mr. Hollander as President. Questions about the firm and its representatives may be directed to Mr. Hollander or Ron Guidi, Chief Compliance Officer.

#### **Investment Supervisory Services**

LWM’s services include consulting with each client about their financial needs; selecting, purchasing and selling securities for their accounts; monitoring same; and providing appropriate reporting as to asset holdings and valuation. The firm develops a client’s investment plan and creates and manages a portfolio based on that plan. The plan is established through personal discussions with the client where their particular goals and objectives are discussed in detail.

The financial planning is part of the investment management service provided to the client and does not require that the client use or purchase of the brokerage or insurance products or other products and services offered by the associated persons and/or the affiliates of the Advisor. There is an inherent conflict of interest for the Advisor whenever a financial plan recommends use of the purchase of brokerage or insurance products or other financial products or services. The Advisor or its associated persons may receive compensation for the provision of investment management services and/or the sale of brokerage and/or insurance and other products and services. The Advisor does not make any representation that these products and services are offered at the lowest available cost and the client may be able to obtain the same products or services at a lower cost from other providers. However, the client is under no obligation to accept any of the recommendations of the Advisor or use the services of the Advisor in particular.

LWM may manage accounts directly or use the services of a third party investment manager. For accounts managed directly, Liberty Group may manage these accounts on a discretionary or a non-discretionary basis, depending on the client’s preference. This preference is also reflected within the client’s investment management agreement. For those accounts managed on a discretionary basis, LWM holds a limited trading authorization.

When appropriate to the needs of the client, Liberty Group may recommend the use of trading (securities sold within 30 days), margin transactions or option writing as investment strategies. Because these investment strategies involve a certain degree of risk, they will only be recommended when consistent with the client’s stated tolerance for risk.

#### **Access to Third-Party Investment Manager(s)**

LWM also provides access to certain third-party investment managers through its Third-Party

---

Manager Program. In conjunction with their investments adviser, clients will select a third-party investment manager who responsible for determining which securities to purchase and sell for the account, subject to restrictions imposed by the client. Accounts managed by third-party investment managers are typically managed on a discretionary basis in which the third-party manager has a limited trading authorization for the account. Such authority and any limitations therein are reflected within a Third-Party Manager Program Agreement. In these cases, LWM does not normally hold discretion over accounts managed by third- party investment managers.

The Third-Party Manager Program includes managers with a wide variety of investment strategies, some of which may carry a higher degree of risk. Such higher risk strategies are not intended for all investors and Clients should review the offering memorandum and/or ADV Part 2A of the third party manager for a complete disclosure of their services and corresponding risk.

---

### **Affiliated Brokerage & Insurance Services**

LWM is under common control with Liberty Group, LLC, a registered broker dealer. Due to this affiliation, individuals representing the firm may serve in two distinct capacities. As investment adviser representatives, these individuals are subject to fee-based compensation for their advisory based service offerings. As registered representatives (of the broker-dealer), these same representatives may receive commission-based compensation for any securities transactions implemented on behalf of brokerage client accounts. Clients should note that these representatives may also be licensed to sell various insurance products for commission-based compensation. Registered representatives do not receive advisory fees and commissions in advisory accounts.

Where the receipt of both advisory fees and commission-based compensation is a conflict of interest, the firm mitigates this conflict through its capacity as a fiduciary to advisory clients and the firms supervision of the representatives activities. Representatives are supervised to ensure that such sales are made according to those guidelines established within the firm's Code of Ethics. Please see Item 11 for further information related to the Code of Ethics.

### **Independent Investment Advisers**

Certain registered representatives and/or investment adviser representatives of Liberty Group may serve in an additional capacity as investment adviser representatives of other, separately registered investment advisers. These individuals may provide investment advice through programs that are described within the disclosure documents provided by these independent investment advisers.

The affiliated broker dealer may execute trades on behalf of accounts participating in the programs offered by such independent advisers. However, Liberty Group does not act in the capacity as an investment adviser for these accounts and is not responsible for the advice or services provided by these independent investment advisers and the advisory programs they offer.

### **Investment Workshops and Seminars**

Liberty Group also conducts group educational workshops on various investment topics for a fee. The amount of the fee is determined on a case-by-case basis depending on the cost of the workshop

---

materials, location, and other related expenses of conducting the workshop. The information provided in these workshops is not designed to meet the individual objectives or needs of each attendee.

### **Wrap Fee Program**

The Adviser does not currently act as a sponsor or adviser to a WRAP program.

### **Tailored Relationships**

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Any conflicts of interest arising out of the Adviser's or its associated persons are disclosed in this brochure.

### **Assignment of Investment Management Agreements**

Agreements may not be assigned without client consent.

#### **Principal Owners**

Dan Hollander owns 100% of the stock of the Adviser.

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

### **Fees for Investment Supervisory Services**

Annual fees for investment supervisory services are negotiable and will vary based on the specific investment program chosen, client needs and investment requirements. Fees will generally range between 0.75% and 2.00%, for most clients. A minimum of \$10,000 in assets under management is required of each account, however smaller accounts may be accepted based on management discretion (e.g., smaller accounts may be aggregated to meet minimums for overall client relationships). LWM will quote an exact percentage to each client based on both the nature and total dollar value of that account.

For clients who choose to have an direct managed account, fees are charged quarterly, in arrears, and based on a percentage of the assets under management at the end of the quarter (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance) on tiered basis; i.e., as the portfolio value reaches various thresholds, set forth below, the assets above each threshold will be charged successively lower percentages.

For clients who choose a Third Party Manager, fees are charged quarterly in advance and based on a percentage of assets under management as of the last day of the preceding quarter. Fees are also calculated on a tiered basis for these accounts.

Based on specific client requirements or for certain portfolio strategies, the manager may choose to charge a flat percentage rate rather than a tiered rate. Specific billing arrangements will be detailed in the clients' Investment Management Agreement.

---

### **Fee Sharing**

When third-party advisers have been selected to manage client accounts, LWM will engage the third-party advisor as a sub-advisor to the account. As such, LWM will share a percentage of the advisory fees paid by the client to the independent adviser.

### **Hourly Fees**

LWM may provide financial planning services for hourly fees at rates to be negotiated with the client.

### **Other Fees**

The client will likely incur fees from brokerages, custodians, administrators and other service providers. These fees are incurred as a result of managing a client account and are charged by the service provider. The amount and nature of these fees is based on the service provider's fee schedule(s) at the provider's sole discretion. These fees are separate and distinct from any fees charged by the Adviser.

The Adviser or the sub-advisors selected by the Adviser may include mutual funds, variable annuity products, ETFs, and other managed products or partnerships in clients' portfolios. Clients may be charged for the services by the providers/managers of these products in addition to the management fee paid to the Adviser. The Adviser, from time to time, may select or recommend to separately managed clients the purchase of proprietary investment products. To the extent the client's separately managed portfolio includes such proprietary products, the Adviser will adjust the client's fee associated with the client's separately managed account. The fees and expenses charged by the product providers are separate and distinct from the management fee charged by the Adviser. These fees and expenses are described in each mutual fund's or underlying annuity fund's prospectus or in the offering memorandums of a partnership. These fees will generally include a management fee, other fund expenses and a possible distribution fee. No-load or load waived mutual funds may be used in client portfolios so there would be no initial or deferred sales charges; however, if a fund that imposes sales charges is selected, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund or variable annuity or investment partnership directly, without the services of the Adviser. Accordingly, the client should review both the fees charged by the funds and the applicable program fee charged by the Advisor to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

If it is determined that a client portfolio shall contain corporate debt or other types of over the counter securities, the client may pay a mark-up or mark-down or a "spread" to the broker or dealer on the other side of the transaction that is built into the purchase price of the security.

Affiliated entities may provide brokerage, insurance and legal services to clients of the Adviser for which they charge a fee to the client. Recommending clients use these services is a conflict of interest but the client is not required to use the affiliated firm services and may only purchase services of the Adviser. The client may obtain these services from other providers at possibly a lower cost.

---

### **Conflict of Interest Between Different Fee Structures**

The Adviser offers several different services detailed in this brochure that compensate the Adviser differently depending on the service selected. There is a conflict of interest for the Adviser and its associated personnel to recommend the services that offer a higher level of compensation to the Firm through either higher management fees or reduced administrative expenses. The Adviser mitigates this conflict through its procedures to review client accounts relative to the client or investors personal financial situation to ensure the investment management service provided is appropriate. Further, the Adviser is committed to its obligation to ensure associated persons adhere to the Firm's Code of Ethics and to ensure that the Firm and its associated persons fulfill their fiduciary duty to clients or investors.

### **Account Termination**

A client agreement may be canceled at any time, by either party, for any reason, upon receipt of 30 days written notice. For accounts billed in *advance*, if LWM serves for less than a complete billing period, its fees will be calculated and refunded on a pro rata basis for the portion of the billing period for which it served as investment adviser to the client. For accounts billed in *arrears*, clients will be calculated and payable on a pro rata basis for the portion of the billing period for which it served as investment adviser.

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

LWM does not charge performance based fees, i.e., the fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

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

LWM provides portfolio management services to individuals, pensions, profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. The firm's asset management services are conducted through a variety of programs including one-on-one consultation, third party asset management and managed accounts.

### **Account Minimums**

The minimum account size is \$10,000 of assets under management which equates to an annual fee of \$200.00. When an account falls below \$10,000 in value, the minimum annual fee of \$200.00 is charged. The Adviser has the sole discretion to waive the account minimum. Accounts of less than \$10,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to the agreed amount within a reasonable time.

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

LWM employs several methods of analysis and sources of information with respect to its investment management and financial planning strategies. These methods of analysis include the following:



- **Charting:** Charting consists of preparing a technical analysis using diagrams to illustrate various patterns or progressions in market or account movement.
- **Fundamental:** Fundamental analysis is a general assessment based upon various factors including sale price, asset value, market structure, and history.
- **Technical:** Technical analysis utilizes various software models and time weightings to determine best pricing, forecast, and overall value. Such analysis may use charts, graphs, and formulas to better demonstrate activity.

The firm's main sources of information include a variety of market-based research materials, including some provided by third party sources. This information includes market commentary and specific securities analysis.

The firm's investment strategies include the following;

- Long/short term purchases
- Margin transactions
- Option writing-covered/uncovered/spread strategies
- Trading
- Short Sales

In conducting the analysis of securities, the firm uses a number of tools, including commercially available software technology, securities rating services, general market and financial information, due diligence reviews and specific investment analysis requested by the client. The principal sources of information include commercially available investment services, financial newspapers, various reports of mutual fund performance, prospectuses, and various financial and business magazines, periodicals and issuer-prepared information, including filings with the Securities and Exchange Commission and financial statements.

LWM may also use outside consultants in certain circumstances to provide expertise as to particular areas of information or analysis. LWM's investment strategies used to implement its investment advice include the purchase or sale of specific securities and non-securities products and/or, in certain circumstances, the recommendation as to the retention by the client of a separate account manager.

LWM's advice is primarily based upon long term investment strategies that incorporate the principles of modern portfolio theory. LWM's investment approach is firmly rooted in the belief that markets are "efficient", and that investors' returns are determined principally by asset allocation decisions, not market timing or stock picking. LWM develops diversified portfolios, primarily through the use of less actively managed, asset class mutual funds that are available generally to institutional investors and clients of a network of carefully selected advisers and separate account managers who follow a disciplined asset class investment approach.

Please note, that investing in securities involves a certain amount of risk of loss that clients should be prepared to bear. Where short term trading methods are employed, the cost of more frequent trades can often incur more expense than that of a more conservative or long term purchase approach.

Questions regarding these risks and/or increased costs may be directed to the applicable investment adviser representative at LWM.

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

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

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

#### **Brokerage Affiliations**

Associated persons of the Adviser are registered representatives of a broker dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor. Through its broker dealer operations/registered representatives may provide brokerage services to clients of the Adviser to conduct directed trading activity for which the registered representatives receive compensation according to the commission schedules of the broker dealer. When effecting brokerage transactions, registered representatives are not permitted to exercise full discretionary authority on behalf of brokerage clients. That associated personnel of the Firm are affiliated with a broker dealer is a conflict in interest in that associated personnel receive commissions on brokerage transactions in addition to compensation they receive as an employee of the Adviser. However, clients of the Adviser are not required to use the brokerage services offered by the registered representatives associated with the Adviser. The Adviser does not make any representation that the brokerage services are at the lowest cost available and clients may be able to obtain those services and/or products at a more favorable rate from other brokerages.

#### **Affiliations**

The Adviser has arrangements that are material to its advisory or its clients with a related person who is another investment advisor and has an arrangement with an insurance company or agency. Adviser or its related personnel's affiliation with another investment advisors, a law firm and insurance companies/agencies is a conflict of interest as the Adviser or related personnel receive compensation for its activities in those areas. However, clients of the Adviser are not required to use the other investment adviser, the law firm or insurance services offered by the Adviser associated persons of the Adviser. The Adviser does not make any representation that these services are at the lowest cost available and clients may be able to obtain those services and/or products at a more favorable rate from other service providers.

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

#### **Code of Ethics**

The Adviser has adopted a Code of Ethics which establishes standards of conduct for its supervised persons. The Code of Ethics includes general requirements that such supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among

---

other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to report their personal securities transactions and holdings quarterly to the Adviser's Compliance Officer, and requires the Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the Adviser's Compliance Officer. Each supervised person of the Adviser receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during that year. Clients and prospective clients may obtain a copy of the Adviser's Code of Ethics by contacting the Compliance Officer of the Adviser.

### **Participation or Interest in Client Transactions**

Under the Adviser's Code of Ethics, the Adviser and its managers, members, officers and employees may invest personally in securities of the same classes as are purchased for clients and may own securities of the issuers whose securities are subsequently purchased for clients. If an issue is purchased or sold for clients and any of the Adviser, managers, members, officers and employees on the same day purchase or sell the same security, either the clients and the Adviser, managers, members, officers or employees shall receive or pay the same price or the clients shall receive a more favorable price. The Adviser and its managers, members, officers and employee may also buy or sell specific securities for their own accounts based on personal investment considerations, which the Adviser does not deem appropriate to buy or sell for clients.

### **Personal Trading**

The Chief Compliance Officer of the Adviser is Ron Guidi. He reviews all employee trades each quarter (except for his own trading activity that is reviewed by another principal or officer of the Firm. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment.

## ***Item 12: Brokerage Practices & Soft Dollars***

The Adviser has the authority over the selection of the broker to be used and the commission rates to be paid without obtaining specific client consent. The Adviser may recommend brokerage firms as qualified custodians and for trade execution. The Adviser does not receive fees or commissions from any of these arrangements.

In selecting brokers or dealers to execute transactions, Advisor will seek to achieve the best execution possible but this does not require it to solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Advisor is not required to negotiate "execution only" commission rates, thus the client may be deemed to be paying for research and related services (i.e., "soft dollars") provided by the broker which are included in the commission rate. Research and related services furnished by brokers may include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; statistical and pricing services, as well as discussions with research personnel, along with hardware, software, data bases and other technical and telecommunication services and equipment utilized in the investment management process. It is the policy and practice of the Adviser to strive for the best price and execution for costs and discounts which are competitive in relation to the value of the transaction

---

and which comply with Section 28(e) of the Securities Exchange Act of 1934, as amended. Nevertheless, it is understood that the Adviser may pay compensation on a transaction in excess of the amount of compensation that another broker or dealer may charge so long as it is in compliance with Section 28(e), and the Adviser makes no warranty or representation regarding compensation paid on transactions. In negotiating mark-ups or mark-downs, the Adviser will take into account the financial stability and reputation of brokerage firms and the brokerage and research services provided by such brokers, although the client may not, in any particular instance, be the sole direct or indirect beneficiary of the research services provided. The Adviser has no obligation to deal with any broker or group of brokers in executing transactions in portfolio securities.

Custodians may provide, at no additional charge, certain research and brokerage services as selected by LWM. These research and brokerage services presently include services such as providing transition dollars and are used by LWM to manage accounts for which LWM has investment discretion. As a result of receiving such services for no additional cost, LWM may have an incentive to continue to use or expand the use of these custodian's services. This conflict of interest as clients may incur higher costs due to these services. LWM is committed to seeking best execution for trading and services but the determinative factor is not the lowest possible cost and also includes the financial stability of the custodian and its overall ability to service the clients of the Adviser. Accordingly, although LWM will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions.

### **Order Aggregation**

The Adviser may purchase and/or sell the same security for many accounts, even though each Client account is individually managed. When possible, the Adviser may also aggregate the same transaction in the same securities for many Clients for whom the Adviser has discretion to direct brokerage. Clients in aggregated transactions each receive the same price per unit, although they may pay differing brokerage commissions depending upon the nature of their directed brokerage arrangement, if any.

If more than one price is paid for securities in an aggregated transaction, each client in the aggregated transaction will receive the average price paid for the block of securities in the same aggregated transaction for the day. If the Adviser is unable to fill an aggregated transaction completely, but receives a partial fill of the aggregated transaction, the Adviser will allocate the filled portion of the transaction to clients based on an equitable rotational system as follows:

- The Adviser must ensure that adequate and full disclosure of its allocation and bunching practices has been made prior to the transaction.
  - All clients/investors, accounts or funds participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rata basis.
  - Aggregate transactions must not be executed unless the intended and resultant aggregation is consistent with its duty to seek best execution and any terms found in the Adviser's written agreements.
  - Aggregated orders filled in their entirety shall be allocated among clients/investors, accounts or funds in accordance with an allocation statement created prior to the execution of the transaction(s); partially filled orders shall be allocated pro-rata based on the allocation statement and the variance from the modeled allocation of a security. Where this method prescribes an odd-
-

lot that is less than 100 shares for an account, the allocation will be rounded up to a whole lot. Client/investor funds held collectively for the purpose of completing the transaction may not be held in this commingled manner for any longer than is practical to settle the transaction.

- Each client/investor, account or fund that participates in an aggregated order will participate at the average share price for all the Adviser's transactions in that security on a given business day, with transaction costs shared pro-rata based on each client/investor's, account's or fund's participation in the transaction.
- Investments resulting from any aggregated order must be consistent with the specific investment objective(s) of each client/investor, account or fund as detailed in any written agreements. No additional compensation shall result from the proposed allocation. No Client/investor, account or fund will be favored over any other Client/investor, account or fund as a result of the allocation.
- Pre-allocation statement(s) specifying the participating Client/investor accounts and the proposed method to allocate the order among the clients/investors, accounts or funds are required prior to any allocated order. Basis for establishing pre-allocations may include pro-rata of account assets to assets for the specific strategy, executing broker and variance from modeled position holding as factors. Should the actual allocation differ from the allocation statement, such trade may only be settled with the approval of the CCO or another appropriately qualified and authorized principal of the Adviser.

In cases where the Client has negotiated the commission-rate directly with the broker, the Adviser will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, the Client will be precluded from receiving the benefit of any, possible commission discounts that might otherwise be available a result of the aggregated trade.

### **Directing Brokerage for Client Referrals**

The Adviser and its associated persons do not receive client referrals from broker dealers or third parties as consideration for selecting or recommending brokers for client accounts.

### **Directed Brokerage**

The Adviser allows clients to direct brokerage but the Adviser does not require clients to direct brokerage. In the event that a client directs the Adviser to use a particular broker or dealer, the Adviser may not be authorized under those circumstances to negotiate commissions and may not be able to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct the Adviser to use a particular broker or dealer and other clients who do not direct Advisor to use a particular broker or dealer which may result in higher trading expenses to the client who directs brokerage. The Adviser may place orders for transactions in certain securities initially only for those accounts which are held in custody at banks or at brokerage firms that permit the Adviser to place trades for accounts held in custody at that firm with other brokerage firms. Therefore, accounts held in custody at firms which do not permit the Adviser to place transactions with other brokerage firms may not be able to participate in the initial transaction and may not be able to participate in the same gains or losses as other Clients whose accounts are not so restricted. In cases where trading or investment restrictions are placed on a Client's account, the Adviser may be precluded from aggregating that Client's transaction with other accounts which may result in less favorable security prices and/or higher transaction costs.

---

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

The firm's investment adviser representatives will perform monthly reviews of client accounts they manage directly. In addition, and on a monthly basis, LWM's supervisor(s) will conduct a review of approximately 10% of the accounts managed by LWM as a whole, so that all accounts receive this second level of review at least once per year. The underlying securities in client accounts will be reviewed on a daily basis. More frequent reviews may be triggered by changes in variables such as the market, political or economic circumstances, or changes in the client's individual circumstances. Representatives will generally host between two to four meetings per year to review the client's investment objectives and financial situation to determine the suitability of investments and financial plan.

Clients will be provided, on at least a quarterly basis, with a statement from the client's custodian that includes a description of all activity in the Account during the preceding quarter, including all transactions made on behalf of the Account, all contributions and withdrawals made to or from the Account, all fees and expenses charged to the Account and the value of the Account at the beginning and end of the period. Clients will not receive any other regular reports from LWM. For an additional fee, reports may be produced by an independent provider. Accounts managed by third party managers will generally receive reports directly from such managers.

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

Liberty Group may act as a solicitor for certain clients, making referrals to other professional advisors for compensation. We currently engage The Pacific Financial Group (TPFG), a federally registered investment advisor for specialized management in 401(k), 403(b) and other ERISA plans. Similar to the Third Party Manager program, Liberty Group will introduce our clients to TPFG for third party management, however in this situation TPFG will be the Investment Advisor and will ultimately bear the fiduciary responsibility for management of the account. For more information or a copy of TPFG's ADV, please contact your advisor.

In the fourth quarter of 2015, The Liberty Group also began solicitor relationship with two Certified Public Accountants, Myrna Breland and Jennifer Farnsworth. In exchange for a portion of the management fees charged by Liberty, the solicitors provide referrals subject to SEC Rule 206(4)-3 of the Investment Advisors Act of 1940. As a result of this compensation, there is an inherent conflict of interest for the solicitor to make the referrals to Liberty Group, however we do not believe any additional conflicts exist beyond this. Customers are not required to participate in this arrangement or retain our firm for advisory services. Additional acknowledgements and disclosures are made at the time of solicitation.

Additional information can be located on their respective websites at: <http://www.brelandcpa.com/> and <http://www.farnsworthcpa.com/>.

### ***Item 15: Custody***

The Adviser does not accept or permit the Firm or its associated persons from obtaining custody of client assets including cash, securities, acting as trustee, provide bill paying service, have password access to

---



control account activity or any other form of controlling client assets. All checks or wire transfer to fund client accounts are required to be made out to/sent to the account custodian.

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

The Adviser contracts for limited discretionary authority to transact portfolio securities accounts on behalf of clients. Discretionary authority is granted either by the Adviser's investment management agreement and/or by a separate limited power of attorney where such document is required. The Adviser has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The firm's discretionary authority regarding investments may however be subject to certain limitations. These limitations are recognized as the restrictions and prohibitions placed by the Client on transactions in certain types of business or industries. All such restrictions are to be agreed upon in writing at the account's inception.

The Adviser will consult with the client where discretion is not obtained prior to each trade in order to obtain client approval for the transaction(s).

The client authorizes the discretion to select the custodian to be used and the commission rates paid to the Adviser. The Adviser does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

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

LWM generally does not have proxy-voting rights for any of its clients for whom it provides investment supervisory services. Any exceptions will be specified in the Investment Management Contract. In relationships where LWM does not have proxy-voting rights, we will instruct each client's custodian to deliver all proxy solicitation materials received with respect to that client account directly to the individual client. Should LWM mistakenly receive any proxy solicitation materials concerning securities held in a client account, it will promptly forward such materials to the appropriate client.

In instances where the investment program or clients elect to authorize LWM to vote proxies on their behalf, we will do so by voting in accordance with the recommendation of management. If in the event the advisor disagrees with the philosophy of management, the advisor will take immediate steps to resolve these differences, up to and including selling out of the securities.

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

The Adviser does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. The Adviser meets all net capital requirements that it is subject to and the Adviser has not been the subject of a bankruptcy petition in the last 10 years. The Adviser is not required to provide a balance sheet as it does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

---

## ***Business Continuity Plan***

The Adviser has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

### **Summary of Business Continuity Plan**

A summary of the business continuity plan is available upon request to LWM Chief Compliance Officer.



## ***Information Security Program***

The Adviser maintains an information security program to reduce the risk that your personal and confidential information may be breached.

### **Privacy Policy**

Below is a summary of the Adviser's Privacy Policy regarding client personal information. A complete version of the Privacy Policy is contained in your client advisory agreement and may be obtained by contacting the Compliance Officer of the Adviser.

The Adviser:

- a) Collects non-public personal information about its clients from the following sources:
    - Information received from clients on applications or other forms;
    - Information about clients' transactions with the Adviser, its affiliates and others;
    - Information received from our correspondent clearing broker with respect to client accounts;
    - Medical information submitted as part of an insurance application for a traditional life or variable life policy; and
    - Information received from service bureaus or other third parties.
  - b) The Adviser will not share such information with any affiliated or nonaffiliated third party except:
    - When necessary to complete a transaction in a customer account, such as with the clearing firm or account custodians;
    - When required to maintain or service a customer account;
    - To resolve customer disputes or inquiries;
    - With persons acting in a fiduciary or representative capacity on behalf of the customer;
    - With rating agencies, persons assessing compliance with industry standards, or to the attorneys, accountants and auditors of the firm;
    - In connection with a sale or merger of The Adviser's business;
    - To protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims or other liability;
    - To comply with federal, state or local laws, rules and other applicable legal requirements;
    - In connection with a written agreement to provide investment management or advisory services when the information is released for the sole purpose of providing the products or services covered by the agreement;
    - In any circumstances with the customer's instruction or consent.
  - c) Restricts access to confidential client information to individuals who are authorized to have access to confidential client information and need to know that information to provide services to clients.
-

- d) Maintains physical, electronic and procedural security measures that comply with applicable state and federal regulations to safeguard confidential client information.

