

**Brochure**

**Form ADV Part 2A**

**Item 1 - Cover Page**

**Lumina Wealth Management, LLC**

**CRD#**

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**December 7, 2017**

This Brochure provides information about the qualifications and business practices of Lumina Wealth Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (888) 223-2979. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Lumina Wealth Management, LLC is an investment advisory firm registered with the appropriate regulatory authority. Registration does not imply a certain level of skill or training. Additional information about Lumina Wealth Management, LLC also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

**Item 2 - Material Changes**

This Brochure is prepared in the revised format required beginning in 2011. This is the initial Brochure of Lumina Wealth Management, LLC, and is prepared according to the SEC's requirements and rules. In the future, this Item will discuss only specific material changes that are made to the Brochure and will provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure. We will further provide you with a new Brochure as necessary based on changes, new information, or at your request, at any time, without charge.

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#### ***Item 4 - Advisory Business***

##### **General Information**

Lumina Wealth Management, LLC (“Lumina”) was formed in 2017 and provides limited financial planning, portfolio management, general consulting and outsourced CIO services to its clients.

William G. Anlyan, Ashley Doyle and Meredith Koenig are the principal owners of Lumina. Please see ***Brochure Supplements***, Exhibit A, for more information on these principal owners and other individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

#### **SERVICES PROVIDED**

At the outset of each client relationship, Lumina spends time with the client, asking questions, discussing the client’s investment experience and financial circumstances, and broadly identifying major goals of the client. These discussions may take the form of limited financial planning, primarily focused on cash flow planning, education and retirement planning, etc. for the purpose of deciding on the appropriate asset allocation for the client.

Based on its review of information gathered, Lumina generally develops with each client:

- a financial outline for the client based on the client’s financial circumstances and goals, and the client’s risk tolerance level (the “Financial Profile” or “Profile”);
- the client’s investment objectives and guidelines (the “Investment Plan” or “Plan”).

The Financial Profile is a reflection of the client’s current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments Lumina will make or recommend on behalf of the client to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

Finally, where Lumina provides only general consulting services, Lumina will work with the client to prepare an appropriate summary of the specific project(s) to the extent necessary or advisable under the circumstances.

##### **Portfolio Management**

As described above, at the beginning of a client relationship, Lumina meets with the client, gathers information and performs research and analysis as necessary to develop the client’s Investment Plan. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by Lumina based on updates to the client’s financial or other circumstances.

To implement the client’s Investment Plan, Lumina will manage the client’s investment portfolio on a discretionary or a non-discretionary basis. As a discretionary investment adviser, Lumina will have the authority to supervise and direct the portfolio without prior consultation with the client. Under a non-discretionary arrangement, clients must be contacted prior to the execution of any trade in the account(s) under management. This may result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to

enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio.

Notwithstanding the foregoing, clients may impose certain written restrictions on Lumina in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of Lumina.

### Third Party Wrap Programs

When appropriate and in accordance with the Investment Plan for a client, Lumina may utilize Separate Account Managers ("SAMs"), most often through a Third Party Wrap Program. A wrap program is one in which the SAM's fee is combined with brokerage fees, such as commissions, ticket charges, etc., so that one inclusive fee is charged for those SAM services and brokerage expenses. Lumina's fee is charged separately from the wrap fee.

Lumina has chosen the Managed Account Select and Access Program ("Managed Account Program") sponsored by Charles Schwab & Co, Inc. ("Schwab") for this purpose. The Managed Account Program offers a wide variety of manager styles, and offers clients the opportunity to utilize more than one SAM if necessary to meet the needs and investment objectives of the client.

In cases where Lumina recommends the use of separate account managers in the Managed Account Program to manage all or a portion of a client's portfolio, Lumina will select the SAM(s) most appropriate for the client. Factors that Lumina considers in recommending/selecting SAMs generally includes the client's stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

The SAM(s) will be granted discretionary trading authority to provide investment supervisory services for the portfolio, but Lumina normally retains the authority to terminate the SAM's relationship or to add new SAMs without specific client consent. With respect to assets managed by a SAM, Lumina's role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the SAM(s), and to assist the client in understanding the investments of the portfolio.

In instances where the services of one or more SAMs are utilized, the wrap fee will be charged in addition to Lumina's fee, and will be detailed in the Management Agreement signed by the client. Additionally, certain SAMs may impose more restrictive account requirements and varying billing practices than Lumina. In such instances, Lumina may be required to alter its corresponding account requirements and/or billing practices to accommodate those of the SAMs or wrap fee program sponsor.

### Retirement Plan Advisory Services

Establishing a sound fiduciary governance process is vital to good decision-making and to ensuring that prudent procedural steps are followed in making investment decisions. Lumina will provide Retirement Plan consulting services to Plans and Plan Fiduciaries as described below. The particular services provided will be detailed in the consulting agreement. The appropriate Plan Fiduciary(ies) designated in the Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of the recommendations that we may provide. The Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Plan. Retirement Plan consulting services may be offered individually or as part of a comprehensive suite of services.

The Employee Retirement Income Security Act of 1974 (“ERISA”) sets forth rules under which Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, Lumina will be considered a fiduciary under ERISA. For example, Lumina will act as an ERISA § 3(21) fiduciary when providing non-discretionary investment advice to the Plan Fiduciaries by recommending a suite of investments as choices among which Plan Participants may select. Also, to the extent that the Plan Fiduciaries retain Lumina to act as an investment manager within the meaning of ERISA § 3(38), Lumina will provide discretionary investment management services to the Plan. With respect to any account for which Lumina meets the definition of a fiduciary under Department of Labor rules, Lumina acknowledges that both Lumina and its Related Persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between Lumina and Client.

### Fiduciary Consulting Services

- *Investment Selection Services*  
Lumina will provide Plan Fiduciaries with recommendations of investment options consistent with ERISA section 404(c). Plan Fiduciaries retain responsibility for the final determination of investment options and for compliance with ERISA section 404(c).
- *Non-Discretionary Investment Advice*  
Lumina provides Plan Fiduciaries and Plan Participants general, non-discretionary investment advice regarding assets classes and investments.
- *Investment Monitoring*  
Lumina will assist in monitoring the plan’s investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformation to the guidelines set forth in the investment policy statement and Lumina will make recommendations to maintain or remove and replace investment options. The details of this aspect of service will be enumerated in the engagement agreement between the parties.

### Fiduciary Management Services

- *Discretionary Management Services*  
When retained as an investment manager within the meaning of ERISA § 3(38), Lumina provides continuous and ongoing supervision over the designated retirement plan assets. Lumina will actively monitor the designated retirement plan assets and provide ongoing

management of the assets. When applicable, Lumina will have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for the designated retirement plan assets in the our sole discretion without first consulting with the Plan Fiduciaries. We also have the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Plan for our management of the designated retirement plan assets.

- *Discretionary Investment Selection Services*

Lumina will monitor the investment options of the Plan and add or remove investment options for the Plan without prior consultation with the Plan Fiduciaries. Lumina will have discretionary authority to make and implement all decisions regarding the investment options that are available to Plan Participants.

- *Investment Management via Model Portfolios*

Lumina will provide discretionary management of Model Portfolios among which the participants may choose to invest as Plan options. Plan Participants will also have the option of investing only in options that do not include Model Portfolios (i.e., the Plan Participants may elect to invest in one or more of the mutual fund options made available in the Plan, and choose not to invest in the Model Portfolios at all).

#### *Non-Fiduciary Services*

- *Participant Education*

Lumina will provide education services to Plan Participants about general investment principles and the investment alternatives available under the Plan. Education presentations will not take into account the individual circumstances of each Plan Participant and individual recommendations will not be provided unless a Plan Participant separately engages Lumina for such services. Plan Participants are responsible for implementing transactions in their own accounts.

- *Participant Enrollment*

Lumina will assist with group enrollment meetings designed to increase retirement Plan participation among employees and investment and financial understanding by the employees.

#### General Consulting

In addition to the foregoing services, Lumina may provide general consulting services to clients. These services are generally provided on a project basis, and may include, without limitation, minimal cash flow planning for certain events such as education expenses or retirement, estate planning analysis, income tax planning analysis and review of a client's insurance portfolio, as well as other matters specific to the client as and when requested by the client and agreed to by Lumina. The scope and fees for consulting services will be negotiated with each client at the time of engagement for the applicable project.

#### Outsourced CIO Services

Lumina may provide outsourced Chief Investment Officer services to certain charitable or non-profit organizations. The specific services provided are individually determined on a case by case basis.

## ***Item 5 - Fees and Compensation***

### General Fee Information

Fees paid to Lumina are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third party consultants. Please see ***Item 12 - Brokerage Practices*** for additional information. Fees paid to Lumina are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, Lumina and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

### Financial Planning Fees

Lumina's financial planning and consulting fees are negotiable, but generally range from \$750 to \$5,000 on a fixed fee basis and/or from \$100 to \$250 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. A retainer for these services is usually required in advance of the commencement of the work, with the balance due upon completion.

### Portfolio Management Fees

For assets managed directly by Lumina and not managed by a Separate Account Manager, the annual fee schedule, based on a percentage of assets under management, is generally 1.25%, subject to negotiation at the sole discretion of Lumina.

The minimum portfolio value is generally set at \$50,000 and the minimum annual fee for any account is \$1,500. Lumina may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where Lumina deems it appropriate under the circumstances. To the extent that a client authorizes the use of margin, the market value of the client's account and corresponding fee calculation includes the margin balance.

Portfolio management fees are generally payable quarterly, in advance. If management begins after the start of a quarter, fees will be prorated accordingly. With client authorization and unless other arrangements are made, fees are normally debited directly from client account(s).

Either Lumina or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to Lumina from the client will be invoiced or deducted from the client's account prior to termination.

### Wrap Program Fees

Assets managed by Separate Account Managers are generally under a Third Party Wrap arrangement, wherein Schwab will charge one inclusive fee for the SAM(s) and Schwab's brokerage expenses. The fee will vary somewhat depending on the SAM(s) used, but generally are such that, in combination with Lumina's fee, the total does not exceed 1.95% annually. This wrap fee is calculated and deducted by Schwab *monthly in arrears*. Lumina's portion of the fee on these assets is 0.85% per year, is in addition to the fee charged by Schwab, and is charged quarterly in advance.

### General Consulting Fees

When Lumina provides general consulting services to clients, these services are generally separate from Lumina's portfolio management services. Fees for general consulting are negotiated at the time of the engagement for such services, and are normally based on an hourly or fixed fee basis. A retainer for these services is usually required in advance of the commencement of the work, with the balance due upon completion. In addition, Lumina may provide outsourced Chief Investment Officer services to certain charitable or non-profit organizations ("*CIO Services*"). The fee for *CIO Services* shall be based on the value of the assets allocated to Lumina for *CIO Services* and will normally vary between 0.20% and 0.35% per year.

### Other Compensation

Certain individuals of Lumina are licensed insurance agents with various insurance companies, and in such capacity, may recommend the purchase of certain insurance products. While Lumina does not sell such insurance products to its investment advisory clients, Lumina does permit these individuals as licensed insurance agents, to sell insurance products to its investment advisory clients. A conflict of interest exists to the extent that Lumina recommends the purchase of insurance products where these individuals receive insurance commissions or other additional compensation. Lumina's employees currently devote approximately 5 percent (5%) of their time to insurance sales. Lumina's policy is to disclose all forms of compensation before any such transaction is executed. Under no circumstance will the client pay both a commissions to the employee and a management fee to Lumina on the same pool of assets.

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

Lumina does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because Lumina has no performance-based fee accounts, it has no side-by-side management.

### ***Item 7 - Types of Clients***

Lumina serves individuals, pension and profit-sharing plans, corporations, trusts, estates and charitable organizations. With some exceptions, the minimum portfolio value eligible for conventional investment advisory services is \$50,000, and the annual minimum fee charged is \$1,500. Under certain circumstances and in its sole discretion, Lumina may negotiate such minimums.

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

#### Methods of Analysis and Investment Strategies

Lumina utilizes separate account managers, mutual funds, exchange traded fund ("ETFs"), individual debt and equity securities and/or options as well as the securities components of variable annuities and variable life insurance contracts to construct a portfolio in accordance with the Investment Plan. As appropriate and depending on the client's individual goals and objectives, Lumina may also invest in alternative investment vehicles including but not limited to hedge funds and private placements.

***Manager and Securities Selection.*** Lumina primarily focuses the use of Separate Account Managers for the equity portion of a client portfolio. SAMs are selected based on investment style, performance history, fee structure, manager experience and other factors.



Lumina will also select ETFs, mutual funds and individual stocks for accounts. ETFs and mutual are primarily used to invest in specifically targeted areas of the U.S. Equity market or for access to foreign investments. Mutual funds are assessed in terms of past performance, fee structure, overall ratings for safety and returns, and other factors.

In selecting individual stocks for an account, Lumina generally applies traditional fundamental analysis including, without limitation, the following factors;

- Financial strength ratios
- Price-to-earnings ratios
- Dividend yields, and
- Growth rate-to-price earnings ratios

Lumina will also incorporate other method of analysis, such as:

**Charting Analysis** – involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.

**Technical Analysis** – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

**Cyclical Analysis** – a type of technical analysis that involves evaluating recurring price patterns and trends.

#### Risk of Loss

While Lumina seeks to diversify clients' investment portfolios across various asset classes, consistent with their Investment Plans, in an effort to reduce risk of loss, all investment portfolios are nevertheless subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While Lumina manages client investment portfolios based on Lumina's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that Lumina allocates client investment funds to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that Lumina's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, Lumina generally invests client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in

managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* Lumina will invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* Lumina will invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* Lumina may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

### ***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 Lumina or the integrity of Lumina's management. Lumina has no disciplinary events to report.

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

Neither Lumina nor its Management Persons have any other financial industry activities or affiliations to report.

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

#### **Code of Ethics and Personal Trading**

Lumina has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. Lumina's Code has several goals. First, the Code is designed to assist Lumina in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, Lumina owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated with Lumina (managers, officers and

employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for Lumina's associated persons. Under the Code's Professional Standards, Lumina expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, Lumina associated persons are not to take inappropriate advantage of their positions in relation to Lumina clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time, Lumina's associated persons may invest in the same securities recommended to clients. Under its Code, Lumina has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

#### Participation or Interest in Client Transactions

Because associated persons may invest in the same securities as those held in client accounts, Lumina has established a policy requiring its associated persons to pre-clear transactions in some types of securities with the Chief Compliance Officer. The goal of this policy is to avoid any conflict of interest that arise in these situations. Some types of securities, such as CDs, treasury obligations and open-end mutual funds are exempt from this pre-clearance requirement. However, in the event of other identified potential trading conflicts of interest, Lumina's goal is to place client interests first.

Consistent with the foregoing, Lumina maintains policies regarding participation in initial public offerings ("IPOs") and private placements to comply with applicable laws and avoid conflicts with client transactions. If an associated person of Lumina wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer.

Finally, if associated persons trade with client accounts (i.e., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with Lumina's written policy.

#### Board Membership

On behalf of a number of organizations, associated persons of Lumina serve as board members or in other similar capacities. Such organizations and/or their members may engage Lumina to manage investment accounts or provide other advisory services. These services are typically provided at special negotiated rates.

### ***Item 12 - Brokerage Practices***

#### Best Execution and Benefits of Brokerage Selection

When given discretion to select the brokerage firm that will execute orders in client accounts, Lumina seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates.

Therefore, Lumina may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of Lumina's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

Lumina recommends that clients establish brokerage accounts with Schwab, a FINRA registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of clients' assets. Lumina may also effect trades for client accounts at Schwab, or may in some instances, consistent with Lumina's duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although Lumina may recommend that clients establish accounts at Schwab, it is ultimately the client's decision to custody assets with Schwab. Lumina is independently owned and operated and is not affiliated with Schwab.

Schwab Advisor Services provides Lumina with access to its institutional trading, custody, reporting and related services, which are typically not available to Schwab retail investors. Schwab also makes available various support services. Some of those services help Lumina manage or administer our clients' while others help Lumina manage and grow our business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by Schwab. Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Lumina client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Advisor Services also makes available to Lumina other products and services that benefit Lumina but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist Lumina in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of Lumina's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help Lumina manage and further develop its business enterprise. These services may include: (i) technology, compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Lumina. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Lumina. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of Lumina personnel. In evaluating

whether to recommend that clients custody their assets at Schwab, Lumina may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

#### Directed Brokerage

Clients may direct Lumina to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that Lumina has with Schwab is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers can in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing Lumina to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with Lumina that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

#### Aggregated Trade Policy

Lumina may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This method permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. It allows Lumina to execute trades in a timely, equitable manner, and may reduce overall costs to clients.

Lumina will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients, and is consistent with the terms of Lumina's Investment Advisory Agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all Lumina's transactions in a given security on a given business day. Transaction costs for participating accounts will be assessed at the custodian's commission rate applicable to each account; therefore, transaction costs may vary among accounts. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.

Lumina will prepare, before entering an aggregated order, a written statement ("Allocation Statement") specifying the participating client accounts and how it intends to allocate the order

among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement. If the order is partially filled, it will generally be allocated pro-rata, based on the Allocation Statement, or randomly in certain circumstances. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by an appropriate individual/officer of Lumina. Lumina's books and records will separately reflect, for each client account included in a block trade, the securities held by and bought and sold for that account. Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement, and Lumina will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

### ***Item 13 - Review of Accounts***

Managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by Lumina. These factors generally include but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. William G. Anlyan, Managing Member, and Ashley Doyle and Meredith Koenig, Members of Lumina, all review accounts.

For those clients to whom Lumina provides separate financial planning and/or consulting services, reviews are conducted on an as needed or agreed upon basis. Such reviews are conducted by one of Lumina's investment adviser representatives or principals.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. Lumina will provide additional written reports as needed or requested by the client.

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

As noted above, Lumina receives an economic benefit from Schwab in the form of support products and services it makes available to Lumina and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit our firm, and the related conflicts of interest are described in ***Item 12 - Brokerage Practices***. The availability of Schwab's products and services to Lumina is based solely on our participation in the programs and not in the provision of any particular investment advice. Neither Schwab nor any other party is paid to refer clients to Lumina.

### ***Item 15 - Custody***

Schwab is the custodian of nearly all client accounts at Lumina. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify

Lumina of any questions or concerns. Clients are also asked to promptly notify Lumina if the custodian fails to provide statements on each account held.

From time to time and in accordance with Lumina's agreement with clients, Lumina will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times, there may be small differences due to the timing of dividend reporting and pending trades.

#### ***Item 16 - Investment Discretion***

As described in ***Item 4 - Advisory Business***, Lumina will accept clients on either a discretionary or non-discretionary basis. For *discretionary accounts*, a Limited Power of Attorney ("LPOA") is executed by the client, giving Lumina the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. Lumina then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with Lumina and the requirements of the client's custodian.

For *non-discretionary* accounts, the client also generally executes an LPOA, which allows Lumina to carry out trade recommendations and approved actions in the portfolio. However, in accordance with the investment advisory agreement between Lumina and the client,

Lumina does not implement trading recommendations or other actions in the account unless and until the client has approved the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to Lumina's agreement with the client and the requirements of the client's custodian.

#### ***Item 17 - Voting Client Securities***

As a policy and in accordance with Lumina's client agreement, Lumina does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact Lumina with questions relating to proxy procedures and proposals; however, Lumina generally does not research particular proxy proposals.

#### ***Item 18 - Financial Information***

Lumina does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure required for this item.

# **Exhibit A**



**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**William G. Anlyan, JD**

**CRD# 2774334**

**of**

**Lumina Wealth Management, LLC**

131 Racine Drive  
Suite 250  
Wilmington, North Carolina 28403-8777

(888) 223-2979

December 7, 2017

This Brochure Supplement provides information about William ("Bill") Anlyan, and supplements the Lumina Wealth Management, LLC ("Lumina") Brochure. You should have received a copy of that Brochure. Please contact us at (888) 223-2979 if you did not receive Lumina's Brochure, or if you have any questions about the contents of this Supplement.

Additional information about Bill is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

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***Item 2 - Educational Background and Business Experience***

William G. Anlyan (year of birth 1949) is the Managing Member of Lumina. Bill received his undergraduate degree in Political Science from Guilford College, and his Juris Doctorate\* ("JD") degree from Duke University School of Law. Bill served clients as a Financial Advisor for Wells Fargo Advisors from 1998 until he co-founded Anlyan & Hively in 2009, and then Lumina Wealth Management, LLC in 2017. He has extensive experience in the area of trusts and estates, foundations and endowments.

Formerly the Vice Chancellor of University Advancement at the University of North Carolina at Wilmington, Bill has served on the Boards of the Duke Comprehensive Cancer Center (Chair), Virginia Episcopal School, Cape Fear Academy (Chair), St. John's Art Museum, Divers Alert Network, Inc. (Chair), Harrell's Christian Academy, The Cape Fear Community College Foundation (Chair), The Bellamy Mansion Foundation, Accident and General Insurance Company of the Cayman Islands, The Landfall Foundation, St. Paul's Episcopal Church Vestry (Senior Warden), The Harrelson Center and the North Carolina Center for Public Policy Research.

\*A Juris Doctorate degree is the degree commonly conferred by law schools.

***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however Bill has no such disciplinary information to report.

***Item 4 - Other Business Activities***

Certain of Lumina's employees, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. While Lumina does not sell such insurance products to its investment advisory clients, Lumina does permit its employees, in their individual capacities as licensed insurance agents, to sell insurance products to its investment advisory clients. A conflict of interest exists to the extent that Lumina may recommend the purchase of insurance products where Lumina's employees may receive insurance commissions or other additional compensation. However, any such conflict is discussed with the client prior to any affected transaction, and clients are not obligated to engage in the transaction.

***Item 5 - Additional Compensation***

Other than the possibility of insurance commissions disclosed above, Bill has no other income or compensation to disclose.

***Item 6 - Supervision***

As a Managing Member of Lumina, Bill supervises all duties and activities of the firm. His contact information is on the cover page of this disclosure document.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Ashley F. Doyle, CFP®**

**CRD# 4191484**

**of**

**Lumina Wealth Management, LLC**

131 Racine Drive  
Suite 250  
Wilmington, North Carolina 28403-8777

(888) 223-2979

December 7, 2017

This Brochure Supplement provides information about Ashley Doyle, and supplements the Lumina Wealth Management, LLC ("Lumina") Brochure. You should have received a copy of that Brochure. Please contact us at (888) 223-2979 if you did not receive Lumina's Brochure, or if you have any questions about the contents of this Supplement.

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

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***Item 2 - Educational Background and Business Experience***

Ashley F. Doyle (year of birth 1973) is a Member of Lumina and serves as a Financial Advisor. Ashley has been a part of Lumina since the firm's inception. From 2009 until 2017 Lumina, she was with Anlyan & Hively Private Client Group, LLC, serving as an Account Administrator. Prior to that, Ashley served as an Operations Manager for Wells Fargo Advisors for nine years.

Ashley received a Bachelor of Science in Business & Economics from Greensboro College, and became a CERTIFIED FINANCIAL PLANNER™ practitioner\* in 2007.

\* The CFP® certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational, examination, experience and ethics requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP® Certification Examination. A comprehensive examination tests the candidate's ability to apply financial planning knowledge to client situations. Qualifying work experience is also required for certification. Qualifying experience includes work in the area of the delivery of the

personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process. CFP® professionals must complete 30 hours of continuing education accepted by CFP Board every two years.

***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however Ashley has no such disciplinary information to report.

***Item 4 - Other Business Activities***

Certain of Lumina's employees, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. While Lumina does not sell such insurance products to its investment advisory clients, Lumina does permit its employees, in their individual capacities as licensed insurance agents, to sell insurance products to its investment advisory clients. A conflict of interest exists to the extent that Lumina may recommend the purchase of insurance products where Lumina's employees may receive insurance commissions or other additional compensation. However, any such conflict is discussed with the client prior to any affected transaction, and clients are not obligated to engage in the transaction.

***Item 5 - Additional Compensation***

Other than the possibility of insurance commissions disclosed above, Ashley has no other income or compensation to disclose.

***Item 6 - Supervision***

Bill Anlyan, Managing Member of Lumina, is responsible for supervising Ashley and for reviewing accounts. His contact information is on the cover page of this disclosure document.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Meredith H. Koenig**

**CRD# 5346851**

**of**

**Lumina Wealth Management, LLC**

131 Racine Drive  
Suite 250  
Wilmington, North Carolina 28403-8777

(888) 223-2979

November 27, 2017

This Brochure Supplement provides information about Meredith Koenig and supplements the Lumina Wealth Management, LLC ("Lumina") Brochure. You should have received a copy of that Brochure. Please contact us at (888) 223-2979 if you did not receive Lumina's Brochure, or if you have any questions about the contents of this Supplement.

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

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***Item 2 - Educational Background and Business Experience***

Meredith H. Koenig (year of birth 1985) is a Member of Lumina and serves as a Financial Analyst. She has attained the Accredited Asset Management Specialist<sup>SM</sup> (AAMS<sup>®</sup>)\* designation.

Meredith earned both a Bachelor of Science in Business with a concentration in Finance and a Bachelor of Arts in Spanish from the University of North Carolina at Wilmington.

Meredith began her career as an intern at Wells Fargo Advisors in 2006. After furthering her experience as an Account Administrator at Wachovia Securities and Smith Barney in New York, Meredith rejoined the same team at Wells Fargo Advisors in 2008. She then helped launch Anlyan & Hively Private Client Group, LLC formerly known as Anlyan & Hively Asset Management, LLC, in 2009.

\* Individuals who hold the AAMS<sup>®</sup> designation have completed a course of study encompassing investments, insurance, tax, retirement, and estate planning issues. Additionally, individuals must pass an end-of-course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations. All designees have agreed to adhere to Standards of

Professional Conduct and are subject to a disciplinary process. Designees renew their designation every two years by completing 16 hours of continuing education, reaffirming adherence to the Standards of Professional Conduct and complying with self-disclosure requirements.

***Item 3 - Disciplinary Information***

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however Meredith has no such disciplinary information to report.

***Item 4 - Other Business Activities***

Meredith is not engaged in any other business activities.

***Item 5 - Additional Compensation***

Meredith has no other income or compensation to disclose.

***Item 6 - Supervision***

Bill Anlyan, Managing Member of Lumina, is responsible for supervising Meredith and for reviewing accounts. His contact information is on the cover page of this disclosure document.