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Advisory Services Brochure

December 31, 2013

This brochure provides information about the qualifications and business practices of PWMCO, LLC. If you have any questions about the contents of this brochure, please contact us at rrovetto@pwmco.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

PWMCO, LLC is an investment adviser registered with the SEC. Registration of an investment adviser does not imply any level of skill or training. Additional information about PWMCO, LLC also is available on the SEC's website at www.adviserinfo.sec.gov



Material Changes

This annual update of the Advisory Services Brochure for PWMCO, LLC does not contain any material changes from our prior Advisory Services Brochure.



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1. Advisory Business

General: PWMCO, LLC ("PWMCO," "we" or "us") was formed in January 2003, is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940 ("Advisers Act"), and is registered as a broker-dealer with the SEC under the Securities Exchange Act of 1934 (the "Exchange Act") and with the Financial Industry Regulatory Authority ("FINRA"). Mac-Per-Wolf Company ("MPW") owns 100% of PWMCO. Mr. Robert Perkins ("Perkins") owns a majority of MPW.

While we are registered as an investment adviser, all investment advice provided to our clients is provided through a subadvisory agreement (the "Subadvisory Agreement") with our affiliated SEC-registered investment adviser, Perkins Investment Management, LLC ("PIM"), with which Perkins and other affiliates are employed. We encourage our clients to review PIM's advisory services brochure (the "PIM Brochure") (which we will provide) to learn more about PIM's services and the manner in which it addresses conflicts of interest in its business.

Our primary operations are as a broker-dealer and we provide brokerage services to both individuals and to other asset managers. We provide clearing services as a self-clearing broker, and trading and execution services for equities, fixed income securities, mutual funds and options. We also provide custodial services to both individual clients and other managers. We provide reporting and account management services that enable timely and efficient delivery of information to our clients, which services include online account access to detailed account information, performance reporting, trade confirmations and other information. Last, we offer regulatory compliance services for other investment advisers and money managers to allow them to spend more time with their customers.

Discretionary Asset Management: We do offer discretionary advisory services to our clients, which we tailor to the client's particular needs, but investment advice is only provided by PIM through the Subadvisory Agreement. We work with clients to establish their objectives and goals and then oversee PIM's management of the client's assets. Through this process, clients may impose restrictions on the types of securities held in their account. As of December 31, 2013, we had approximately \$352,669,642 of client assets under management on a discretionary basis.

Privacy Notice: Protection of your privacy is important to us. We want you to understand what information we collect and how we use it. Please see our privacy notice attached.

2. Fees & Compensation

We provide discretionary investment advisory services for a percentage of the client's assets under management, per-trade commissions, or a combination. Both our asset-

based fees and commission rates are negotiable, but generally our asset-based fees range from 0.50% to 2.0% of client assets annually, and our standard commission schedule applies to commission accounts. Depending on the client's circumstances, we may deduct our fees directly from the client's account or bill the client. All accounts have the option of choosing which fee structure suits their needs.

We bill our fees quarterly in advance. If a client terminates his/her agreement with us prior to the end of a quarter for which the fee has already been paid, we automatically refund the pro-rated amount of the fee not earned by us after termination.

In addition to our management fees, clients may incur a variety of other charges and expenses associated with their account. For example, if the client chooses to have his or her account custodied by another firm, the other firm will impose custodial fees. Similarly, if we or the client select another broker-dealer to effect transactions for the client's account, the client will incur additional execution fees. Last, certain investments held in clients' accounts have their own fees, such as mutual funds, which charge their shareholders a proportionate share of their operating and management fees.

Advisory accounts subject to an advisory agreement with us ("Advisory Accounts") paying a standard asset-based advisory fee are furnished with quarterly portfolio accounting reports. Accounts paying commissions only ("Commission Accounts") receive brokerage statements and confirmations.

3. Performance-Based Fees & Side-By-Side Management

Not applicable.

4. Types of Clients

Our clients include individuals, pension and profit sharing plans and individual retirement accounts, trusts, estates, charitable organizations, corporations and other business entities. Accounts must have a minimum of \$250,000, and our ability to accept new accounts is subject to the terms of the Subadvisory Agreement.

5. Methods of Analysis, Investment Strategies & Risk of Loss

We do not provide investment advice respecting securities held in our clients' accounts, rather, PIM provides all investment advice (whether discretionary or non-discretionary) to our clients through the Subadvisory Agreement. Accordingly, clients should review the PIM Brochure for a discussion of PIM's methods of analysis, investment strategies and risks of loss associated with those strategies.

Investing in securities involves risk of loss that clients should be prepared to bear.

6. Disciplinary Information

Not applicable.

7. Other Financial Industry Activities & Affiliations

We are registered with both the SEC and the FINRA as a broker-dealer, and all of our employees are registered with us as registered representatives.

Through the Subadvisory Agreement, PIM provides our clients with discretionary investment advice. Since PIM is an affiliate, we have a conflict of interest when recommending that our clients utilize PIM's services. Clients should understand that our recommendation of PIM to provide advisory services to them is not objective, and that we do not recommend other asset managers to clients.

We receive commissions only on Commission Accounts, and our affiliate PIM will recommend (with discretion) what securities transactions such accounts should effect and the quantities of securities to buy or sell. Similarly, we provide execution services for Advisory Accounts, for which we receive commissions in addition to our asset-based fee in some cases, and our affiliate recommends what securities those accounts should buy or sell. In both cases, we have a conflict of interest because our affiliate determines the amount of commissions we will receive for such accounts. We address these conflicts by monitoring PIM's performance and client account activities consistent with our fiduciary obligations to our clients.

We execute all trades for our clients' accounts on either an agency basis or through other brokers. PIM subadvises a number of registered mutual funds ("Funds"), and may recommend that our clients invest in such Funds. Since PIM is compensated based on the amount of assets it manages for those Funds, it has a financial incentive to recommend that our clients purchase them. Clients should carefully review the prospectus of any Fund recommended by PIM. Other conflicts of interest may arise because of our affiliation with PIM, and we manage those conflicts through our Code of Ethics and other policies discussed below under item 8.

8. Code of Ethics. Participation or Interest in Client Transactions & Personal Trading

Our Code of Ethics (the "Code") are intended to ensure that our personnel (i) observe applicable legal (including compliance with applicable state and federal securities laws) and ethical standards in the performance of their duties and in pursuit of our goals and objectives; (ii) at all times place our clients' interests first; (iii) disclose all actual or potential conflicts of interest to our Chief Compliance Officer ("CCO"); (iv) adhere to the highest standards of loyalty, candor and care in all matters relating to our clients; (v) conduct all personal trading consistent with the

Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of their position of trust and responsibility; and (vi) not use any material non-public information in securities trading. The Code also contains policies respecting outside employment and gifts.

The creation and fostering of business relationships between our employees and representatives of broker-dealers that execute client transactions creates a potential for conflicts of interest relating to the best execution of client transactions. The Code addresses these potential conflicts. We allow employees to participate in appropriate business amenities such as sporting events, concerts, golf, meals, but there are limits and all participation is reported to and monitored by our Compliance Department. We will furnish a copy of the Code to clients or prospective clients upon request.

Under our policy governing personal investing, employees can purchase and sell securities in which they have a beneficial interest only under very limited circumstances. However, there may be circumstances where we may buy and sell on behalf of our clients securities of issuers or other investments in which we or a related person (and members of their families) own securities or otherwise have an interest. Our policy governing personal investing requires that all personnel conduct their personal investment activities in a manner that we believe is not detrimental to advisory clients. The policy requires all Access Persons (defined as investment personnel, which includes our trading room personnel, officers, directors and other designated persons) to pre-clear all personal transactions in securities not otherwise exempt under the policy. Requests for trading authority are denied when, among other reasons, the proposed transaction is deemed to adversely affect any transaction then known to be under consideration by PIM or being effected on behalf of any client account.

In addition to pre-clearance requirements, the policy contains provisions which require disgorgement of profits under certain circumstances. Our Access Persons may not take the opposite side of a transaction made for a client within two business days after the date of the transaction, except when the transaction is made for income tax considerations. If an Access Person takes the same side of a transaction within two business days prior to a transaction made for a client, the Access Person must reimburse the client for any advantage in price he/she may have obtained.

9. Brokerage Practices

As broker or agent, we effect securities transactions for compensation for any client. PIM, as our subadviser, may recommend to our clients that they purchase Fund shares for which PIM serves as subadviser, and we buy or sell for ourselves securities that we recommend to clients.

We effect securities transactions on behalf of Commission Accounts and clients who have brokerage accounts with us in addition to an investment advisory agreement. For

Advisory Accounts, we select brokers and dealers on their ability to obtain best execution, without regard to the provision of any research.

A client may direct us to use a specific broker-dealer. When this happens, the execution costs for that client may be higher than could be obtained by using a broker-dealer that we select, and we may not be able to achieve the most favorable execution for the client. Those increased costs may result from the disparity of commission rates or prices among the broker-dealers, our more limited ability to negotiate lower commission rates or prices and the inability of the client to benefit from volume discounts we may obtain from aggregating orders placed with other broker-dealers. Those increased execution costs also may occur when, by maintaining his brokerage account with us, the client directs us to serve as the broker-dealer.

We may aggregate orders we execute or it place with other broker-dealers when we believe aggregation is consistent with our duty of best execution and the clients' circumstances. When orders are aggregated for clients, no client is favored over any other participating client, each client will participate at the average price for all transactions in that security on a given trading day, and transaction costs are shared pro-rata based upon each client's participation in the transactions. Aggregated orders that are partially filled are allocated equitably with consideration to include the following factors: pro-rata allocations, real-time contributions or withdrawals, cash balance constraints and portfolio risk profiles. Certain conflicts may occur due to the separation of trading functions for accounts that have their trades executed with other broker-dealers. Trades executed at different brokers cannot be aggregated. In order to address these conflicts, we have adopted trade rotation and best execution procedures.

10. Review of Accounts

Advisory Accounts and Commission Accounts are reviewed daily by PIM by Robert H. Perkins (Portfolio Manager), Thomas Perkins (Portfolio Manager), Jeff Kautz (Chief Investment Officer) and Kevin Preloger (Portfolio Manager). We also regularly review PIM's performance and client account activity. Clients receive written statements or electronic statements via our website which describe the activity in the account and the assets in the account at least quarterly.

11. Client Referrals & Other Compensation

Not applicable.

12. Custody

We have custody of client funds and securities for some clients, and for other accounts, we are deemed to have custody because we deduct our advisory fees from the account. Clients for which we are deemed to have custody receive quarterly (or more frequent) account statements directly from the a qualified custodian. Those

clients should carefully review those statements and compare them to account statements we provide them.

13. Investment Discretion

If a client gives us a written trading authorization (power-of-attorney), we have the authority to determine, without obtaining specific client consent, the amount of securities to be bought or sold for the client, which discretion is exercised by PIM through the Subadvisory Agreement. Generally for discretionary accounts, there are no limitations on our authority to determine the type or amount of securities to be bought or sold, though clients may provide restrictions in their advisory agreement with us.

14. Voting Client Securities

We do not have authority to vote proxies with respect to securities in clients' portfolios. Our policy is that we will not vote proxies on behalf of clients. In the event any proxies intended for clients are delivered to us, we will promptly forward them to the clients for the clients to vote. When requested by the client (clients may contact us at the contact points provided on the cover of this Brochure), we may provide advice to the client regarding proposals submitted to the client for voting. In the event we believe we have a conflict of interest due to, for example, a relationship we have with a company or an affiliate of the company, we will advise the client of the conflict prior to or at the time we provide the advice to enable the client to evaluate its advice in light of the conflict.

15. Financial Information

Not applicable.



Privacy Notice

FACTS		WHAT DOES PWMCO, LLC DO WITH YOUR PERSONAL INFORMATION?	
WHY?		Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
		The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none">■ Social Security number and■ Income; ■ account balances; ■ transaction history; ■ assets; ■ investment experience; ■ account transactions; ■ risk tolerance; ■ employment information; ■ wire transfer instructions. When you are no longer our customer, we continue to share your information as described in this notice.	
HOW?		All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons PWMCO, LLC ("PWMCO") chooses to share; and whether you can limit this sharing.	
Reasons we can share your personal information		Does PWMCO, LLC share?	Can you limit this sharing?
For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes. PWMCO may share Personal Information described above for business purposes with a non-affiliated third party if the entity is under contract to perform transaction processing or servicing on behalf of PWMCO and otherwise as permitted by law. Any such contract entered by PWMCO will include provisions designed to ensure that the third party will uphold and maintain privacy standards when handling Personal Information. PWMCO may also disclose Personal Information to regulatory authorities as required by applicable law.	No.
For our marketing purposes—to offer our products and services to you		No	We don't share.
For joint marketing with other financial companies		No	We don't share.
For our affiliates' everyday business purposes—information about your transactions and experiences		Yes	No.
For our affiliates' everyday business purposes—information about your creditworthiness		No	We don't share.
For our affiliates to market to you		No	We don't share.
For nonaffiliates to market to you		No	We don't share.
QUESTIONS?		Call (312) 341-9727 or go to www.PWMCO.com	

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Leave Blank OR If you have a joint account, your choice(s) will apply to everyone on your account unless you mark below. <input type="checkbox"/> Apply my choices only to me	Mark any/all you want to limit: <input type="checkbox"/> Do not share information about my creditworthiness with your affiliates for their everyday business purposes. <input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me. <input type="checkbox"/> Do not share my personal information with nonaffiliates to market their products and services to me.	
	Name	
	Address	
	City, State, Zip	
	[Account #]	
		Mail to: PWMCO, LLC 311 S. Wacker Drive Suite 2360 Chicago, IL 60606

Who is providing this notice?	PWMCO, LLC
How does PWMCO, LLC protect my personal information?	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>PWMCO limits access to personal information to individuals who need to know that information in order to process transactions and service accounts and are subject to an obligation of confidentiality.</p>
How does PWMCO, LLC collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ■ Open an account; ■ deposit money; ■ seek advice about your investments; ■ buy securities from us; ■ sell securities to us; ■ direct us to buy securities; ■ direct us to sell your securities; ■ make deposits or withdrawals from your account; ■ enter into an investment advisory contract; ■ give us your income information; ■ provide employment information; ■ give us your employment history; ■ tell us about your investment or retirement portfolio; ■ tell us about your investment or retirement earnings; ■ apply for financing; ■ provide account information; ■ give us your contact information; ■ make a wire transfer; ■ tell us who receives the money, ■ tell us where to send the money; ■ show your government-issued ID; ■ show your driver's license; or <p>We also collect your personal information from others, such as affiliates.</p> <p>We do not collect your personal information from other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> ■ sharing for affiliates' everyday business purposes—information about your creditworthiness ■ affiliates from using your information to market to you ■ sharing for nonaffiliates to market to you

Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ■ We only have one affiliate: Perkins Investment Management, LLC.
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ■ PWMCO does not share with non-affiliates so that they can market to you.
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> ■ PWMCO doesn't jointly market.