

## **Counsel Wealth Management, Inc.**

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**March 24, 2020**

### **FORM ADV PART 2 BROCHURE**

**This brochure provides information about the qualifications and business practices of Counsel Wealth Management, Inc. If you have any questions about the contents of this brochure, please contact us at 651-639-8707. 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.**

**Additional information about Counsel Wealth Management, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Counsel Wealth Management, Inc. is 115165.**

**Counsel Wealth Management, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## **Item 2 Summary of Material Changes**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment dated March 19, 2019, we have no material changes to report.

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## Item 4 Advisory Business

### Description of Services and Fees

Counsel Wealth Management, Inc. is an investment adviser registered with the United States Securities and Exchange Commission. We are organized as a corporation under the laws of the state of Minnesota. We are based in Arden Hills, Minnesota and we have been providing investment advisory services since May 2004. Paul McCready is our principal owner.

You may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm. We also refer to Associated Persons who provide investment advice as Representatives throughout this Brochure.

Currently, we offer the following investment advisory services:

- Asset Management Services
- Financial Planning Services

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs.

### Asset Management Services

We provide discretionary asset management services based upon various model portfolios and strategies, where we invest in specific types of assets depending on the portfolio/strategy used. We also provide asset management services tailored to meet your individualized needs and investment objectives within a customized investment portfolio for each client.

Our strategies are the Counsel Allocation Program, the Dividend Growth Stock Program, the Core and Explore Program, the Counsel Wealth Acorn Program, Core Capital Program, the Advance and Protect Stock Program and the Custom Program. We provide asset management services under both Wrap Fee Programs and Non-Wrap Fee Programs.

The Counsel Allocation Program and Custom Program may be non-wrap accounts (described herein) or wrap accounts depending on the type of account managed. The Dividend Growth Stock Program, Core and Explore Program, the Counsel Wealth Acorn Program, Core Capital Program, and Advance and Protect Stock Program are wrap accounts.

In the Wrap Fee Programs, we manage client accounts for a single fee that includes asset management services and custodial and transaction/commission costs. If you participate in our Wrap Fee Programs, we will provide you with a separate Wrap Fee Program Brochure explaining the Programs and the fees we receive for our wrap account services. If your non-wrap account is held with TD Ameritrade, you may also incur transaction charges and/or brokerage fees when purchasing or selling securities.

In the non-wrap Counsel Allocation Program, assets are held in variable annuities, variable life insurance, in TD Ameritrade custodial accounts or in accounts held directly at a mutual fund. The Program may be utilized with variable annuity benefits coordination, which is designed for management of certain variable annuities with guaranteed living or death benefit riders, which impose restrictions on the investment of the annuities' sub-accounts.

In the non-wrap Counsel Allocation Program, we invest your assets in mutual funds and/or exchange traded funds (ETFs), or variable sub-accounts in the case of variable annuities and variable life insurance. In the Wrap Counsel Allocation Program, we may invest your assets in both mutual funds and exchange traded funds. In the Dividend Growth Stock Program, we may invest your assets in individual stocks, ETFs, mutual funds and/or cash. In the Core Fund, the Core and Explore and Advance and Protect Stock Program your accounts may be invested in mutual funds and exchange traded funds, structured products, and individual stocks and bonds. For Non-Wrap Custom Accounts which will be held at TD Ameritrade, we may invest your assets in mutual funds, exchange traded funds, structured products, options and individual stocks and bonds or any other type of investment we may deem suitable for you.

As part of our asset management services, we may recommend one or more third party investment adviser(s) to manage all or a portion of your account on a discretionary basis. The third party investment adviser(s) may use one or more of their model portfolios to manage your account. We will regularly monitor the performance of your accounts managed by third party investment advisers(s), and make recommendations to you as necessary. We may share in the fee charged by the third party adviser(s) or in the alternative include the value of the assets managed by the third party adviser(s) when determining our advisory fee.

If you retain our firm for asset management services, a representative of our firm will meet with you to determine your financial situation, investment objectives, tolerance for risk, and investment time horizon. In the event you were referred to our firm by a third party investment adviser, a representative of that firm may work with you to gather investment suitability information.

For the Counsel Allocation Program, in accordance with your risk tolerance and investing objectives, we will invest your assets using predefined strategies according to a model portfolio developed by our firm. The assets selected and their weightings will vary slightly among clients depending on the specific investment vehicles utilized as well with considerations of each client's risk tolerance. We will periodically rebalance your account according to the model portfolio as applicable changes in market conditions or your circumstances may require. The assets selected and their weightings will vary slightly depending on the specific investment vehicle utilized as well with considerations of the client's risk tolerance. In the Custom Program your portfolio will be custom designed based on your individual goals and objectives and we will monitor your portfolio's performance on an ongoing basis and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

We require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow our firm to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the asset management agreement you sign with our firm. For the Custom Program, you may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing. Such restrictions/guidelines may affect the composition and performance of your portfolio and/or our ability to meet your investment objectives.

We charge an annual fee of up to 1.95% of the value of your account for asset management services.

Our fee is billed and payable quarterly in advance based on the value of the account as of the last trading day of the previous quarter.

Counsel Wealth Management, Inc. has implemented a \$600 annual service fee. This minimum fee may be waived or reduced in our sole discretion.

If the asset management agreement is executed at any time other than the first day of a calendar quarter, our fees will be prorated, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. In such cases, our initial fee will be debited or invoiced upon acceptance of the asset management agreement (or as soon thereafter as assets have been deposited into the account).

Our advisory fee is negotiable and may be waived in whole or in part depending on individual client circumstances and in our discretion.

We will send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee on or after the due date only if you have given our firm written authorization permitting the fees to be paid directly from your account. If insufficient cash is available in the Account to pay the Program Fee, the Custodian is authorized to liquidate securities selected by Custodian, our firm, the third party investment adviser, or the Representative in an amount sufficient to pay such fees, without prior notice to or consent from you. You may revoke authorization for automatic payment at any time, in which case, you would be invoiced directly for payment. If you choose to be directly invoiced for the payment of our advisory fee, the fee is payable within 30 days.

No adjustment of the Program Fee will be made for partial withdrawals within a billing period or for account appreciation or depreciation within a billing period. We will charge a prorated fee on assets deposited into a client's account after the beginning of a calendar month based upon the number of days remaining in such month.

The qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

The Asset Management Agreement may be canceled at any time, by either party, for any reason, upon notice to the other party, as provided in the Asset Management Agreement. For the calendar month in which the Asset Management Agreement is terminated, the Program Fee will be prorated and refunded based on the number of days that the Asset Management Agreement was in effect during such month.

### **Financial Planning and Consulting Services**

We offer broad-based, modular, and consultative financial planning services to our clients and prospective clients. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. Financial plans may address a variety of areas including, but not limited to, retirement planning, college planning, insurance planning, retirement income distribution planning, estate planning, and qualified plan distributions. We may also provide periodic asset allocation advice on outside accounts.

If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives.

Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial planning services may also include access to a personalized financial website, where you can store digital copies of important documents, aggregate account value information from a variety of sources, and access various planning projections and illustrations. The website is password protected and non-transactionable.

Financial plans will not include information or analysis with respect to liability risks or tax planning, but they may include generic recommendations regarding general types of investment products.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information, you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

If you only require advice on an area of specific concern, we offer general consulting services on an hourly basis. Consultations can include, but are not limited to, meetings with clients and their attorneys regarding asset preservation strategies or assistance with estate settlements.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

If you want assistance from your Representative in implementing the recommendations made in a financial plan by purchasing or selling securities, the Representative may be acting in his or her capacity as a registered representative of APW. This could constitute a conflict of interest since the Representatives could earn fees from their advisory services and commissions when acting as a registered representative.

For financial planning services, we charge either an hourly basis or a per plan basis (fixed fee). You and your Representative will together determine which billing method will be used. Our hourly rate ranges from \$75 to \$300 and is negotiable based on a variety of factors including, but not limited to, the complexity of your financial situation and the scope of services provided. The hourly fee will be disclosed to you prior to services being provided and will also be included in the client agreement. An estimate of the number of hours needed to complete the requested services will also be provided to you. If more time is needed to complete the requested services than originally estimated, the Representative will not proceed with any additional work until we receive permission from you.

Our fixed fee generally ranges from \$2,000 to \$15,000 and is negotiable based upon a variety of factors including, but not limited to, the complexity of your financial situation and the scope of services provided. The fee will be disclosed to you prior to services being provided and will also be included in the client agreement.

Financial planning fees may be payable in advance, or upon completion of the services or a combination payment. If you elect a combination payment, your Representative will have the sole discretion to determine the amount of the retainer (up to half the agreed upon fee). The retainer will be due at the time of signing the client agreement with the remainder due upon completion of the services. You will not be charged more than \$1200 more than six months in advance.

The services we provide typically end when we present the plan to you and we will not provide any additional services unless you request us to do so, or unless you have retained our services to provide you with periodic asset allocation recommendations on outside accounts. You may terminate the financial planning agreement by providing written notice to our firm. You will be charged for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees. Charges are prorated based on the number of hours of services provided and/or the time and effort expended.

With either a prorated charge or a prorated refund, we will provide you with a detailed statement summarizing the charges/refund. Any owed fees will be due upon receipt of the billing statement.

We may provide certain financial planning services to new clients of the firm at no charge for purposes of introducing the firm's services. We may also provide certain financial planning services to existing clients at no charge at the discretion of the Representative.

### **Types of Investments**

For the Counsel Allocation Program, we invest your assets in variable annuity sub-accounts, mutual funds and/or ETFs. For Custom Accounts which will be held at TD Ameritrade, we may invest your assets in mutual funds, exchange traded funds, structured products, options and individual stocks and bonds or any other type of investment we may deem suitable for you.

In general, we manage non-wrap fee accounts on a long-term investment strategy. A long-term investment strategy will typically involve investments that are anticipated to grow in value over a relatively long period of time. For certain wrap accounts we may include a short-term investment strategy, which will typically involve purchasing and selling securities within a relatively short period of time based on these securities' short-term price fluctuations.

### **Assets Under Management**

As of December 31, 2019, we provide continuous management services for \$146,868,130 in client assets on a discretionary basis.

## **Item 5 Fees and Compensation**

Please refer to the "Advisory Business" section in this Brochure for information on our advisory fees, fee deduction arrangements, and refund policy according to each service we offer.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. If your account is held with TD Ameritrade, you may also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through which your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. In addition, variable annuities may impose a mortality charge (a fee included in certain annuity or insurance products which serves to compensate the insurance company for various risks it assumes under the annuity contract). To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Brochure.



The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Certain mutual funds offered through the Programs may impose short-term trading charges (typically 1% - 2% of the amount originally invested) for redemptions made within short periods of time. Certain ETFs offered through the Programs may impose short-term trading charges (typically \$19.95) for redemptions made within 30 days.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

### **Compensation for the Sale of Securities or Other Investment Products**

Persons providing investment advice on behalf of our firm are registered representatives with APW Capital, Inc. ("APW"), a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, which may include 12b-1 fees for the sale of investment company products (where appropriate, we will recommend "no-load" mutual funds to you in order to minimize your costs). Compensation earned by these persons in their capacities as registered representatives is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Our firm is also licensed as an insurance agency and persons providing investment advice on behalf of our firm may be licensed as independent insurance agents. In their capacity as insurance agents, these persons will receive commission-based compensation in connection with the purchase and sale of insurance products. Compensation earned by these persons in their capacities as insurance agents is separate and in addition to our advisory fees. This practice presents a conflict of interest because we have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through our firm or any of our associated persons, in their capacity as insurance agents.

We may recommend that you purchase variable annuities or variable life insurance to be included in your investment portfolio(s). Persons providing investment advice on behalf of our firm may earn commissions on the sale of the variable annuities or variable life insurance in his or her capacity as a registered representative of APW. If these persons earn commission on the sale of variable annuities recommended to you, we will not include the annuity accounts in the total value used for our advisory billing/fee computation for 1 year after the annuity contract is sold. After the one-year period, the value of the annuity sub-accounts will be added to the value of your total assets for billing purposes. You are under no obligation, contractually or otherwise, to purchase variable annuities through any person affiliated with our firm.

Mitchell Wood, an associated person of our firm is also the owner and an advisory representative of Liberty Advisor Managed Assets, Inc. We are not under common control with Liberty Advisor Managed Assets, Inc., however we may recommend that Liberty manage a portion or all of your assets. Mitchell Wood, in his capacity as the owner and an advisory representative of Liberty, will

receive compensation on the same assets that he is also compensated on at Counsel Wealth Management. This practice presents a conflict of interest because he has an incentive to recommend Liberty for the purpose of generating fees rather than solely based on your needs.

### **IRA Rollover Considerations**

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

An employee will typically have four options:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
  - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if

- you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
  8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
  9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
  10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the Advisory Business section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we require a Household minimum of \$100,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. We may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum. Each Investment Program has its own account minimum. Accounts with values less than the minimum may be invested in different assets than those above the minimum.

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

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, including a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

- **Technical Analysis** - involves studying past price patterns and trends in the financial markets to forecast the direction of both the overall market and specific stocks.
- **Long Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Short Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- **Options Trading**: a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option. Options are only utilized in the Custom Program.

We utilize a compilation of fundamental and technical analysis and market analysis consensus to determine the Portfolios. By utilizing a consensus of other industry experts, we determine our total market participation and then evaluate which asset classes and sectors are preferred for the current market. We may utilize commercially available software and databases to obtain additional information on securities that may be selected for the Portfolios. For some of the Programs/Portfolios, we rely on third-party services for research and for recommendations regarding asset allocation models or buy and sell indicators.

We also utilize Modern Portfolio Theory ("MPT") in the formation of management strategies. MPT is a theory of investing which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets. MPT is a mathematical formulation of the concept of diversification in investing, with the aim of selecting a collection of investment assets that has collectively lower risk than any individual asset. The risk, return, and correlation measures used by MPT are mathematical statements about the future. Very often such expected values fail to take account of new circumstances which did not exist when the historical data were generated.

Each Portfolio is and will be constructed with a view to achieving certain objectives and risk profiles, and we will manage the Account'(s) assets to reflect the Portfolio which you select. The available Portfolios generally fall within one of the following three profiles:

- **Growth & Income**: Portfolios with a Growth & Income profile seek to achieve long-term growth of capital, with moderate current income. You should have a tolerance for moderate fluctuations in the value of the Account and be willing to accept the volatility associated with an equity portfolio. We recommend a time horizon of five years or longer.
- **Growth**: Portfolios with a Growth profile seek to achieve long-term growth of capital and generally without regard for current income. You should have a tolerance for moderately large fluctuations in the value of the Account and be willing to accept the volatility associated with an equity portfolio. We recommend a time horizon of five years or longer.
- **Aggressive**: Portfolios with an Aggressive profile seek to achieve maximum long-term growth of capital without regard for current income. You should have a tolerance for large fluctuations in the value of the Account and be willing to accept the volatility of a 100% equity portfolio. We recommend a time horizon of more than five years to maximize the opportunity for growth.

For the Custom Account Program, our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Any guidelines/restrictions you impose may affect the composition and return of your portfolio.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing an Account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

We may use investment strategies that involve buying and selling securities frequently in an effort to capture significant market gains and avoid significant losses during a volatile market. However, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.

The trading of options may be highly speculative and may entail more risk than those present when investing in other types of securities. Prices of options are generally more volatile than prices of other types of securities. When trading in options, you may run the risk of losing the entire investment in a relatively short period of time. In more risky options strategies, an investor could theoretically have an unlimited risk of loss.

Certain death benefit riders on variable annuity contracts may limit the number of switches we can make between mutual funds and may place caps on the amount of equity exposure the portfolio can have. These restrictions may negatively impact the performance returns on your account.

We may recommend the use of third party investment adviser(s) to manage some or all of your assets. We may recommend that you replace the third party investment adviser(s) if there is a significant deviation in characteristics or performance from the stated strategy and/or benchmark and/or other factors.

### **Short-term Gains and Losses for Tax Purposes**

You should note that if we effect short term transactions in your Account, these transactions might result in short term gains or losses for federal and state tax purposes. You should review the treatment of such tax consequences with your accountant or tax counsel.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in not an indication of future results.

### **Recommendation of Particular Types of Securities**

As disclosed under the "Advisory Business" section in this Brochure, for the Counsel Allocation Program, we invest your assets in variable annuity sub-accounts, mutual funds and/or ETFs. You should be advised that investing in these types of securities involves risks including the occurrence of a severe market decline in one or more financial markets, risk of economic contraction or decline and inflation or deflation.



## Item 9 Disciplinary Information

Neither our firm nor our principal owners have any legal or disciplinary events which are required to be disclosed in this Brochure.

## Item 10 Other Financial Industry Activities and Affiliations

### Registrations with Broker-Dealer

Persons providing investment advice on behalf of our firm are registered representatives with APW Capital, Inc. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

### Other Registered Investment Advisors

Also, some of our Associated Persons are also registered as investment advisors of Liberty Advisor Managed Assets, Inc. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by such advisors who are affiliated with our firm.

### Insurance Arrangements

In addition to being registered as an investment adviser, our firm is also licensed as an insurance agency and individuals associated with our firm are licensed as insurance agents. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

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

### Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Jan Bartel, at 651-639-8707 or [jan@counselwealthmanagement.com](mailto:jan@counselwealthmanagement.com).

### Personal Trading Practices

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the "Brokerage Practices" section in this Brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that we shall not have priority over your account in the purchase or sale of securities.

## Item 12 Brokerage Practices

We recommend the brokerage and custodial services of TD Ameritrade Institutional (through the TD Ameritrade Institutional Program), a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers independent investment advisers services, which include custody of securities, trade execution, clearance, and settlement of transactions. We receive some benefits from TD Ameritrade through its participation in the program. Our firm and /or Associated Persons may receive benefits such as assistance with conferences and educational meetings from product sponsors.

We participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits we receive through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to you, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by our firm and/or our associated persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

We believe that TD Ameritrade provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by TD Ameritrade, including the value of research provided the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services TD Ameritrade provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

As disclosed above, persons providing investment advice on behalf of our firm who are registered representatives of APW Capital, Inc. ("APW") will recommend APW to you for brokerage services for non-advisory accounts. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from APW unless APW provides the Representative with written authorization to do so. These individuals are generally limited to conducting securities transactions through APW. It may be the case that APW charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through APW, these individuals (in their separate capacities as registered representatives of APW) may earn commission-based compensation as result of placing the recommended securities transactions through APW. This practice presents a conflict of interest because these registered representatives

have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as, we recommend. However, if you do not use APW, we may not be able to accept your account. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

### **Block Trades**

We may aggregate or block client orders for transactions in TD Ameritrade custodial accounts. However, such aggregated or block orders may be uncommon due to the Programs' investments in mutual funds and the Firm's systems for placing orders through TD Ameritrade. To the extent any aggregated or block orders are placed, we shall cause such orders to be effected through an "average price account" or similar account such that each Account participating in the order shares in the securities purchased or sold, price, and transaction costs pro rata (unless pro rata would be unfair under the circumstances). Proprietary accounts of our firm and its supervised persons may participate in block orders on the same basis.

In the event orders are not aggregated, you may receive different prices for the same securities transactions. Furthermore, you may not be able to buy or sell the same quantity of securities and you may be charged higher commissions than if transactions were aggregated.

## **Item 13 Review of Accounts**

### **Asset Management**

All Program models and Custom Program Accounts are continuously monitored by our firm's investment committee who will also conduct an internal review of holdings on a quarterly basis. Accounts are reviewed regularly to ensure that they are correctly allocated according to your selected Portfolio. At least annually, we will notify you in writing to contact us or the Representative if there have been changes in your financial situation or investment objectives, or if you wish to impose or modify any reasonable Account restrictions for a Custom Account. At least annually, you will also be contacted to discuss these issues. Paul S. McCready, our President and Chief Compliance Officer, will be responsible for overseeing all reviews.

You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

### **Financial Planning**

Generally, for financial planning services we do not provide any scheduled reviews unless you specifically retain us for that service. We do recommend that you review financial goals and objectives on an annual basis.

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

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with TD Ameritrade.



## **Other Compensation**

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not dependent upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

As disclosed under the "Fees and Compensation" section in this Brochure we are a licensed insurance agency. Also, persons providing investment advice on behalf of our firm may be licensed insurance agents, and are registered representatives with APW Capital, Inc. a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section.

## **Item 15 Custody**

We may directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent qualified custodian. You will receive account statements from the independent qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact Jan Bartel, Client Service Administrator, at 651-639-8707 or via e-mail at [jan@counselwealthmanagement.com](mailto:jan@counselwealthmanagement.com).

Our firm or persons associated with our firm may assist clients with the transfer of their assets between two or more of a client's accounts maintained at the client's custodian, or maintained with multiple custodians. We may effect such transfers for client accounts with client written consent per transaction or a client may use a Standing Letter of Authorization. A Standing Letter of Authorization is an authorization provided by a client in which the client grants authority to their advisor permitting the advisor to instruct the client's qualified custodian to transfer assets to a third party designated by the client.

Pursuant to Rule 206(4)-2 (the "Custody Rule"), we have taken steps to have controls and oversight in place to support the no-action letter issued by the SEC on February 21, 2017 (the "SEC no-action letter"). With respect to third party standing letters of authorization ("SLOA") where a client may grant us the authority to direct custodians to disburse funds to one or more third party accounts, we are deemed to have limited custody. However, we are not required to comply with the surprise examination requirement of the Custody Rule if we are otherwise in compliance with the seven representations noted in the February 21, 2017 no-action letter.

Where the Adviser acts pursuant to a SLOA, we believe we are making a good faith effort to comply with the representations noted in the SEC's no-action letter. Additionally, since many of those representations involve the qualified custodian's operations, we will collaborate closely with its custodians to ensure that the representations would be able to be met.

## Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement. By signing our discretionary management agreement, you grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

However, our investment authority may be subject to specified conditions you impose. For example, a Client may specify that the investment in any particular industry should not exceed specified percentages of the value of the portfolio. Such restrictions/guidelines may affect the composition and performance of your portfolio and/or our ability to meet your investment objectives.

## Item 17 Voting Client Securities

### Proxy Voting

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

## Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

## Item 19 Requirements for State Registered Advisers

We are an SEC registered investment adviser therefore this section is not applicable.

## Item 20 Additional Information

### Your Privacy

Protecting the confidentiality of its customers' nonpublic information is paramount for Counsel Wealth. As such, the Firm has instituted policies and procedures to ensure that nonpublic customer information is kept confidential. Counsel Wealth does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties except as provided in this Brochure, or as required by or permitted by law. In the course of servicing a client's Account, Counsel Wealth may share some information with its service providers, such as transfer agents, custodians, broker/dealers, accountants, and attorneys. Counsel Wealth restricts internal access to nonpublic personal information

about the client to those employees who need access to such information in order to provide products or services to that client. Counsel Wealth also maintains physical, electronic, and procedural safeguards to protect its clients' information.

Clients who are referred to Counsel Wealth by third party investment advisers or a Representative are advised that Counsel Wealth, third party advisers, and the Representative may share among themselves information regarding the client and the Account and Account activity, and each has agreed to keep such information confidential, to be used only to provide services for the Account or to meet regulatory or supervisory requirements. Under certain circumstances, former Representatives may be permitted to retain copies of nonpublic customer information after they cease to be associated with Counsel Wealth or third party investment advisers.

A copy of the Firm's notice of privacy policies will be provided to each client prior to, or contemporaneously with, the execution of the Asset Management Agreement. Thereafter, Counsel Wealth will deliver annually to its clients a copy of the Firm's current notice of privacy policies. Please contact Jan Bartel at (651) 639-8707 or via e-mail at [jan@counselwealthmanagement.com](mailto:jan@counselwealthmanagement.com), if you have any questions regarding this policy.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

For accounts custodied at TD Ameritrade, if a profit results from correcting the trade, all net gains (positive error accounts balances resulting from trade corrections) will be moved to a TD Ameritrade error account and subsequently donated to charity.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.