

**Item 1: Cover Page  
Part 2A of Form ADV: Firm Brochure  
February 2020**

**Ashworth Wealth, LLC  
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[www.ashworthwealth.com](http://www.ashworthwealth.com)**

**Firm Contact:  
Todd McChesney  
Chief Compliance Officer**

This brochure provides information about the qualifications and business practices of Ashworth Wealth, LLC. If clients have any questions about the contents of this brochure, please contact us at (801) 364-4400 or [todd@ashworthwealth.com](mailto:todd@ashworthwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD #116950.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

## Item 2: Material Changes

Ashworth Wealth, LLC is required to make clients aware of information that has changed since the last annual update to the Firm Brochure ("Brochure") and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Since the last annual amendment filed on 01/25/2019, the following material changes have been made:

- Our firm recommends third-party managers that utilize Charles Schwab & Co., Inc. ("Schwab"), and TD Ameritrade, Inc. ("TD Ameritrade"), as a custodian for client accounts. Schwab and TD Ameritrade recently eliminated transaction fees for U.S. listed equities and exchange traded funds.
- Our firm recommends third-party managers that utilize Fidelity Brokerage Services ("Fidelity"), as a custodian for client accounts. Fidelity recently eliminated transaction fees for U.S. listed equities and exchange traded funds for clients who opt into electronic delivery of statements or maintain at least \$1 million in assets at Fidelity.
- Our firm also recommends third-party managers that utilize Pershing Advisor Solutions, LLC ("Pershing") as a custodian for client accounts. Other major custodians have recently eliminated transaction fees for all ETFs and U.S. listed equities, so clients may pay more for investing in the same securities at Pershing.
- Our firm has increased our maximum hourly fee to \$300 for Retirement Plan Consulting services, and added an hourly fee option for Financial Planning & Consulting services with a maximum of \$300 per hour as well. More information about these services can be found in Items 4 and 5 of this Brochure.

### Item 3: Table of Contents

Item 1: Cover Page .....	1
Item 2: Material Changes.....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business.....	4
Item 5: Fees & Compensation.....	6
Item 6: Performance-Based Fees & Side-By-Side Management.....	8
Item 7: Types of Clients & Account Requirements .....	8
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss .....	9
Item 9: Disciplinary Information.....	10
Item 10: Other Financial Industry Activities & Affiliations.....	10
Item 11: Code of Ethics, Participation or Interest in.....	11
Client Transactions & Personal Trading .....	11
Item 12: Brokerage Practices .....	11
Item 13: Review of Accounts or Financial Plans.....	12
Item 14: Client Referrals & Other Compensation.....	12
Item 15: Custody.....	13
Item 16: Investment Discretion.....	13
Item 17: Voting Client Securities.....	13
Item 18: Financial Information .....	13

## Item 4: Advisory Business

Our firm is dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed under the laws of the State of Utah in 2008 and has been in business as an investment adviser since that time. Our firm is owned by Todd P. McChesney Financial, Inc. (50%) and RST Consulting, Inc. (50%).

The purpose of this Brochure is to disclose the conflicts of interest associated with the investment transactions, compensation and any other matters related to investment decisions made by our firm or its representatives. As a fiduciary, it is our duty to always act in the client's best interest. This is accomplished in part by knowing our client. Our firm has established a service-oriented advisory practice with open lines of communication for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

### **Types of Advisory Services Offered**

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#### **Asset Management & Third Party Money Managers:**

Our firm utilizes the services of a third party money manager for the management of client accounts. Investment advice and trading of securities will only be offered by or through the chosen third party money manager. Our firm will not offer advice on any specific securities or other investments in connection with this service. Prior to referring clients, our firm will provide initial due diligence on third party money managers and ongoing reviews of their management of client accounts. In order to assist in the selection of a third party money manager, our firm will gather client information pertaining to financial situation, investment objectives, and reasonable restrictions to be imposed upon the management of the account.

Our firm will periodically review third party money manager reports provided to the client at least annually. Our firm will contact clients from time to time in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. Clients will be expected to notify our firm of any changes in their financial situation, investment objectives, or account restrictions that could affect their financial standing.

Assets are invested primarily by Third Party Investment Managers in individual stocks, no-load or low-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds. The Advisor's Fee Schedule is set forth in each specific Investment Manager's Agreement.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm may charge a fee for stock and bond trades.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance,

variable annuities, and mutual funds shares), U. S. government securities, options contracts, ETFs, futures contracts, interests in partnerships, hedge funds and futures.

Initial public offerings (IPOs) are not available through Ashworth Wealth, LLC.

### **Financial Planning & Consulting:**

A financial plan may be designed to help the client with all aspects of financial planning without ongoing investment management after the financial plan is completed.

The financial plan may include, but is not limited to: net worth statement, cash flow statement, review of investment accounts (including reviewing asset allocation and providing repositioning recommendations), strategic tax planning, review of retirement accounts and plans including recommendations, review of insurance policies and recommendations for changes (if necessary), one or more retirement scenarios, and estate planning review and recommendations.

The scope of work and fee for a Financial Planning Agreement is provided to the client in writing prior to the start of the relationship.

### **Retirement Plan Consulting:**

Our firm provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education. Retirement Plan Consulting services typically include:

- Establishing an Investment Policy Statement – Our firm will assist in the development of a statement that summarizes the investment goals and objectives along with the broad strategies to be employed to meet the objectives.
- Investment Options – Our firm will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Our firm will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.
- Investment Monitoring – Our firm will monitor the performance of the investments and notify the client in the event of over/underperformance and in times of market volatility.

In providing services for retirement plan consulting, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets"). All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and our firm accepts appointment to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

## **Tailoring of Advisory Services**

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On more than an occasional basis, Ashworth Wealth, LLC furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning.

## **Participation in Wrap Fee Programs**

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Our firm does not offer or sponsor a wrap fee program.

## **Regulatory Assets Under Management**

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Our firm manages \$0 on a discretionary basis and \$167,310,840 on a non-discretionary basis as of December 2019.

# **Item 5: Fees & Compensation**

## **Compensation for Our Advisory Services**

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### **Asset Management & Third Party Money Managers:**

The total annual advisory fee for this service shall not exceed 2.00%. A portion of this fee will be paid to our firm and will be outlined in the third-party money manager's advisory agreement to be signed by the client. Ashworth Wealth, LLC's portion of the Investment Management fee will never be more than 1.25% per annum. Clients will be provided with a copy of the chosen third-party money manager's Form ADV Part 2, all relevant Brochures, a solicitation disclosure statement detailing the fees to be paid to both firms and the third-party money manager's privacy policy. All fees that our firm receives from the third-party money managers and the written separate disclosures made to clients regarding these fees comply with applicable state statutes and rules.

Annualized fees are billed on a pro-rata basis quarterly, either in advance or arrears, based on the value of the account(s) on the last day of the previous quarter. Clients will be billed in advance or arrears depending on the third-party money manager selected. The total fee to be charged, as well as the billing cycle, will be detailed in the third-party money manager's ADV Part 2A and separate advisory agreement to be signed by the client. Fees are negotiable and will be deducted from client account(s). In rare cases, our firm will agree to directly invoice. As part of this process, Clients understand the following:

- a) The client's independent custodian sends statements at least quarterly showing the market values for each security included in the Assets and all account disbursements, including the amount of the advisory fees paid to our firm;
- b) Clients will provide authorization permitting our firm to be directly paid by these terms. Our firm will send an invoice directly to the custodian; and
- c) If our firm sends a copy of our invoice to the client, a legend urging the comparison of information provided in our statement with those from the qualified custodian will be included.

The minimum annual investment advisory fee assessed to client accounts will be \$5,000.00. However, legacy clients may have a lower minimum threshold.

### **Financial Planning & Consulting:**

Our firm charges on a flat fee or hourly fee basis for Financial Planning & Consulting services. Financial plans are priced according to the degree of complexity associated with the client's situation. The ultimate fee we charge you will be detailed in the Financial Planning Agreement. Our flat fees range from \$1,000 to \$50,000, and the maximum hourly fee to be charged will not exceed \$300. Basic Financial Plans for families will be priced at \$1,000 - \$5,000, Financial Plans for Businesses will be priced at \$5,000 - \$15,000, and Complex and multifaceted Financial Plans will be priced at \$15,000 to \$50,000.

Fees are NEGOTIABLE. The fee for a financial plan is predicated upon the facts known at the start of the engagement. Fees are commonly negotiated where multiple family accounts are involved. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments. Our firm will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 months.

### **Retirement Plan Consulting:**

Our Retirement Plan Consulting services are billed on an hourly or flat fee basis or a fee based on the percentage of Plan assets under management. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. Our flat fees range from \$1,000 to \$20,000. The maximum hourly fee to be charged will not exceed \$300. Fees based on a percentage of managed Plan assets will not exceed 1.00%. The fee-paying arrangements will be determined on a case-by-case basis and will be detailed in the signed consulting agreement. Investment management fees for 401k plans are billed quarterly, in ARREARS, meaning accounts are invoiced at the end of the three-month billing period.

### **Other Types of Fees & Expenses**

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Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. However, certain custodial platforms offered by custodians that custody our Clients' assets such as Charles Schwab & Co., Inc. ("Schwab"), and Fidelity Brokerage Services ("Fidelity") have eliminated transaction fees for U.S. listed equities and exchange traded funds. Fidelity requires that Clients opt into electronic delivery of statements or maintain at least \$1 million in assets at Fidelity in order to avoid transaction costs.

Ashworth Wealth, LLC, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

New Investment Advisory Agreement fees are calculated on a formula basis and adjusted for complexity of individual situations. Clients may incur brokerage and other transactional costs.

## **Termination & Refunds**

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Either party may terminate the advisory agreement signed with our firm for Asset Management services in writing at any time. Upon notice of termination from clients who are billed quarterly in advance, our firm will process a pro-rata refund of the unearned portion of the advisory fees charged in advance. Upon notice of termination from clients billed quarterly in arrears, pro-rata advisory fees for services rendered to the point of termination will be charged. If advisory fees cannot be deducted, our firm will send an invoice for due advisory fees to the client.

Ashworth Wealth, LLC reserves the right to stop work on any account that is more than 30 days overdue. In addition, Ashworth Wealth, LLC reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Ashworth Wealth, LLC's judgment, to providing proper financial advice.

If the Client does not receive our brochure and brochure supplements at least forty-eight (48) hours prior to entering into an agreement, the Client has the right to terminate our services without penalty within five (5) business days of entering into the agreement.

## **Commissionable Securities Sales**

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Representatives of our firm are registered representatives, as well as Investment Advisor Representatives of Royal Alliance Associates, Inc. ("Royal Alliance"), member FINRA/SIPC, and a Registered Investment Advisor. As such they are able to accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees. Clients should be aware that the practice of accepting commissions for the sale of securities presents a conflict of interest and gives our firm and/or our representatives an incentive to recommend investment products based on the compensation received. Our firm generally addresses commissionable sales conflicts that arise when explaining to clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending commissionable mutual funds, explaining that "no-load" funds are also available. Our firm does not prohibit clients from purchasing recommended investment products through other unaffiliated brokers or agents.

Ashworth Wealth, LLC does not charge advisory fees in addition to commissions or markups.

## **Item 6: Performance-Based Fees & Side-By-Side Management**

Our firm does not charge performance-based fees.

## **Item 7: Types of Clients & Account Requirements**

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;
- Pension and Profit-Sharing Plans;



Our requirements for opening and maintaining accounts or otherwise engaging us:

- Our firm requires a minimum account balance of \$500,000 for our Asset Management service through Third Party Money Managers. Ashworth Wealth, LLC has the discretion to waive the account minimum.
- The minimum annual investment advisory fee is \$5,000.00; however, legacy client relationships may exist where the fees are lower.

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

### **Methods of Analysis**

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We use the following methods of analysis in formulating our investment advice and/or managing client assets:

- Charting;
- Cyclical;
- Fundamental;
- Technical.

### **Investment Strategies We Use**

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The primary investment strategy used on client accounts is structured asset allocation. This means that we use passively-managed index and exchange-traded funds as the core investments, and may add actively-managed funds where there may be other opportunities within the client's overall risk tolerances. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Other strategies may include long-term purchases, short-term purchases, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

### **Risk of Loss**

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Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, and that their assets are appropriately diversified in investments. Clients are encouraged to ask our firm any questions regarding their risk tolerance.

### **Description of Material, Significant or Unusual Risks**

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All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

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

Investment Advisors are also licensed insurance agents and have affiliations with various insurance companies whose products they sell. This may create a conflict of interest and may offer IA Reps an incentive to recommend insurance products that produce insurance commissions for the IA Rep. When any such recommendations are made, IA Reps will disclose this potential conflict of interest prior to completing any transaction and will obtain specific consent from the Client before purchasing any insurance product. Additionally, Clients always have the option to purchase insurance products through other agents not affiliated with Ashworth Wealth, LLC.

Persons affiliated with adviser are also registered representatives and investment adviser representatives of Royal Alliance Associates, Inc. (a Broker-Dealer and Registered Investment Adviser) and may receive compensation in the form of commissions and other Advisory Fees. While

this can create a conflict of interest, we are bound by our code of ethics and will only act in the best interest of our clients.

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

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day unless included in a block trade.

## **Item 12: Brokerage Practices**

<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

## Selecting a Brokerage Firm

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Our firm does not maintain custody of client assets. Client assets must be maintained by a qualified custodian. Our firm does not have discretionary authority to determine the Broker-Dealer to be used for a purchase or sale of securities for a client's account. Clients should refer to the specific Investment Manager's ADV Part 2A regarding their specific Brokerage Practices used and any conflicts of interest that might exist.

Ashworth Wealth, LLC does not receive fees or commissions from any of these arrangements. Certain immediate family members have the option of portfolio aggregation in order to lower custodian trading costs.

### Item 13: Review of Accounts or Financial Plans

Account reviews are performed at least annually by advisors Todd P. McChesney, ChFC, CLU, R. Scott Thomas, Barry R. Jenkins, Bryce Jenkins, and Robert M. Woods, MBA. Account reviews may be performed more frequently when market conditions dictate. Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's situation.

Clients receive periodic communications on at least an annual basis. Investment Advisory clients receive written quarterly updates from Third Party Money Managers. The written updates may include a net worth statement, a portfolio statement, and performance reports.

### Item 14: Client Referrals & Other Compensation

Ashworth Wealth, LLC does not accept referral fees or any form of remuneration from other professionals for client referrals.

The compensation paid to us by third party managers may vary, and thus, there may be a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Our firm's fees are not higher than they would have been had our client obtained services directly from the third party money manager. Prior to referring clients to third party advisors, we will ensure that third party advisors are licensed or notice filed with the respective authorities. A potential conflict of interest in utilizing third party advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict our firm will make our selections in the best interest of our clients. Our selection process factors in account sizes, project complexity, taxation concerns, philanthropic desires, investment experience, etc. Our firm will discuss all relevant factors with each client to help them determine the best third party money manager.

## **Item 15: Custody**

All of our clients receive account statements directly from their qualified custodians at least quarterly upon opening of an account. If our firm decides to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

## **Item 16: Investment Discretion**

Ashworth Wealth, LLC does not have any investment discretion on managed accounts. Client should refer to the specific Investment Manager agreement as it relates to discretion.

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

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Third party money managers selected or recommended by our firm may vote proxies for clients. Therefore, except in the event a third party money manager votes proxies, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Therefore (except for proxies that may be voted by a third party money manager), our firm and/or the client shall instruct the qualified custodian to forward to copies of all proxies and shareholder communications relating to the client's investment assets.

## **Item 18: Financial Information**

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.