

DWR Wealth Management, LLC

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This brochure provides information about the qualifications and business practices of DWR Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at the telephone number and/or e-mail address above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority. Our e-mail for regulatory compliance is chiefcomplianceofficerdwr@gmail.com.

DWR Wealth Management, LLC is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training. The verbal and written communications of an investment advisor provide you with information you need to determine whether to hire or retain the advisor.

Additional information about DWR Wealth Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The Firm's CRD number is 133743.

DWR Wealth Management, LLC

Our previous annual updating amendment was dated January 8, 2021. This item will be updated with the next annual updating amendment to reflect material changes to the Part 2.

Please contact us at (408) 260-9660 ext. 307 or rex@dunhamcpas.com if you would like a copy of our updated Part 2. Additional information about us is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 3

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ITEM 4: ADVISORY BUSINESS

Who we are

DWR Wealth Management, LLC (referred to as “we,” “our,” “us,” or “DWR”), has been registered as an investment advisor since March 2005. Our principals are D. Rex Rousselot and Rick D. Dunham,

Services we offer

We prepare the following types of financial plans:

1. Retirement income planning,
2. Analysis of current investments including a recommended investment model.
3. Estate planning in conjunction with estate planning attorneys

We also provide advisory services to individuals on either an asset based fee or on a hourly rate basis. Investment types include open-ended mutual funds and exchange traded funds. We do not employ market timing approaches or utilize individual securities or bonds.

Clients complete an investment questionnaire and we prepare an individualized investment portfolio for the client's review and ultimate implementation by DWR.

You may impose restrictions on investing in certain securities or types of securities.

We do not provide portfolio management services to a wrap fee program.

Assets under management

As of July 7, 2021, we manage assets of \$129.3 million on a discretionary basis and \$7.7 million on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

Financial Planning

Financial planning services are provided for an hourly fee of \$200. In lieu of the hourly fee, we may negotiate a flat fee ranging from \$1,000 - \$5,000. You will receive an invoice upon completion of the financial plan that is payable upon receipt. You may pay for financial planning services by check or cash.

You may cancel our financial planning agreement at any time by providing written notice. Upon cancellation, we will present you with an invoice for time spent. This invoice is payable upon receipt.

We have a conflict of interest when providing financial planning services. When you implement the financial plan through us, we receive the customary fees as disclosed in the following section. You are not required to employ us to implement the financial plan, or implement the plan, or any portion of it, at all.

Investment Management Services

Advisory Fees & Billing Practices

Fees for investment advisory services are calculated as a percentage of assets under management. These fees are billed quarterly in arrears, based on the assets under management as of the last day of the calendar quarter. Our standard fee schedule is:

| <u>Account Value</u> | <u>Annual Fee</u> |
|-----------------------------|-------------------|
| On the first \$250,000 | 1.00% |
| On the next \$500,000 | 0.80% |
| On the next \$500,000 | 0.60% |
| On amounts over \$1,250,000 | 0.50% |

We use our standard fee schedule and can deviate from the fee schedule based on current investable assets and/or future investable assets.

You may elect to provide authorization for us to deduct our fees directly from your investment account. Important information about the deduction of management fees:

- You must provide authorization for us to deduct fees when signing our contract.
- You will receive a detailed invoice each quarter which outlines our fees and how they are calculated at the same time we request payment from the custodian.
- You will receive a statement from your custodian which shows all transactions in your account, including the deduction of our fee.
- You are responsible for reviewing the accuracy of the fees being billed, as the custodian will not do so.

You may choose to pay by check rather than having payment deducted directly from your account.

If you would like to end our advisory relationship, you may do so by providing 30 days written notice. We will prorate the advisory fees received through the termination date and send you an invoice for the advisory fees due.

Other Costs Involved

In addition to our advisory fee shown above, you are responsible for paying fees associated with investing for your account. These fees include:

- management fees for ETFs and mutual funds. These are fees charged by the managers of the ETF or mutual fund and are a portion of the expenses of the ETF or mutual fund.
- brokerage costs and transaction fees for any securities or fixed income trades. These are generally charged by your custodian and/or executing broker.

Additional information about brokerage costs and services is provided in “Item 12: Brokerage Practices.”

We believe the fees mentioned above are competitive; however you may be able to obtain similar services from other sources at a lower price.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not receive performance fees for managing accounts.

ITEM 7: TYPES OF CLIENTS

A majority of the clients are high net worth individuals and we provide investment advice as a registered investment advisor to several companies in regards to their 401(k) retirement plan.

Generally we require that you maintain \$250,000 under management with us. However, we may waive that minimum at our sole discretion.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

DWR Wealth Management employs asset allocation models through the modern portfolio theory. The Investment models range from conservative balanced to a pure equity model. DWR Wealth Management employs the use of investment models in our investment approach. Each model is well diversified amongst several asset classes and incorporates many different open-ended mutual funds, thus mitigating any unusual risks. The firm does not involve frequent trading as a part of the investment approach,

All investments involve different degrees of risk. You should be aware of your risk tolerance level and financial situations at all times. We cannot guarantee the successful performance of an investment and we are expressly prohibited from guaranteeing accounts against losses arising from market conditions.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of the investment advisor and each investment advisor representative providing investment advice to you. We have no information of this type to report.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Mr. Dunham is also a principal of Dunham & Associates CPAs (D & A), a firm that provides tax preparation services. D& A provides tax services to both individual, small businesses and corporate clients and tax planning and book keeping services to both individuals and businesses. Many of our clients are also clients of D & A. Mr. Dunham expects to spend approximately 95% of his time working with accounting clients.

You are under no obligation to use the services of D & A for any accounting or tax work recommended by us.

Because of custody rules governing investment advisors, we cannot provide advisory services to individuals who have provided D & A with the authority to sign checks, pay bills, or transfer funds on their behalf.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

We have adopted a set of enforceable guidelines (Code of Ethics), which describes unacceptable conduct by DWR and our associated persons. Summarized, this Code of Ethics prohibits us from:

- placing our interests before yours,
- using non public information gathered when providing services to you for our own gains, or
- engaging in any act, practice or course of business that is, or might be considered, fraudulent, deceptive, manipulative, or in violation of any applicable law, rule or regulation of a governmental agency.

Please contact us if you would like to receive a full copy of this Code of Ethics.

Personal Trading for Associated Persons

We may buy or sell some of same securities for you that we already hold in our personal account. We may also buy for our personal account some of the same securities that you already hold in your account. It is our policy not to permit our associated persons (or their immediate relatives) to trade in a way that takes advantage of price movements caused by your transactions.

We may restrict trading for a particular security for our accounts or those of our associated person if there is a pending trade in that security in a client account. Trades for our accounts (and those of our associated persons) will be placed as part of a block trade with client trades, or individually after client trades have been completed. Additional information about block trades is provided in the Aggregation of Orders section of "Item 12: Brokerage Practices." When our trades are placed after our client trades, we may receive a better or worse price than that received by the client.

All persons associated with us are required to report all personal securities transactions to us quarterly.

ITEM 12: BROKERAGE PRACTICES

Selection of Brokers

DWR has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides DWR with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist DWR in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other

market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help DWR manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom DWR may contract directly.

DWR is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Aggregation of Orders

DWR primarily utilizes open-ended mutual funds in your investment portfolios, which cannot be block traded. In some cases exchange traded funds or other securities may be used, or present, in individual client portfolios. We do not aggregate (block) trades for any client accounts.

Directed Brokerage

You may instruct us to execute any or all securities transactions for your account with or through one or more broker/dealers designated by you. In these cases, you are responsible for negotiating the terms and conditions (including, but not limited to, commission rates) relating to all services to be provided by the broker/dealers and you are satisfied with the terms and conditions. We have no responsibility for obtaining the best prices or any particular commission rates for transactions with or through the broker/dealer in these situations. You recognize that you may not obtain rates as low as you might otherwise obtain if we had discretion to select broker/dealers other than those chosen by you. If you would like us to cease executing transactions with or through the designated broker/dealer you must notify us in writing.

Soft Dollars

“Soft dollars” are typically generated when an investment advisor enters into an agreement with an executing broker to receive a portion of the commissions generated by the advisor’s client trades. The soft dollars are allocated to the investment advisor and can then be used to purchase items or services. The investment advisor has a fiduciary duty to its clients to obtain best execution, on an overall basis, for any securities transactions.

We do not use soft dollars as described above. However, the receipt of goods and/or services from a third party in connection with providing advice to clients could be seen as “soft dollars.” The additional services we receive from custodians, as disclosed in Item 14 below, would fall under this description of soft dollars.

ITEM 13: REVIEW OF ACCOUNTS

On a quarterly basis D. Rex Rousselot, Managing Member reviews current holdings in relationship with investment model portfolios. Portfolios are rebalanced annually. We provide quarterly performance reports which include the after-fee rates of return. This report also includes both time-weighted and internal rate of returns.

Financial plans are reviewed on an annual basis. This review is done in relation to the goals of the original plan. The differences are reviewed with the client and changes are made as deemed necessary. These reviews are performed by D. Rex Rousselot, Managing Member

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Other Compensation

We may receive from Fidelity, without cost to us, computer software and related systems support, which allow us to better monitor client accounts maintained at Fidelity. DWR may receive the software and related support without cost because we render investment management services to clients that maintain assets at Fidelity.

Specifically, we may receive the following benefits from Fidelity through the Fidelity Institutional Wealth Services Group:

- receipt of duplicate client confirms and bundled duplicate statements;
- access to a trading desk that exclusively services its Institutional Wealth Services Group participants;
- access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- access to an electronic communication network for client order entry and account information.

Client Referrals

We do not directly or indirectly compensate anyone for client referrals.

ITEM 15: CUSTODY

If you give us authority to deduct our fees directly from your separately managed account, we have custody of those assets. In order to avoid additional regulatory requirements in these cases, we follow the procedures outlined in “Item 5: Fees and Compensation.” You will also receive quarterly statements directly from custodian of the account that details all transactions in the account. They will be sent to the email or postal mailing address you provided to the broker/dealer. You should carefully review those statements promptly when you receive them. We also urge you to compare these account statements to the periodic portfolio reports you will receive from us.

At no time do we accept physical custody of client assets.

ITEM 16: INVESTMENT DISCRETION

You may provide discretionary authority for us to manage your assets. Discretionary authority means that you are giving us a limited power of attorney to place trades on your behalf. This limited power of attorney does not allow us to withdraw money from your account, other than advisory fees if you agree to give us that authority.

You grant us discretionary authority by completing the following items:

- Sign a contract with us that provides a limited power of attorney for us to place trades on your behalf. Any limitations to the trading authorization will be added to this agreement.
- Provide us with discretionary authority on the new account forms that are submitted to the broker/dealer acting as custodian for your account(s).

We also offer non-discretionary advisory services. We do not accept a limited power of attorney to place trades for non-discretionary accounts.

No clients place limitations on our discretionary authority.

ITEM 17: VOTING CLIENT SECURITIES

As a matter of policy and as a fiduciary to our clients, we have responsibility for voting proxies for your portfolio securities consistent with your best economic interests. We maintain policies and procedures as to the handling, research, voting and reporting of proxy voting and make appropriate disclosures about our proxy policies and practices. Our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records. You may provide direction regarding the vote of any particular proxy solicitation.

You may elect to retain the authority to vote the proxies yourself. If requested we will provide guidance for specific proxy solicitations. You will receive proxies and other related paperwork directly from your custodian.

You may request a copy of our Proxy Policies and Procedures and/or information about how a proxy was voted at any time by contacting Rex Rousselot.

ITEM 18: FINANCIAL INFORMATION

We do not charge or solicit pre-payment of more than \$1,200 in fees per client six or months in advance. We have never filed for bankruptcy and are not aware of any financial conditions that are reasonably likely to impair our ability to meet our contractual obligations to clients.