

ITEM 1 • COVER PAGE



INFORMATIONAL BROCHURE • FORM ADV PART 2A

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MARCH 15, 2021

This Brochure provides information about the qualifications and business practices of Wealth Creation Management & Transfer, LLC (hereinafter "Wealth CMT" or the "Firm"). If you have any questions about the contents of this Brochure, please contact us at (856) 795-7911. 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 Wealth CMT is also available on the SEC's website at www.adviserinfo.sec.gov. References herein to Wealth CMT as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

ITEM 2 • MATERIAL CHANGES

In this Item, Wealth CMT is required to discuss any material changes which have been made to the brochure since the last annual amendment filed March 2020. There are no material changes to disclose in relation to this Item.

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ITEM 4 • ADVISORY BUSINESS

Founded in May 2008, Wealth CMT provides wealth planning and management services. The Firm was built on the foundation of excellent client service combined with personalized attention and knowledge of the financial markets. Prior to engaging Wealth CMT to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with Wealth CMT setting forth the terms and conditions under which Wealth CMT renders its services (collectively the "Agreement").

Andrew J. Barnett and Eric M. Feder are the principal owners of Wealth CMT. As of December 31, 2020 Wealth CMT had \$236,253,123 in assets under management, all of which was managed on a discretionary basis.

FINANCIAL PLANNING

Wealth CMT believes that the process by which a financial plan is developed is as valuable as its ultimate outcome. That process is designed to give Wealth CMT the information it needs to not only produce a plan, but to manage the client's assets on an ongoing basis, should the client engage us to do so. Wealth CMT believes this process is more valuable in determining investment objectives than a simplified form or "risk calculator", which is why we prefer to work with clients by performing financial planning services with asset management services.

The process begins with an understanding of what Wealth CMT will do for the client, and the client's role in the process. Wealth CMT will interview the client and gather documents from the client to allow the firm to identify the client's ultimate financial goals, and also develop an outline of the client's current financial circumstances. It is important that clients play an active role in this process, as the plan will not be effective without up to date and accurate information from the client. Once the current and future circumstances are determined, Wealth CMT will analyze this information in order to determine potential paths toward reaching that particular client's goals, and ultimately present these options and recommendations to the client.

Planning services that are limited to a specific aspect of a client's financial life may not warrant a plan document, but results and recommendations will be reviewed to ensure the client understands the recommended direction. In either case, it is the client's choice whether to follow the recommendations, and if they choose to do so, they will seek assistance from Wealth CMT in implementing the recommendations. Clients who elect to work with us for financial planning and asset management services will have the benefit of Wealth CMT leading an integrated process, whereby financial planning and the direction of asset management are combined. This integration includes the management of the assets identified in the plan in accordance with the directives of the plan, and an ongoing review of the client's goals and maintaining a portfolio that is in keeping with those goals. Asset management processes are described more fully in Item 8 of this brochure.

If you request, Wealth CMT may recommend the services of other professionals for certain aspects of implementation. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation

decisions and are free to accept or reject any recommendation from Wealth CMT. If you engage any professional recommended by Wealth CMT, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

INVESTMENT MANAGEMENT SERVICES

Clients can engage Wealth CMT to manage all or a portion of their assets on a discretionary basis. A discretionary engagement means Wealth CMT will have a Limited Power of Attorney to invest and reinvest the client's assets in accordance with their investment objectives without consultation with the client prior to making a change in the portfolio.

Wealth CMT allocates clients' investment management assets among mutual funds and exchange-traded funds ("ETFs"). These allocations may be specific to the client or may be done as part of an allocation to one or more of Wealth CMT's proprietary strategies, which are described in Item 8. Wealth CMT also provides advice about any type of investment held in clients' portfolios.

Clients are advised to promptly notify Wealth CMT if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Wealth CMT's management services. Clients may impose reasonable restrictions or mandates on the management of their account if, in Wealth CMT's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

ITEM 5 • FEES AND COMPENSATION

A. FEES CHARGED

Wealth CMT offers its services on a fee basis, which may include fees based upon assets under management and hourly and/or fixed fees. Additionally, certain of Wealth CMT's Supervised Persons, in their individual capacities, may offer insurance products under a commission arrangement.

FINANCIAL PLANNING AND CONSULTING FEES

Wealth CMT may charge a fixed fee for financial planning and consulting services. These fees are negotiable, but generally range from \$3,500 to \$25,000, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. If the client engages Wealth CMT for additional investment advisory services, Wealth CMT may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services. Specifically, if a client engages Wealth CMT for investment advisory services and the assets placed under Wealth CMT's management are greater than \$750,000 after one year from the effective date of the Investment Advisory Agreement, then financial planning fees may be complimentary. The complexity of the client's financial situation and planning needed for the client will be determining factors for Wealth CMT to determine if the financial planning fees should be complimentary or not.

Prior to engaging Wealth CMT to provide financial planning and/or consulting services, the client is required to enter into a written agreement with Wealth CMT setting forth the terms and conditions of the engagement. Generally, Wealth CMT requires one-half of the financial planning / consulting fee (estimated hourly or fixed) payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services. All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

INVESTMENT MANAGEMENT FEES

Wealth CMT provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by Wealth CMT. Wealth CMT's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. Wealth CMT does not, however, receive any portion of these commissions, fees, and costs. Wealth CMT's annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by Wealth CMT on the last day of the previous quarter/month.

The annual fee varies depending upon the market value of the assets under management.

<u>PORTFOLIO VALUE</u>	<u>BASE FEE</u>
First \$500,000	1.17%
Next \$500,000	1.10%
Next \$1,500,000	0.90%
Next \$2,500,000	0.75%
Above \$5,000,000	0.60%

To calculate the fee, WCMT creates a list of billing groups who have multiple households in the group and have cash flows greater than \$50,000. WCMT will then calculate the household fee rate by dividing the Household Fee Amount (before flows) by the Household value of all included accounts. This will result in the effective fee rate for the Household. WCMT takes the effective fee rate for the Household and multiplies it by each individual account value in the Household to calculate the fee to be charged. The cash flow amount is added or subtracted to/from the original fee amount of the account where the cash flow occurred, resulting in the adjusted fee amount to be pulled from the account. If there is only one Household within a billing group the cash flows of \$50,000 or greater will be allocated across all accounts within the Household on a pro rata basis according to the following methodology:

- Count the number of calendar days in billing period;
- Count the number of days an asset was not under Wealth CMT's management
- Determine the "Day Count Ratio" by dividing the number of days the assets were in the portfolio by the total number of days in the billing period.

- Multiply the "Day Count Ratio" by the billing rate.
- Multiply the product of the "Day Count Ratio" and the billing rate by the amount of the flow to determine the adjustment

Wealth CMT, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.).

529 Plans and annuities are charged separately from household portfolio assets. Annuities are charged a 0.85% management fee. Fees for 529 plans are based upon the complexity of the management and involvement of Wealth CMT. Standard management of a 529 plan is charged 0.75% whereas customized management of a 529 plan is charged according to the Wealth CMT fee schedule based on the value of the account. Wealth CMT determines which approach is selected based upon the complexity of the client's financial situation. 529 plan fees and annuities are not included in the calculation of household portfolio values in determining the billing tier.

B. FEES PAYMENT

Wealth CMT's Agreement and the separate agreement with any Financial Institutions may authorize Wealth CMT to debit the client's account for the amount of Wealth CMT's fee and to directly remit that management fee to Wealth CMT. Any Financial Institutions recommended by Wealth CMT have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Wealth CMT. Alternatively, clients may elect to have Wealth CMT send an invoice for payment.

As further discussed in response to Item 15, clients receive a copy of a statement directly from the custodian of the account indicating all amounts disbursed from clients' accounts, including the investment management fee.

C. OTHER FEES

As further discussed in response to Item 12 (below), Wealth CMT generally recommends that clients utilize the brokerage, custodial, and clearing services of Schwab Advisor Services™ ("Schwab") for investment management accounts.

Wealth CMT may only implement its investment management recommendations after the client has arranged for and furnished Wealth CMT with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, Schwab, any other broker-dealer recommended by Wealth CMT, broker-dealer directed by the client, trust companies, banks, etc. (collectively referred to herein as the "Financial Institutions").

Clients may incur certain charges imposed by the Financial Institutions and other third parties such as custodial fees, charges imposed directly by a mutual fund or ETF in the account, which

are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees.

Such charges, fees and commissions are exclusive of and in addition to Wealth CMT's fee.

When recommending mutual funds that have multiple share classes, Wealth CMT will take into account the internal fees and expenses associated with each share class, and select the most cost effective share class that still meets the client's needs and objectives and is available to the client.

D. PRO-RATA FEES

For the initial period of investment management services, the fees are calculated on a pro rata basis.

The Agreement between Wealth CMT and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. Wealth CMT's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to Wealth CMT's right to terminate an account. Additions may be in cash or securities provided that Wealth CMT reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Wealth CMT, subject to the usual and customary securities settlement procedures. However, Wealth CMT designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives.

Wealth CMT may consult with its clients about the options and ramifications of transferring securities.

However, clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a quarter that exceed \$50,000, the fee payable with respect to such assets will be prorated based on the number of days remaining in the quarter.

Wealth CMT will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within thirty (30) days of termination may be "de-linked", meaning they will no longer be visible to Wealth CMT and will become a retail account with the custodian.

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

Wealth CMT does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client. Side-by-side management refers to a situation where a firm manages accounts both under an asset-based fee structure and performance-based fee structure. The Firm does not engage in side-by-side management of accounts.

ITEM 7 • TYPES OF CLIENTS

Wealth CMT provides its services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

MINIMUM ACCOUNT SIZE

As a condition for starting and maintaining a relationship, Wealth CMT generally imposes a minimum portfolio size of \$600,000. Wealth CMT, in its sole discretion, may accept clients with smaller portfolios based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities. Wealth CMT only accepts clients with less than the minimum portfolio size if, in the sole opinion of Wealth CMT, the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. Wealth CMT may aggregate the portfolios of family members to meet the minimum portfolio size.

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

It is important for clients to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

A. METHODS OF ANALYSIS AND STRATEGIES

Each client's portfolio is created through the evaluation of the client's needs that in most cases takes place during a financial planning process. For those clients who have not engaged Wealth CMT to provide financial planning services, portfolio construction originates with an evaluation of each client's investment objectives as well as the client's risk tolerance. Both sources are part of developing a portfolio that takes into consideration the client's investment horizons, ability and desire to withstand the volatility that can come with investing, and overall goals for each specific portfolio. Where possible, Wealth CMT prefers to include financial planning as part of the asset management process to ensure that all client objectives are being considered. Whether a slow evolution or via a life event, the planning process is designed to thoughtfully incorporate these changes into the investments in the client's portfolio. It is essential to Wealth CMT's service that the process is a fully cooperative one, and therefore clients of all

account sizes are advised to keep Wealth CMT informed of changes in financial circumstances, as these changes could affect the client's asset allocation and financial plan.

Wealth CMT describes for clients five basic asset allocation approaches: Conservative, Moderate, Balanced, Growth and Aggressive Growth. Each approach is designed to carry a different amount of volatility and anticipated growth, as well as potentially different ways of limiting that volatility and achieving growth, depending on the market conditions at the time. Depending on the client's specific goals, portfolios may be designed with a blend of different asset allocations.

Construction of each strategy begins with a determination of the asset allocation for that strategy. While Wealth CMT does not "fix" percentages for various strategies, overall allocations are generally considered "strategic" and will likely exhibit limited variability over time. Wealth CMT reserves the right to adjust allocations based on their view of perceived risk and benefit. Asset allocations are not a binary split between equities and fixed income. Rather, Wealth CMT includes a number of different asset classes as sub-sets of equity and fixed income. For example, emerging markets may be a sub-class of equities or fixed income.

Once an overall asset allocation is determined, Wealth CMT moves on to determine how best to implement that allocation, beginning with an assessment as to whether a passive or active approach is most likely to achieve the desired results. An active path would include the use of a managed account or mutual fund, where a manager makes active decisions for that account or fund. A passive example would be an exchange traded fund or mutual fund. In some instances, both active and passive routes may be taken in constructing a strategy's holdings. The cost of each specific security, both in terms of price and expenses, is also considered when choosing specific securities.

Part of the security selection process is also the consideration of what assets the client already has in the portfolio. Clients may come to Wealth CMT with a variety of investments, with a variety of custodians. Where possible and advisable, Wealth CMT will advise the transfer of assets in-kind, meaning the asset will not be sold before the account is moved to the custodian under Wealth CMT's advisement. Some securities may be kept in the portfolio because of tax issues or other costs associated with a transition. To the extent these securities are not sold, Wealth CMT will attempt to build a portfolio taking these securities into consideration, and advise the client if there are additional risks associated with keeping a specific security.

WEALTH CMT STRATEGIES

The Conservative strategy has a limited exposure to securities that Wealth CMT believes are likely to be more volatile in the near term. The objective for the Conservative portfolio is predictability and consistency in comparison with Wealth CMT's others strategies which are designed for longer term goals and objectives. This portfolio is not risk free.

The Moderate strategy is one where the client's time horizon for the assets in this strategy is generally between 3 and 5 years, which indicates a desire to limit extreme volatility, but a

willingness to accept a limited amount of value stability in exchange for some additional potential for increased value.

The Balanced strategy is one that allows for the introduction of some additional asset classes, because the time horizon is significantly longer (generally 6-8 years). Clients whose assets are in the Balanced strategy are interested in appreciation, but either their risk tolerance or time horizon prevents a more aggressive approach.

The Growth strategy is, as its name implies, designed for growth. Each asset class selection and each individual security is selected with an eye toward longer term growth, including some increased risk in the form of different types of bonds and equities.

The Aggressive Growth strategy is designed for objectives with significantly long time horizons, and for clients with a significantly high risk tolerance. As with all Wealth CMT strategies, risk management and diversification are considered in the portfolio construction process.

It is important to note that the asset allocation approaches are not "models" in the sense that clients are not grouped into each approach and always traded together without consideration for each client's specific needs and restrictions. Rather, they assist in expressing to clients how asset allocation, volatility, time horizon and goals meet and together create a portfolio.

Additionally, part of the Wealth CMT process includes, where appropriate, involving multiple generations in order to facilitate family financial planning. This can increase the financial education of the later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. Wealth CMT attempts to minimize these conflicts by treating each household as its own fiduciary relationship. Information can only be shared across generations with each household's consent.

B. MATERIAL RISKS

Wealth CMT's primary strategies do not include frequent trading of securities. It is impossible to name all possible types of risks. Among the risks are the following:

- **POLITICAL RISKS.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **CLIENT PARTICIPATION.** Because Wealth CMT uses each client's financial plan and other information from clients in determining the appropriate asset allocations for each portfolio or account, having up to date and accurate information from the client is imperative. Changes in circumstances that are not reported to Wealth CMT in a timely manner can materially and adversely affect Wealth CMT's ability to meet the client's needs.
- **GENERAL MARKET RISKS.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.

- **CURRENCY RISK.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **REGULATORY RISK.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **TAX RISKS RELATED TO SHORT TERM TRADING.** Clients should note that while Wealth CMT does not consider short term trading a strategy for its clients, trades may be made with frequency if conditions and client goals merit it. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. Wealth CMT endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **PURCHASING POWER RISK.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **BUSINESS RISK.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **FINANCIAL RISK.** The amount of debt or leverage determines the financial risk of a company.
- **DEFAULT RISK.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **MARGIN RISK.** "Margin" is typically used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin, therefore, carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. Wealth CMT does not recommend the use of margin as part of its portfolio construction process. However, clients may on occasion wish to utilize margin to facilitate some other need or goal. In these cases, the margin will increase the value of the assets in the account, which means the management fees calculated, which are based on account value, will also increase.
- **INFORMATION RISK.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an advisor who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the advisor to reach satisfactory investment conclusions.
- **SMALL COMPANIES.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a

company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.

- **CONCENTRATION RISK.** While Wealth CMT selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of sector specific issue analysis. This means that a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.
- **TRANSITION RISK.** As assets are transitioned from a client's prior advisors to Wealth CMT, there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Where possible, Wealth CMT will maintain securities that come from the client's existing accounts, and will not sell a security merely to push the portfolio into line with other accounts Wealth CMT manages. However, in some instances, selling a security is advisable despite costs. Wealth CMT's goal is to minimize costs, which means that the overall transition process to Wealth CMT may take some time as cost considerations are compared with client needs. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of Wealth CMT may adversely affect the client's account values, as Wealth CMT's recommendations may not be able to be fully implemented.
- **RESTRICTION RISK.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns. In addition, significant restrictions may lead to Wealth CMT needing to increase the management fee rate.
- **RISKS RELATED TO INVESTMENT TERM & LIQUIDITY.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had if the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.
- **EXCESS CASH BALANCE RISK.** Client accounts may have cash balances in excess of \$250,000, which is the insurance limit of the Federal Deposit Insurance Corporation. For cash balances in excess of that amount, there is an enhanced risk that operation related counterparty risk related to the account custodian could cause losses in the account. We mitigate this risk by carrying cash balances in amounts either subject to protection or as limited as you, the client, directs. You may elect to participate in a "cash sweep" program through your account custodian which automatically moves excess cash from your investment account into a cash account and then invests that cash into cash based investments, such as money

market funds. We do not receive compensation of any kinds for facilitating your participation in such cash sweep accounts.

C. SECURITY TYPES

As discussed above, Wealth CMT recommends mutual funds, ETFs. However, Wealth CMT may utilize stocks or bonds.

METHODS OF ANALYSIS

Wealth CMT's primary method of analysis incorporates aspects of both quantitative research and fundamental analysis. The quantitative research process involves the analysis of historic returns and risk (volatility) for various asset classes as well as correlations between assets classes. Quantitative analysis helps to measure, evaluate, compare and value different investment opportunities with the goal of improving risk adjusted returns. The primary risk in using quantitative analysis is that historical data and trends alone may not fully explain past results. In addition, there is ample evidence that proves that past trends and returns do not necessarily predict future events. Further, even if a trend will eventually reoccur, there is no guarantee that Wealth CMT will be able to accurately predict such a reoccurrence. Qualitative or fundamental analysis involves a review of financial condition and competitive positioning.

Examples of factors that Wealth CMT considers include strength, experience, and credibility of management and key personnel, risk controls, technology and infrastructure to support their investment process, and succession planning. The primary risk in using this type of analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Securities in the investment strategy may be exchanged and/or transferred without regard to a client's individual tax ramifications. Certain investment opportunities that become available to Wealth CMT's clients may be limited. As further discussed in response to Item 12B (below), Wealth CMT allocates investment opportunities among its clients on a fair and equitable basis.

ITEM 9 • DISCIPLINARY INFORMATION

Wealth CMT is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Wealth CMT does not have any required disclosures to this Item.

ITEM 10 • OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. BROKER-DEALER

Neither the principal of Wealth CMT, nor any related persons are registered, or have an application pending to register, as a broker dealer or as an associated person of the foregoing entities.

B. FUTURES COMMISSION MERCHANT/COMMODITY TRADING ADVISOR

Neither the principal of Wealth CMT, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. RELATIONSHIP WITH RELATED PERSONS

Wealth CMT is a duly licensed insurance agency. Additionally, certain of Wealth CMT's professionals in their individual capacities, are licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed basis, the purchase of certain insurance products. A conflict of interest exists to the extent that Wealth CMT or its representatives recommend the purchase of insurance products where Wealth CMT or its representatives receive insurance commissions or other additional compensation, rather than on a client's needs. The receipt of additional fees or commissions for insurance is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage Wealth CMT to implement any insurance recommendations. Wealth CMT attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products or estate planning through other agents that are not affiliated with Wealth CMT, or to determine not to purchase the insurance product at all. Wealth CMT also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of Wealth CMT, which requires that employees put the interests of clients ahead of their own. Commissions from the sale of insurance products will not be used as a credit against or to offset advisory fees.

Mr. Barnett and Mr. Feder have personal investments in entities where clients of Wealth CMT are also invested in the same opportunity. This presents a conflict where Mr. Barnett and Mr. Feder have an opportunity to personally gain from the business efforts of the client and the client's company, which may incentivize Mr. Barnett and or Mr. Feder to render investment advice to such client on the basis of what they would believe would likely improve their personal investment performance rather than that of the client in question. Participation in an investment opportunity are only presented to a client if Wealth CMT feels it is suitable. Ultimately, it is at the sole discretion of the client to participate in the investment or not. If the client does participate, Wealth CMT does not receive any compensation. Further, the investment is segregated from the investment management the client engaged Wealth CMT for. The conflict is mitigated by disclosing it to the client in question, by reiterating to all employees of Wealth CMT the fiduciary obligations of each employee, and through the monitoring of private investments as discussed in the Firm's Code of Ethics.

Midvale is a real estate investment managed by 3515 Midvale GP LLC (the "General Partner"). Through LLCs created specifically for the purpose of the General Partnership, Andrew Barnett and Eric Feder are non-controlling members of the General Partner. The General Partner receives a special "promote" fee based on the capital appreciation of the investment. Accordingly, Messrs. Barnett and Feder have a conflict of interest as being part of the General Partner of Midvale, as they will benefit from the investment's success, which cannot be achieved without investments from others. We attempt to mitigate this conflict by disclosing it to clients and investors here, and by requiring that any investment in Midvale be done on a

non-discretionary basis. Wealth CMT, Mr. Barnett, Mr. Feder, nor the respective LLCs created specifically for the purpose of the General Partner, controls the investment or the day-to-day operations, and is therefore not responsible for the investments outcome. All investing, but especially private placement investing, bears risk, including the loss of principal, that investors in Midvale should be prepared to bear. Mr. Barnett and Mr. Feder, as Investment Advisor Representatives of Wealth CMT, do not recommend this private investment to clients of Wealth CMT. They only make an introduction to the General Partner when either directly asked by the client and then it becomes the sole decision of the client to evaluate the investment themselves.

D. RECOMMENDATIONS OF OTHER ADVISERS

Wealth CMT does not utilize third party managers.

ITEM 11 • CODE OF ETHICS

A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

B. Wealth CMT does not recommend to clients that they invest in any security in which Wealth CMT or any principal thereof has any financial interest.

C. On occasion, an employee of Wealth CMT may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. On occasion, an employee of Wealth CMT may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

ITEM 12 • BROKERAGE PRACTICES

A. RECOMMENDATION OF BROKER-DEALER

Wealth CMT does not maintain custody of client assets; though Wealth CMT may be deemed to have custody if a client grants Wealth CMT authority to debit fees directly from their account

(see Item 15 below). Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. Wealth CMT recommends that investment accounts be held in custody by Schwab Advisor Services ("Schwab"), which is a qualified custodian. Wealth CMT is independently owned and operated and is not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when Wealth CMT instructs them to, which Wealth CMT does in accordance with its agreement with you. While Wealth CMT recommends that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Wealth CMT does not open the account for you, although Wealth CMT may assist you in doing so. Even though your account is maintained at Schwab, we may use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

How we select brokers/custodians

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most beneficial when compared with other available providers and their services. We consider a wide range of factors, including both quantitative (Ex: costs) and qualitative (execution, reputation, service) factors. We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to Wealth CMT as part of our evaluation of these broker-dealers.

Your brokerage and custody costs

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How we select brokers/custodians").

Products and services available to us from Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like Wealth CMT. They provide Wealth CMT and our clients with access to its institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help Wealth CMT manage or administer our clients' accounts, while others help Wealth CMT manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to

request them) and at no charge to Wealth CMT. Following is a more detailed description of Schwab's support services:

Services that benefit you

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that may not directly benefit you.

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services that generally benefit only us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Assistance related to the transition of client assets from prior firms

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

Our interest in Schwab's services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading

commissions or assets in custody. We may have an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to Wealth CMT as part of our evaluation of these broker-dealers.

B. AGGREGATING TRADES

Transactions for each client generally will be effected independently, unless Wealth CMT decides to purchase or sell the same securities for several clients at approximately the same time. Wealth CMT may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Wealth CMT's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Wealth CMT's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Wealth CMT determines to aggregate client orders for the purchase or sale of securities, including securities in which Wealth CMT's Supervised Persons may invest, Wealth CMT generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Wealth CMT does not receive any additional compensation or remuneration as a result of the aggregation. In the event that Wealth CMT determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, Wealth CMT may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

DIRECTED BROKERAGE

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist Wealth CMT in its investment decision-making process. Such research generally will be used to service all of Wealth CMT's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Wealth CMT does not have to produce or pay for the products or services.

SOFTWARE AND SUPPORT PROVIDED BY FINANCIAL INSTITUTIONS

Wealth CMT may receive computer software and related systems support from Schwab, which allow Wealth CMT to better monitor client accounts maintained at Schwab. Wealth CMT may receive such software and related support at a discount or at no additional cost because Wealth CMT renders investment management services to clients that maintain assets at Schwab. Currently, Wealth CMT receives the PortfolioCenter® service, a software solution provided by Schwab Performance Technologies®, at a discount of up to \$2,500. The software and related systems support may benefit Wealth CMT, but not its clients directly. In fulfilling its duties to its clients, Wealth CMT endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Wealth CMT's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence Wealth CMT's choice of a broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, Wealth CMT may receive the following benefits from Schwab through its institutional division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services institutional 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.

ITEM 13 • REVIEW OF ACCOUNTS

Account Reviews

For those clients to whom Wealth CMT provides investment management services, Wealth CMT monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom Wealth CMT provides financial planning and/or consulting services, reviews are conducted on an "as needed" basis. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Wealth CMT and to keep Wealth CMT informed of any changes thereto. Wealth CMT contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

General Reports and Account Statements

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Wealth CMT provides investment advisory services may also receive a report from Wealth CMT that may include such relevant account and/or market-related information and account performance as clients may request from time to time.

Financial Planning and Consulting Reports

For those clients to whom Wealth CMT provides financial planning and/or consulting services will receive reports from Wealth CMT summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by Wealth CMT.

ITEM 14 • CLIENT REFERRALS AND OTHER COMPENSATION

A. ECONOMIC BENEFIT PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENT

Please refer to Item 12, where we discuss recommendation of Broker-Dealers.

B. COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS

Wealth CMT does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

ITEM 15 • CUSTODY

Wealth CMT does not maintain custody of client assets; though Wealth CMT may be deemed to have custody if a client grants Wealth CMT authority to debit fees directly from their account. Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. Please refer to Item 12, Brokerage Practices, for more information on our recommended qualified custodian,

Wealth CMT's Agreement and/or the separate agreement with any Financial Institution may authorize Wealth CMT through such Financial Institution to debit the client's account for the amount of Wealth CMT's fee and to directly remit that management fee to Wealth CMT in accordance with applicable custody rules.

The Financial Institutions recommended by Wealth CMT have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Wealth CMT. In addition, as discussed in Item 13, Wealth CMT also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Wealth CMT.

ITEM 16 • INVESTMENT DISCRETION

Wealth CMT is given the authority to exercise discretion on behalf of clients. Wealth CMT is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. Wealth CMT is given this authority through a power-of-attorney included in the agreement between Wealth CMT and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Wealth CMT takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold; and
- When transactions are made.

ITEM 17 • VOTING CLIENT SECURITIES

The Firm does not vote proxies on behalf of its clients. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm with questions about any such issuer solicitations.

ITEM 18 • FINANCIAL INFORMATION

Wealth CMT is not required to disclose any financial information pursuant to this Item due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.