



ORGEL

## Orgel Wealth Management Wrap Fee Program Brochure

Form ADV Part 2A Appendix 1

March 30, 2021

This wrap fee program brochure provides information about the qualifications and business practices of Orgel Wealth Management, LLC (Orgel Wealth Management). If you have questions about the contents of this brochure, please contact Orgel Wealth Management's Chief Compliance Officer, Troy Mertens, by calling 715-835-6525. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Orgel Wealth Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note that registration of an investment advisor with the SEC does not imply a certain level of skill or training.

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## ITEM 2 – MATERIAL CHANGES

Since Orgel Wealth Management's last Annual Amendment filing on March 30, 2020, this Wrap Fee Program Brochure has been amended throughout to update formatting and to make the following changes:

- Item 9 was amended to further describe our practices in recommending professionals, such as accountants and lawyers.

Additional information about Orgel Wealth Management's services applicable to the Wrap Fee Program is disclosed in Orgel Wealth Management's Form ADV Part 2A Firm Brochure. Clients and prospective clients should review information about Orgel Wealth Management's comprehensive services, qualifications, and fees in each Orgel Wealth Management brochure prior to making a determination whether to engage Orgel Wealth Management.

**ANY QUESTIONS:** Orgel Wealth Management's Chief Compliance Officer, Troy Mertens, remains available to address any questions regarding this brochure and can be reached at 715-835-6525.

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## ITEM 4 – SERVICES, FEES AND COMPENSATION

Orgel Wealth Management is an independent SEC-registered investment advisory firm that provides advisory and wealth management services to individuals, families, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities. Orgel Wealth Management's services primarily include investment management, financial planning and consulting, and retirement plan consulting. This brochure describes the services of Orgel Wealth Management specifically relating to the Wrap Fee Program. Clients and prospective clients should review Orgel Wealth Management's Form ADV Part 2A Firm Brochure for information about all of Orgel Wealth Management's services.

### **Orgel Wealth Management Wrap Fee Program**

Orgel Wealth Management's fee-based comprehensive wealth management services are provided primarily through Orgel Wealth Management's Advisory Wrap Fee Program (the Program) with a fee that is generally based on a percentage of assets under management. A wrap-fee program is a type of investment program that provides clients with investment management and brokerage services for one all-inclusive fee. As described further below, Orgel Wealth Management generally imposes fees that are based on the percent of assets under management and that typically cover the discretionary investment management of client portfolios, execution services, custodial services, and the range of consulting services provided by Orgel Wealth Management, which may include financial planning, business consulting and transition services, and other services. Orgel Wealth Management's fee arrangement generally is designed to provide clients with the ability to trade in certain investment products without incurring separate costs for execution services or custodial services.

Orgel Wealth Management individually tailors its services and works closely with a client upon engagement to determine the client's investment objectives, risk tolerance, investment time horizon, and liquidity needs. Orgel Wealth Management then determines a portfolio investment strategy for each client designed to achieve the client's objectives. While Orgel Wealth Management's disciplined asset allocation strategies focus primarily on the long-term view, Orgel Wealth Management also incorporates a pragmatic approach that makes provisions for events along the way.

Client portfolios consist primarily of mutual funds, exchange-traded funds, and individual stocks and bonds, but may also include privately placed investments, such as private debt, private equity, hedge funds, and real estate investment trusts. Investment decisions are not limited to any specific security or product.

Clients may request, in writing, to impose reasonable restrictions or mandates on the management of their accounts. Before agreeing to implement any requested restrictions or mandates, Orgel Wealth Management, in its sole discretion, will determine if the requested restrictions or mandates would materially affect the performance of a management strategy or prove overly burdensome to the management efforts. Clients are responsible for notifying Orgel Wealth Management if there are changes in their financial situation.

Although Orgel Wealth Management can work with a broad range of custodians, Orgel Wealth Management generally recommends that client accounts be maintained at Pershing LLC (Pershing). Orgel Wealth Management pays Pershing an asset-based fee for the accounts

maintained by Pershing. As a result of Orgel Wealth Management's arrangement with Pershing, clients receive Orgel Wealth Management's broad range of investment management and consulting services, custody of assets at Pershing, and execution services all for a single, combined fee. All client accounts maintained at Pershing and managed by Orgel Wealth Management are subject to this arrangement. Orgel Wealth Management generally charges the same fees for eligible accounts maintained in the Program and for those eligible accounts not maintained in the Program, and therefore, clients will generally benefit by being in the Program. The Program fee may be higher or lower, however, than fees charged by other sponsors of comparable investment advisory programs.

Orgel Wealth Management's institutional retirement plan clients generally are not eligible for a fee arrangement that includes consulting services, execution services, and custody services as part of Orgel Wealth Management's asset-based fee. Typically, Orgel Wealth Management partners with institutional retirement plan clients to assist with identifying third-party service providers, including plan trustees, record-keepers, and third-party administrators that can provide custodial and execution services for a separate fee that is the responsibility of the retirement plan client.

Clients may make additions to and withdrawals from their account at any time, subject to Orgel Wealth Management's right to terminate an account at any time. Orgel Wealth Management reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets upon notice to Orgel Wealth Management, subject to the usual and customary securities settlement procedures. Withdrawals that are inconsistent with the established investment objectives for the portfolio may impair the achievement of the investment objectives. Orgel Wealth Management may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, there may be fees assessed at the product level and/or tax ramifications that are, in some instances, beyond Orgel Wealth Management's control.

## Fees for the Program

Orgel Wealth Management establishes the fees charged for servicing client accounts in the written advisory agreement between Orgel Wealth Management and the client. Fees are generally based on a percent of assets under management but may also be fixed under certain circumstances. The fee arrangement related to the Program currently uses the standard fee schedule below. In addition, other fee arrangements for accounts consisting of short-duration fixed income investments may apply and may be lower than the current standard fee schedule.

Assets Managed	Annual Rate
First \$5 million	0.50%
Next \$5 million (amount over \$5 million to \$10 million)	0.40%
Next \$15 million (amount over \$10 million to \$25 million)	0.30%
Next \$25 million (amount over \$25 million to \$50 million)	0.25%
Over \$50 million	0.10%

Existing clients are generally not charged any fees beyond the advisory fee for Orgel Wealth Management's comprehensive investment management, financial planning, and consulting services. If, after consultation between Orgel Wealth Management and the client, it was determined that additional fees were necessary due to extenuating circumstances, the fees would be negotiated in advance and generally determined by the scope and complexity of the agreed upon services.

From time to time, Orgel Wealth Management has had other fee schedules that may have been higher or lower than those currently in effect. As new schedules go into effect, they are generally made available to new clients while the fee schedule applicable to an existing client is generally not affected by the new schedules. Therefore, some clients pay different fees from those shown above.

Fees are paid monthly in advance and are calculated by multiplying the value (i.e., market value or fair market value in absence of market value) of the client's account at the end of the previous billing period by the prorated amount of the client's annual fee rate. Orgel Wealth Management does not make any adjustments for contributions or withdrawals during a period, as applicable.

Typically, fees are directly deducted from the client's account and are generally inclusive of agreed upon financial planning and/or consulting services, as set forth in each client's advisory agreement. In the limited event that Orgel Wealth Management bills the client directly, payment is due upon receipt of Orgel Wealth Management's invoice. Fees under the Program are inclusive of investment management and consulting services, brokerage commissions, transaction fees, and other related costs.

Orgel Wealth Management, in its sole discretion, may charge a lesser fee based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, or negotiations with a client). As a result, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisors for similar or lower fees. Program fees are waived for employee and certain family accounts. Other waivers may be granted at the discretion of Orgel Wealth Management.

The client or Orgel Wealth Management may terminate the advisory agreement at any time by written notice. If the relationship is terminated, the client will receive a prorated refund of any unearned advisory fee. Termination of an advisory agreement will not affect transactions that Orgel Wealth Management has initiated on the client's behalf prior to the effective date of such termination. Upon termination, Orgel Wealth Management shall refund the account for the prorated portion of the advanced advisory fee based upon the number of days that services were provided during the billing month.

Under the Program, the client generally receives investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. When managing a client's account on a wrap fee basis, Orgel Wealth Management shall receive as payment for its investment advisory services, the balance of the wrap fee after all other costs incorporated into the wrap fee have been deducted. Participation in a wrap program may cost the client more or less than purchasing such services separately.

*Wrap Program – Asset-Based Pricing.* Because wrap program transaction fees and commissions are paid by Orgel Wealth Management to the account custodian/broker-dealer, Orgel Wealth Management could have an economic incentive to maximize its compensation by seeking to minimize the number of trades in a client's account. In an attempt to mitigate or eliminate this conflict of interest, Orgel Wealth Management has entered into an asset-based pricing arrangement with Pershing to provide custody and execution services. Under an asset-based pricing arrangement, the amount that Orgel Wealth Management will pay to Pershing for account transaction fees and commissions is based upon a percentage of the market value of Orgel Wealth Management's wrap fee client accounts. This differs from transaction-based pricing, which assesses separate transaction fees and commissions for each transaction. Such asset-based pricing arrangement was instituted in an effort to mitigate Orgel Wealth Management's economic incentive to minimize trading in client wrap fee accounts by establishing a fixed cost for transactions regardless of the level of trading activity in wrap fee accounts.

Client accounts may be invested in mutual funds (including money market funds) and exchange traded funds (ETFs) that charge various internal fees and expenses (e.g., management fees), which are paid by the funds but ultimately borne by clients as fund shareholders. These internal fees and expenses are in addition to the fees charged by Orgel Wealth Management.

Individual fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur a separate "tradeaway" or prime broker fee charged by the account custodian (Pershing).

Clients may also incur additional fees outside of what Orgel Wealth Management charges. Orgel Wealth Management's fees do not include costs arising from transactions effected by unaffiliated investment advisors or charges imposed by unaffiliated third parties, including charges from a client's outside service providers (e.g., attorney or accountant) or certain account custodian charges, such as wire transfer fees, foreign transaction fees, or SEC and other regulatory fees levied on security sales. Although Orgel Wealth Management can assist clients with understanding the effect of fees charged by unaffiliated third-parties, Orgel Wealth Management has no control over the fees charged. Accounts held at custodians other than Pershing are subject to brokerage and transaction costs agreed to by the client and the custodian. In addition, you may be subject to account closing fees or transfer fees imposed by other investment firms when you transfer assets to Orgel Wealth Management.

The Program fee does not include certain other charges and administrative fees, including, but not limited to platform fees, transfer taxes, odd lot differentials, exchange fees, interest charges, American Depositary Receipt agency processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts.

Orgel Wealth Management's related persons who recommend the Program to clients do not receive compensation as a result of a client's participation in the wrap fee program.

## ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Orgel Wealth Management provides its services to individuals, families, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

Orgel Wealth Management generally imposes a minimum portfolio size of \$1,000,000 for new client relationships; however, Orgel Wealth Management, in its sole discretion, may accept clients with portfolios less than \$1,000,000 based upon certain criteria, such as the amount of assets under management or advisement, related accounts, account composition, preexisting client relationships, account retention, and pro bono activities. It is Orgel Wealth Management's intent to consider the portfolios of all family members for the client relationship together in order to assess compliance with the minimum portfolio size.

## ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

Orgel Wealth Management is the sponsor and portfolio manager for the Program. Orgel Wealth Management individually tailors its services and works closely with the client upon engagement to determine the client's investment objectives, risk tolerance, investment time horizon, and liquidity needs. Orgel Wealth Management then determines a portfolio investment strategy for each client designed to achieve the client's objectives. While Orgel Wealth Management's disciplined asset allocation strategies focus primarily on the long-term view, Orgel Wealth Management also incorporates a pragmatic approach that makes provisions for events along the way.

Clients may impose reasonable restrictions or mandates in writing on the management of their accounts if Orgel Wealth Management determines, in its sole discretion, the conditions would not materially affect the performance of a management strategy or prove overly burdensome to the management efforts. Clients are responsible for notifying Orgel Wealth Management if there are changes in their financial situation.

As described above, Orgel Wealth Management acts as the sponsor and portfolio manager for the Program. Orgel Wealth Management pays Pershing an asset-based fee for accounts maintained by Pershing so that clients can be provided execution services without the clients incurring a separate fee. Orgel Wealth Management believes that paying an asset-based fee to Pershing as opposed to a transaction-based fee mitigates the incentive to limit transactions in client accounts that could exist if the fee was based on the number of transactions in client accounts.

### **Advisory Business (Form ADV Part 2A – Item 4)**

Orgel Wealth Management offers a variety of wealth management services, which include financial planning, retirement plan consulting, and portfolio management. Prior to rendering services, clients enter into a written agreement with Orgel Wealth Management that sets forth the terms and conditions of the advisory relationship.



## Financial Planning and Consulting Services

Either as part of its investment management services or on a stand-alone basis, Orgel Wealth Management offers clients a range of financial planning and consulting services, which may include any or all of the following:

- Investment planning
- Budget planning
- Education expense planning
- Tax planning
- Retirement planning
- Estate planning assistance
- Business consulting and transition services

*Limitations on Financial Planning and Consulting Services.* Financial planning and consulting services are provided to the extent specifically requested by the client and may be provided either as a part of the client's ongoing investment management service or, in limited situations, for a separate and additional fee per the terms and conditions of a separate agreement.

In performing financial planning and consulting services, Orgel Wealth Management may rely on information obtained from the client or from the client's other professionals. Orgel Wealth Management is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys or accountants) and fully relies on such information.

Orgel Wealth Management does not serve as an attorney or accountant, does not prepare estate planning documents or tax returns, does not sell insurance products, and no portion of our services should be construed as legal advice. Orgel Wealth Management may recommend the services of itself or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage Orgel Wealth Management to provide additional fee-based services. Clients retain full discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Orgel Wealth Management as part of the financial planning or consulting services or to engage the services of any recommended professionals, including Orgel Wealth Management itself. If the client engages any professional (e.g., attorney, accountant, insurance agent, etc.), recommended or otherwise, and a dispute arises thereafter relative to such engagements, the client agrees to seek recourse exclusively from the engaged professional. At all times, the engaged licensed professional (e.g., attorney, accountant, insurance agent, etc.) and not Orgel Wealth Management, shall be responsible for the quality and competency of the services provided.

Clients are advised that it remains their responsibility to promptly notify Orgel Wealth Management of any change in their financial situation or investment objectives in writing so that Orgel Wealth Management may review, and if necessary, revise its previous recommendations or services.

## Retirement Plan Management and Consulting Services

Orgel Wealth Management provides various management and consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing, and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized and may include any or all of the following services:

- Plan design and strategy
- Plan review and evaluation
- Investment advice and review
- Plan fee and cost analysis
- Administrative/record keeping review
- Fiduciary and compliance assistance
- Fiduciary education
- Participant education

Certain retirement plan services are provided by Orgel Wealth Management as a fiduciary under the Employee Retirement Income Security Act of 1974 (ERISA). In accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of Orgel Wealth Management's fiduciary status, the specific services to be rendered, and all direct and indirect compensation Orgel Wealth Management reasonably expects under the engagement. In addition, Orgel Wealth Management and its advisors act as fiduciaries under ERISA and the Internal Revenue Code, as applicable, with respect to investment advice provided to a retirement plan, plan participant or beneficiary account, subject to any limitations included in the written agreement with the client.

## Miscellaneous Disclosures

*Retirement Rollovers-Conflict of Interest.* A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to another employer's plan, if one is available and rollovers are permitted, (iii) roll over the assets to an Individual Retirement Account (IRA), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Orgel Wealth Management recommends that a client roll over their retirement plan assets into an account to be managed by Orgel Wealth Management, such a recommendation creates a conflict of interest if Orgel Wealth Management will earn new (or increase its current) compensation as a result of the rollover.

*Use of Mutual Funds and Exchange Traded Funds.* Most mutual funds and ETFs are available directly to the public. Thus, a prospective client can obtain many of the funds that may be utilized by Orgel Wealth Management independent of engaging Orgel Wealth Management as an investment advisor.

*Portfolio Activity.* Orgel Wealth Management has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Orgel Wealth Management will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when Orgel Wealth Management determines that changes to a client's portfolio are neither necessary nor prudent. Orgel Wealth Management remains entitled

to any advisory fees it earns regardless of trading activity within the client's account. In addition, there can be no assurance that investment decisions made by Orgel Wealth Management will be profitable or equal any specific performance level(s).

*Margin Accounts and Securities-Based Loans.* Although Orgel Wealth Management does not generally recommend the use of margin as an investment strategy, upon client request or in other situations, we may recommend that a client establish a margin loan or a securities-based loan (collectively, SBLs) with the client's broker-dealer/custodian or their affiliated banks (each, an SBL Lender). For example, clients may seek to borrow money on margin to pay expenses or finance the purchase, construction, or maintenance of a home or real estate. Unlike a traditional real estate-backed loan, however, an SBL may enable borrowers to access funds in a shorter period of time, provide greater repayment flexibility, or potentially result in the borrower receiving certain tax benefits.

The terms and conditions of each SBL are contained in a separate agreement between the client and the SBL Lender selected by the client, which terms and conditions may vary from client to client. Borrowing funds on margin is not suitable for all clients and is subject to certain risks, including but not limited to: increased market risk and increased risk of loss, especially in the event of a significant market downturn; liquidity risk; the potential obligation to post collateral or repay the SBL if the SBL Lender determines that the value of collateralized securities is no longer sufficient to support the value of the SBL; the risk that the SBL Lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment; and the risk that the SBL Lender may terminate the SBL at any time. Before agreeing to participate in an SBL program, clients should carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender, including the initial margin and maintenance requirements for the specific program in which the client enrolls, and the procedures for issuing "margin calls" and liquidating securities and other assets in the client's accounts.

If Orgel Wealth Management recommends that a client apply for an SBL instead of selling securities that Orgel Wealth Management manages for a fee, the recommendation presents an ongoing conflict of interest because selling securities (instead of leveraging securities to access an SBL) would reduce the amount of assets to which Orgel Wealth Management's investment advisory fee is applied, thereby reducing the amount of fees collected by Orgel Wealth Management. Likewise, the same ongoing conflict of interest is present if a client determines to apply for an SBL on their own initiative. These ongoing conflicts of interest would persist as long as Orgel Wealth Management has an economic disincentive to recommend that the client terminate the use of SBLs. Clients are therefore reminded that they are not under any obligation to employ the use of SBLs and are solely responsible for determining when to use, reduce, and terminate the use of SBLs.

*Client Obligations.* In performing its services, Orgel Wealth Management will not verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon. It remains each client's responsibility to promptly notify Orgel Wealth Management if there is ever any change in their financial situation or investment objectives so that Orgel Wealth Management can review, and if applicable, revise its previous recommendations or services.

We mitigate each of the conflicts of interest identified above by disclosing them to clients and prospective clients, maintaining policies and procedures to make sure our employees render appropriate advice, and our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding these disclosures and conflicts of interest.

#### **Advisory Business (Form ADV Part 2A – Item 4)**

Orgel Wealth Management is both the sponsor and investment manager to the wrap-fee program. Clients who participate in the wrap-fee program pay Orgel Wealth Management a single fee, which covers Orgel Wealth Management's advisory fees, certain transaction costs, and custodial and administrative costs. Clients are not charged separate fees for the respective components of the total services. Orgel Wealth Management receives a portion of the wrap fee for our services after paying other service providers. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the program. Additionally, there are no material differences between the investment or management strategies employed by Orgel Wealth Management for clients who participate in the wrap-fee program and clients who do not participate in the program.

#### **Performance-Based Fees and Side-By-Side Management (Form ADV Part 2A – Item 6)**

Orgel Wealth Management does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

#### **Methods of Analysis, Investment Strategies and Risk of Loss (Form ADV Part 2A – Item 8)**

Orgel Wealth Management's investment philosophy is anchored on the belief that a disciplined approach to asset allocation is essential to long-term portfolio growth and the mitigation of downside risk.

Investing in securities involves risk of loss that clients should be prepared to bear. There is no assurance that a client account will meet its investment objective. Clients may lose all or a significant part of the value of their account and their account may not perform as well as other similar investments. All clients assume the risk that investment returns may be negative or below the rates of return of other investment advisors, market indices, or investment products.

#### **Methods of Analysis**

Orgel Wealth Management primarily uses a combination of fundamental and technical analysis when evaluating investment opportunities. Fundamental analysis generally is performed on historical and current data with the goal of making financial forecasts. Fundamental analysis involves developing an understanding of the philosophy of management, evaluating the fundamental financial condition of the investment, and assessing the competitive position of the investment. For Orgel Wealth Management, when evaluating funds, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of Orgel Wealth Management's model asset allocations. A general risk in relying upon fundamental analysis is that while the overall philosophy, health and position of an investment may appear sound, evolving market conditions may negatively affect the investment.

Technical analysis generally is performed on historical and current data, focusing on price and trade volume rather than the structural or competitive characteristics of the investment, to

forecast the direction of prices. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends that may be based on investor sentiment rather than investment fundamentals. A general risk in relying upon technical analysis is that spotting historical trends may not aid in predicting such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Orgel Wealth Management will be able to accurately predict such a reoccurrence.

Orgel Wealth Management's methods of analysis relating to fixed income products generally include, but are not limited to, sector selection, maturity or yield curve positioning, credit quality, relative value and security selection.

## **Investment Strategies**

Orgel Wealth Management develops a strategic asset allocation framework based on each client's investment objectives, risk tolerance, and investment time horizon to determine an overall asset allocation. Orgel Wealth Management tactically manages around this strategic asset allocation framework, within parameters, when it believes there is an opportunity to overweight or underweight particular asset classes.

Orgel Wealth Management then typically reviews that asset allocation with clients on a periodic basis. Since markets perform erratically and unpredictably, investments must be managed to take advantage of market aberrations, both rumored and real. While our asset allocation strategies focus primarily on the long view, we also incorporate a pragmatic approach that makes provisions for life events along the way. We plan for the present, for beginnings, for futures, and for legacies.

## **Risk of Loss**

Risks that client accounts may be subject include, but are not limited to, the following:

*Market Risk.* The price of a security or the value of an entire asset class can decline for a variety of reasons outside of Orgel Wealth Management's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, changes in interest rates, regulatory changes, and domestic or foreign political, demographic, or social events.

*Advisory Risk.* There is no guarantee that Orgel Wealth Management's judgment or investment decisions about particular securities or asset classes will produce the intended results or that the investment techniques of Orgel Wealth Management will be successful. Orgel Wealth Management's judgment may prove to be incorrect and a client might not achieve their investment objectives.

*Asset Allocation Risk.* The performance of client accounts will depend in part on Orgel Wealth Management's ability to anticipate the potential returns and risks of and correlation between the asset classes in which client accounts are invested. At times or for extended periods, asset classes or the investment markets in general may not perform as Orgel Wealth Management anticipated. There is a risk that certain asset allocation decisions may not achieve the desired results, and as a result, a client's portfolio could incur significant losses.

*Mutual Fund Risk.* Investing in mutual funds is subject to risks affecting the investment company, including the possibility that the value of the underlying securities held by the

investment company could decrease. Mutual funds are also subject to investment advisory and other expenses, which are indirectly paid by the shareholders. The net asset value of fund shares will fluctuate for many reasons including, but not limited to, responses to changes in market and economic conditions, as well as the performance of the underlying securities held by the mutual fund. Mutual funds with alternative investment strategies may have additional risks compared to traditional mutual funds as they typically hold more non-traditional investments and employ more complex trading strategies. Information on a specific mutual fund's risk can be found in the fund's prospectus and statement of additional information. Most mutual funds are also available directly to the public. Clients can obtain many of the mutual funds recommended and used by Orgel Wealth Management without engaging Orgel Wealth Management as an investment advisor. However, if a prospective client or client determines to do so, he or she will not receive Orgel Wealth Management's initial and ongoing investment advisory services.

*Exchange-Traded Fund Risk.* ETFs are subject to the management of the fund's ability to manage the underlying securities to meet the fund's stated investment objectives. ETFs may also trade at a discount to their net asset value in the secondary market. The structure of an ETF is such that most ETFs have market prices that tend to track the fund's respective net asset value closely, but this may not always be the case, particularly during periods of extreme market volatility. Most ETFs are designed to track a specified market index; however, in some cases an ETF's return may deviate from the specified index. Certain ETFs are actively managed and are subject to management risk. ETFs with alternative investment strategies may have additional risks compared to traditional ETFs as they typically hold more non-traditional investments and employ more complex trading strategies. Information on a specific ETF's risk can be found in the fund's prospectus and statement of additional information. ETFs are also available directly to the public. Clients can obtain the ETFs recommended and used by Orgel Wealth Management without engaging Orgel Wealth Management as an investment advisor. However, if a prospective client or client determines to do so, he or she will not receive Orgel Wealth Management's initial and ongoing investment advisory services.

*Equity Securities Risk.* Investments in equity securities (e.g., common stocks, preferred stocks, convertible securities, rights, warrants, and depositary receipts) are generally subject to greater price volatility than fixed income securities. Equity securities are susceptible to market fluctuations and to volatile increases and decreases in value, based on factors such as the earnings of the issuer, investors' confidence in and perceptions of the issuer, and general industry and market conditions. Investments in common stocks are subject to the risk that in the event of a company's liquidation, the holders of preferred stock and creditors will be paid in full before any payments are made to holders of common stock. Foreign equity securities have additional risks including geopolitical, financial transparency, currency, regulatory, and liquidity risk.

*Fixed Income Risk.* Fixed income securities, such as notes and bonds, are subject to certain risks including interest rate risk and credit risk. Interest rate risk is the risk that interest rates may increase, which tends to reduce the resale value of certain debt securities. Credit risk is the possibility that an issuer of an instrument will be unable to make interest payments or repay principal when due. If the credit quality rating or the issuer's financial condition declines, so may the value of the investment product. Fixed income securities are also subject to maturity risk. Generally, the longer a bond's maturity, the greater the interest rate risk and the higher its yield. Conversely, the shorter a bond's maturity, the lower the interest rate risk and the lower its yield. Non-rated, split-rated, below investment grade, and asset-backed securities, including mortgage-backed and collateralized mortgage obligations have additional, special risks.



***Municipal Securities Risk.*** Municipal securities are subject to the risk that the municipality may be unable or unwilling to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax-free at the federal level but may be taxable in individual states other than the state in which both the investor and municipal issuer are domiciled.

***Concentration Risk.*** Orgel Wealth Management seeks to employ a broad diversification strategy. There may be times when one industry, sector, or company is more heavily weighted than others. In such an instance, there is the possibility that negative performance of the heavily weighted segment of the portfolio will have a greater impact on the overall performance of a client's portfolio. Concentrated holdings may offer the potential for higher gains, but also bear the potential for significant losses.

***Liquidity Risk.*** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many investors are interested in a product. For example, Treasury Bills are highly liquid while real estate properties are not. Liquidity risk exists when particular investments are difficult or impossible to sell at the desired time and price. Certain investments may have increased liquidity risk, such as privately placed investments and alternative funds, auction rate securities, and certain debt and derivative instruments.

***Inactivity Risk.*** As part of its investment advisory services, Orgel Wealth Management will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors. The factors include, but are not limited to, investment performance, mutual fund manager tenure, style drift, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Orgel Wealth Management determines that changes to a client's portfolio are not necessary. Orgel Wealth Management remains entitled to any advisory fees it earns regardless of trading activity within the client's account.

***Privately Placed Investments Risk.*** In limited circumstances, Orgel Wealth Management may use or recommend certain privately placed investment vehicles (e.g., hedge funds and private equity funds) for client portfolios. Privately placed investments are generally complex, have unique tax characteristics, and involve significant or special risks, including, but not limited to, portfolio investment risk, leverage risk, market and valuation risk, conflicts of interest risk, price volatility risk, liquidity risk, interest rate risk, dependence on key personnel, and structural and regulatory risk. As a result, investments in these vehicles are not suitable for all clients. A client invested in these funds could lose all or a substantial portion of their investment. Investors should carefully read the private placement memorandum and other offering documents and carefully assess the privately placed investment vehicle before investing.

## **Voting Client Securities (Form ADV Part 2A – Item 17)**

Orgel Wealth Management may accept the authority to vote proxies on a client's behalf. In these cases, when authorized by the client, Orgel Wealth Management uses the proxy voting services of Broadridge Financial Solutions, Inc. (Broadridge), an unaffiliated third-party service provider. Broadridge receives the proxy voting materials, votes proxies pursuant to guidelines selected by Orgel Wealth Management that are offered on Broadridge's platform and makes the proxy voting record available to Orgel Wealth Management and its clients. Clients may obtain a copy of Orgel Wealth Management's complete proxy voting policies and procedures by contacting Orgel Wealth Management directly.

When authorized by clients, Orgel Wealth Management also uses Broadridge to monitor and process securities class action claims on behalf of clients. For its services, Broadridge charges a contingency fee of 20% of the amount recovered from a successful class action settlement, which is deducted from a client's award at the time of payment. Orgel Wealth Management does not receive any portion of any amount recovered on behalf of clients. Broadridge's contingency fee is subject to change. Clients may opt out of the service at any time.

## ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Orgel Wealth Management acts as the sponsor and sole portfolio manager under the Program. Accordingly, Orgel Wealth Management does not provide client information to outside portfolio managers.

## ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

Orgel Wealth Management acts as the sponsor and sole portfolio manager under the Program. There are no restrictions placed on clients' ability to contact and consult with Orgel Wealth Management.

## ITEM 9 – ADDITIONAL INFORMATION

### **Disciplinary Information (Form ADV Part 2A – Item 9)**

Orgel Wealth Management has not been involved in any material legal or disciplinary events.

### **Other Financial Industry Activities and Affiliations (Form ADV Part 2A – Item 10)**

Neither Orgel Wealth Management, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Mark Orgel maintains an ownership interest in an entity that was formed to buy and manage private, closely held businesses and real estate in the Midwest (the "Management Company"). The Management Company provides administrative, operational and investment services to private investment funds in which Mark Orgel has an ownership interest. Mark Orgel also serves as the Oversight Member and is responsible for providing oversight of the Management Company's activities and supervision of its Managing Director. A limited number of clients of Orgel Wealth Management have ownership interests in the Management Company and one or more private investment funds; all client investors are accredited investors who made an independent decision to invest in these entities. Currently, the Management Company and the private investment funds are not open to additional investors.

The net income or losses of the Management Company for services provided to the private investment funds are attributed to the Management Company's equity owners, including Mark Orgel, in proportion to their interest. This presents a potential conflict of interest as Mark Orgel may have an incentive to spend time on his activities for the Management Company because he



may receive profit distributions or other forms of payment related to those activities. In order to address this potential conflict of interest, Orgel Wealth Management maintains a code of ethics that includes a policy that requires all employees, officers, and directors of Orgel Wealth Management to put clients' interests ahead of their own. In addition, Mark Orgel's activities are supervised by Orgel Wealth Management's Chief Compliance Officer, Troy Mertens.

Orgel Wealth Management does not receive direct or indirect fees from other investment advisors recommended to clients.

### **Code of Ethics (Form ADV Part 2A – Item 11)**

Orgel Wealth Management maintains an investment policy relative to personal securities transactions. This investment policy is part of Orgel Wealth Management's overall Code of Ethics, which serves to establish a standard of business conduct for all of Orgel Wealth Management's representatives that is based upon fundamental principles of openness, integrity, honesty and trust. A copy of the Code of Ethics is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Orgel Wealth Management also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Orgel Wealth Management or any person associated with Orgel Wealth Management.

Neither Orgel Wealth Management nor any related person of Orgel Wealth Management currently recommends, buys, or sells for client accounts, securities in which Orgel Wealth Management or any related person of Orgel Wealth Management has a material financial interest. See above, however, for a description of and recommendations related to Mark Orgel's activities relating to his ownership interest in the Management Company and certain private, closely held businesses and real estate in the Midwest.

Orgel Wealth Management and/or representatives of Orgel Wealth Management may buy or sell securities that are also recommended to clients. This practice may create a situation where Orgel Wealth Management and/or representatives of Orgel Wealth Management are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Orgel Wealth Management did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Orgel Wealth Management's clients), and other potentially abusive practices.

Orgel Wealth Management has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Orgel Wealth Management's "Access Persons." Orgel Wealth Management's securities transaction policy requires that an Access Person of Orgel Wealth Management must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date Orgel Wealth Management selects.

Orgel Wealth Management and/or representatives of Orgel Wealth Management may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Orgel Wealth Management and/or representatives of Orgel Wealth Management are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above, Orgel Wealth Management has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of its Access Persons.

Please Note: From time to time, trust agreements established by clients authorize Orgel Wealth Management or employees of Orgel Wealth Management (Orgel Wealth Management Appointee) to appoint a successor trustee, subject to the provisions of the trust agreement, of which the trust's assets may also be managed by Orgel Wealth Management. This could create a conflict of interest as the Orgel Wealth Management Appointee may have a financial incentive to appoint a successor trustee that the appointee believes would retain Orgel Wealth Management as the investment advisor to the trust. In order to address this conflict of interest, Orgel Wealth Management has adopted a Code of Ethics that requires Orgel Wealth Management and its employees to put clients' interests ahead of their own. Orgel Wealth Management has also established policies and procedures designed to alleviate this conflict. Additionally, trust agreements generally include provisions that provide protection regarding appointments, such as the beneficiaries of the trust having the ability to remove a trustee appointed by the Orgel Wealth Management Appointee.

### **Review of Accounts (Form ADV Part 2A – Item 13)**

Orgel Wealth Management monitors investment management client accounts on at least a quarterly basis. Client accounts that receive financial planning and/or consulting services are generally reviewed on an as needed basis or as agreed to with the client. All advisory clients are encouraged to discuss their needs, goals, and objectives with Orgel Wealth Management and to keep Orgel Wealth Management informed of any changes.

Account reviews may be triggered by a plan or consulting update, a significant market event, a client event, or changes in the client's circumstances. Account reviews are conducted by advisory representatives.

Clients receiving investment management services typically receive written reports at least quarterly that show current account size, account holdings, investment performance, and the investment performance of one or more relevant benchmarks. Clients receiving financial planning and/or consulting services typically receive reports summarizing Orgel Wealth Management's analysis and conclusions, as requested by the client or as otherwise agreed to in writing.

### **Client Referrals and Other Compensation (Form ADV Part 2A – Item 14)**

As discussed in Item 14 of its Form ADV Part 2A Firm Brochure, Orgel Wealth Management may receive or has received certain support services, including technology and transition support (e.g., access to additional staff resources, etc.) from Pershing. These economic benefits represent a conflict of interest because the benefits could influence Orgel Wealth Management to recommend Pershing to clients. To mitigate this conflict of interest, Orgel Wealth Management has adopted a Code of Ethics and other policies.

In addition, Orgel Wealth Management does not maintain any agreement with Pershing or any other Broker-Dealer allowing for compensation for client referrals and does not accept such compensation.

Orgel Wealth Management and its employees may recommend unaffiliated professionals, such as lawyers and accountants, to clients. Prior to making a referral to an unaffiliated professional, Orgel Wealth Management performs at least a minimal amount of due diligence to identify professionals and determine whether the professional can provide the required service. Referrals to professionals are not intended to be an endorsement and Orgel Wealth Management does not guarantee the services of any unaffiliated professional. Clients are solely responsible for selecting a professional and are encouraged to consider multiple sources as part of making an informed decision prior to engaging a professional.

In addition, although Orgel Wealth Management is not paid for recommending any professional and does not compensate professionals for referrals of prospective clients to Orgel Wealth Management, professionals that are recommended to clients may be clients of Orgel Wealth Management, employ clients of Orgel Wealth Management, or serve as a referral source of prospective clients to Orgel Wealth Management. While each of these situations presents a conflict of interest, due to privacy and confidentiality concerns, Orgel Wealth management generally does not disclose these situations to clients. We seek to mitigate this conflict of interest by disclosing the possibility of a conflict and informing clients that they can explore any potential conflicts of interest with the unaffiliated professionals that we recommend prior to engaging the professional.

#### **Financial Information (Form ADV Part 2A – Item 18)**

Orgel Wealth Management does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Orgel Wealth Management does not have any financial conditions reasonably likely to impair its ability to meet its contractual commitments to its clients.

Orgel Wealth Management has not been the subject of a bankruptcy petition in the past ten years.

**ANY QUESTIONS:** Orgel Wealth Management's Chief Compliance Officer, Troy Mertens, remains available to address any questions regarding this Wrap Fee Program Brochure.



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