



*From financial wisdom,
better stewardship.SM*

Part 2A of Form ADV: Firm Brochure



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05/18/2021

This firm brochure provides a summary of AMDG Financial's advisory services and fees, professionals, certain business practices and policies, including actual or potential conflicts of interest. Please contact AMDG Financial at 734-737-0866 or info@amdgservices.com with any questions or comments. 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 AMDG Financial also is available on the SEC's website at www.adviserinfo.sec.gov. Simply search the site using our unique identifying number, known as a CRD number. Our firm's CRD number is 119569.

Item 2: Material Changes

This section provides our clients with a summary of new and/or updated information. We document revision(s) based on the following information:

1. **Annual Update:** We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE), which is December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised brochure within 120 days of our FYE, or we will provide you with our revised brochure, which will include a summary of the changes in this section.
2. **Material Changes:** Should a material change in our operation occur, depending on its nature, we will promptly communicate this change to our clients (and it will be summarized in this item). Material changes requiring prompt notification will include changes of ownership or control, location, disciplinary proceedings, or significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our firm brochure dated **03/30/2021**:

- A reorganization has occurred, which combined ownership of partners for AMDG Financial and AMDG Business Advisory Services PLC. The new entity, AMDG FAS-BAS Holdings, is now the direct owner of AMDG Financial. See Item 4 for more information.

Wayne B. Titus, III, CPS/PFS, AIFA®

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Item 3: Table of Contents

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	9
Item 6	Performance-Based Fees and Side-By-Side Management	12
Item 7	Types of Clients	12
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	13
Item 9	Disciplinary Information	15
Item 10	Other Financial Industry Activities and Affiliations	15
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
Item 12	Brokerage Practices	17
Item 13	Review of Accounts	17
Item 14	Client Referrals and Other Compensation	18
Item 15	Custody	19
Item 16	Investment Discretion	20
Item 17	Voting Client Securities	20
Item 18	Financial Information	20
Item 19	Privacy Policy	20

Item 4: Advisory Business

Our Advisory Business

AMDG Financial Advisory Services, LLC ("AMDG Financial") is an SEC-registered investment adviser, co-owned by Wayne Brown Titus III, founding member, Rebecca J. Stroud, Ramey Becker, and Chris Carlson. AMDG Financial maintains its principal place of business in Plymouth, Michigan. AMDG Financial began offering clients comprehensive wealth management and advisory services in April 2002.

As with any investment made in life—a family, a home, a college education—the best results are achieved by carefully constructing a plan and then following that plan consistently over time. A well-crafted investment plan and investment policy statement provides a broad context for making important financial decisions and then suggests a prudent investment philosophy, a supporting process and a set of investment management procedures for achieving long-term financial goals.

AMDG Financial's comprehensive wealth management process, Fiduciary GPSSM, identifies a range of critical factors that affect financial decisions, including personal, financial, investment goals and time horizons, and tolerance for risk (as measured by returns in bear markets and historic volatility). With these factors in mind, we consider appropriate prudence and diversification standards along with the impact of taxes. AMDG Financial then develops an investment plan and investment policy statement that set forth an investment structure that details permitted asset classes and the desired allocation among those asset classes.

Clearly identifying critical factors and recommendations for achieving financial goals in an investment plan and an investment policy statement includes a number of important benefits. These factors:

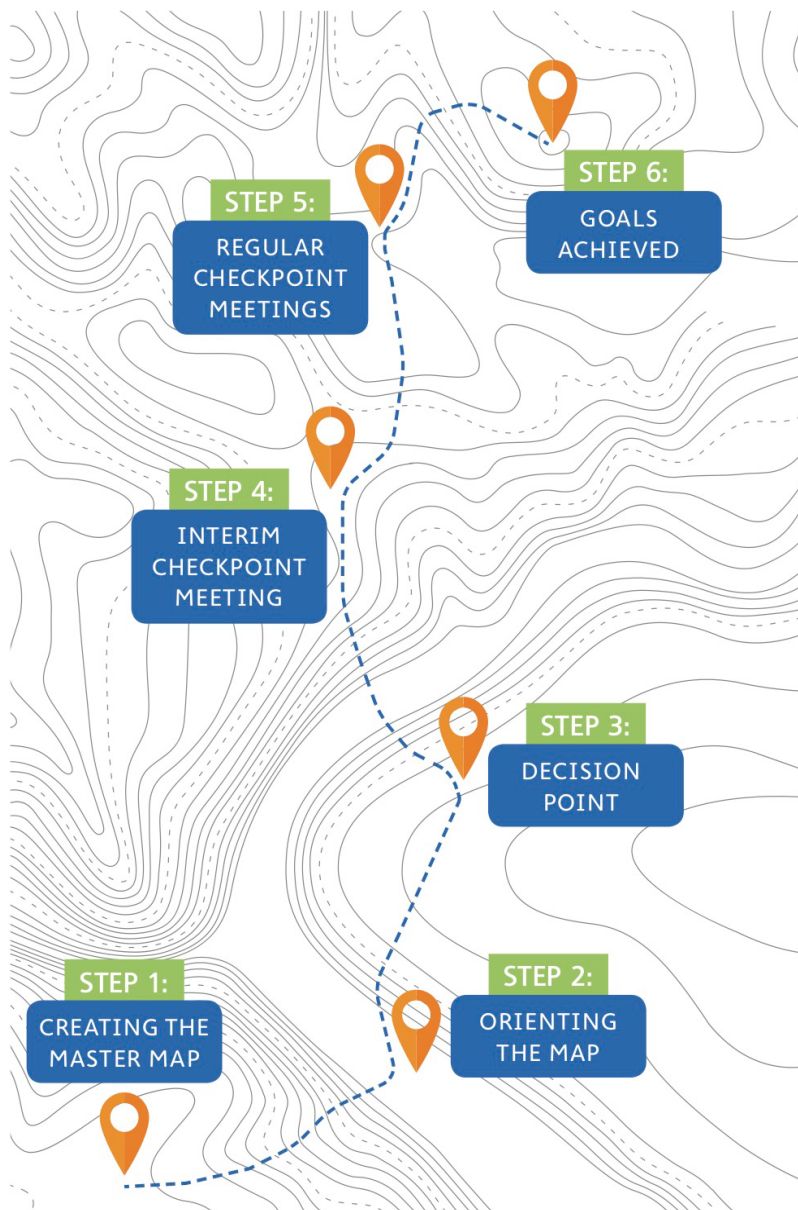
1. **Create a framework for long-term discipline in investment decision-making.** A well-conceived plan helps to ensure that rational analysis underpins investment decisions, making it less likely for an investor to act on emotional responses to short-term or one-time events.
2. **Encourage our effective communication** by clarifying both the issues that are most important and the investment approach and strategy that we will use. This minimizes misunderstandings that may arise.
3. **Allow AMDG Financial and our clients to accurately review critical factors as they change over time.** Such evaluations may suggest corresponding changes to the investment plan.

In addition, the investment plan and investment policy statement provide the foundation for comprehensive *wealth management*. With a comprehensive wealth management plan in place, AMDG Financial can systematically identify and manage major financial issues and help our clients achieve important financial goals.

Fiduciary GPSSM: Our Wealth Management Consulting Process

At AMDG Financial, we follow a specific consultative process for uncovering important financial goals, and for designing and implementing appropriate wealth management solutions. Our process, called Fiduciary GPSSM, recalls the sport of orienteering, in which participants use a map and compass to navigate unfamiliar terrain in a race to a particular destination.

Using the Fiduciary GPSSM process, we gather the “coordinates” of where our client is now, and work with the client to determine his or her desired financial destination. Then we create a “master map” that documents any known obstacles (such as debt) and sets a course we will navigate together. From checkpoint to checkpoint, we adjust our course based on how things look on the ground, the terrain ahead, and the direction our client wants to go.



Ultimately, the client's course depends on the obstacles he or she faces and the summits he or she wants to achieve. Just like having GPS in your car, this process provides security and a sense of relief. Fiduciary GPSSM helps our clients know they are heading in the right direction for the future

of themselves and their families.

- ▶ **Master Map Meeting.** At our initial meeting, AMDG Financial conducts an interview, which begins to identify and diagnose potential challenges for achieving important client goals and objectives. After this meeting, AMDG Financial examines the current situation, the goals and objectives outlined, and formulates a draft investment plan and investment policy statement that supports movement toward achieving those goals.
- ▶ **Orienting the Map Meeting.** At this meeting, we present our diagnostic of the current situation and make recommendations for how we can assist the client in reaching his or her goals and objectives. We review the investment plan and investment policy statement, which forms the foundation of our work together. Clients are able to take these documents home and review them at their leisure. Should clients wish to move forward with the outlined recommendations, the next step in the process is to schedule decision point meeting.
- ▶ **Decision Point Meeting.** At this meeting, AMDG Financial and the client are ready to make a decision about working together. We commit to each other to work toward achieving everything that is important to the client and their family. We execute the documents necessary to put the client's investment plan into motion, including the adoption of the investment plan and investment policy statement and the letter of arrangement.
- ▶ **Interim Checkpoint Meeting.** At this meeting, AMDG Financial assists clients in organizing account paperwork. We answer any questions that will help a client understand how to read custodial statements and quarterly performance reports. We review exactly what is happening with investments and investment strategy, including any required investment transition plans.
- ▶ **Regular Checkpoint Meetings** are scheduled at intervals convenient for the client. They provide AMDG Financial an opportunity to review any major changes in a client's personal or financial situation since the last meeting. If these changes indicate that adjustments to a client's investment plan are necessary, we make those changes. We review overall progress toward long-term financial goals. This meeting is also an opportunity to implement wealth management solutions appropriate for the client's situation. We present a wealth management plan at our first regular checkpoint meeting to prioritize those areas of greatest importance to our client. Then we begin to address those priorities systematically.

With the client's wealth management plan to guide us, we focus our consulting on four broad areas of financial life:

1. **Wealth enhancement**, to produce investment returns consistent with the client's level of risk tolerance and to minimize the tax impact on those returns.
2. **Wealth transfer**, to find and facilitate the most tax-efficient way to pass assets to succeeding generations, and to do so in a way that meets client wishes.
3. **Asset protection**, to protect wealth against potential creditors, litigants and others.
4. **Charitable gifting**, toward identified charitable goals. Gifting is most effective when coordinated with the three areas above.

In accordance with a client's stated priorities, we raise these issues and make our recommendations during our regular checkpoint meetings.

Our Investment Supervisory Services

AMDG Financial provides continuous advice to a client through individual portfolio management. We base the investment of client funds on our personal discussions with the client as identified in the Fiduciary GPSSM process and subsequent meetings and as documented in the client's personal investment plan and investment policy statement. During this process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary basis. We base our management on the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations, all of which are documented in the investment plan and investment policy statement.

Clients may impose reasonable restrictions on investing in certain securities.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company, and will generally include advice regarding the following securities:

- ▶ Exchange-listed securities, including Exchange Traded Funds
- ▶ Securities traded over-the-counter
- ▶ Corporate debt securities (other than commercial paper)
- ▶ Certificates of deposit
- ▶ Municipal securities
- ▶ Variable life insurance
- ▶ Variable annuities
- ▶ Mutual fund shares
- ▶ United States governmental securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Our Pension Consulting Services

We provide several advisory services separately or in combination. The primary clients for these services will be pension, profit sharing and 401(k) plans. We also offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. AMDG Financial's pension consulting comprises two distinct services. Clients may choose to use one or both of these services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We will meet with the client (in person, by phone, or by video conference) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

ERISA Section 3:38 Investment Managers:

We assist plan sponsors in constructing appropriate asset allocation models. We then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS. We can also be engaged to monitor client investments continually, based on the procedures and timing intervals delineated in the investment policy statement. Our firm may supervise the client's portfolio and make recommendations to the client as market factors and the client's needs dictate.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company, and generally includes advice regarding the following securities:

- ▶ Exchange-listed securities, including Exchange Traded Funds
- ▶ Securities traded over-the-counter
- ▶ Corporate debt securities (other than commercial paper)
- ▶ Certificates of deposit
- ▶ Municipal securities
- ▶ Variable life insurance
- ▶ Variable annuities
- ▶ Mutual fund shares
- ▶ United States governmental securities

Because some types of investments involve certain additional degrees of risk, we will only recommend or implement investments when they are consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Our Financial Planning Services

We provide financial planning services through our comprehensive wealth management process and evaluation of a client's current and future financial state by using known variables to predict future cash flows, asset values and withdrawal plans. Our wealth management consulting process considers all questions, information and analysis based on our client's situation and goals and how those might be affected. We do not provide this service separately, and any investment advice or written report is provided within this context.

Our Consulting Services

Clients can also elect to receive investment and fiduciary process advice on a more focused basis. This may include advice on an area or areas of concern identified through our Fiduciary GPSSM process. As noted earlier, these advanced planning areas may include:

1. **Wealth enhancement**, in which we aim to produce the best possible investment returns consistent with the client's level of risk tolerance, and to minimize the tax impact on those returns.
2. **Wealth transfer**, in which we work to find and facilitate the most tax-efficient way to pass assets to succeeding generations, and to do so in a way that meets client wishes.
3. **Asset protection**, through which we endeavor to protect the client's wealth against potential creditors, litigants and others.
4. **Charitable endowment and gifting**, in which we help fulfill identified charitable and endowment fund goals. When working with individual clients, we find that we can be most effective when coordinating this area with wealth enhancement, wealth transfer,

asset protection, estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services in support of charitable non-profit and individual clients.

We do not limit our consulting recommendations to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

Our Sub-Advisory Services

AMDG Financial offers sub-advisory financial planning and wealth management consulting services to other registered investment advisers who wish to use our investment methodology and wealth management consulting process to enhance their asset management and wealth management programs. The sub-advisory services we offer are generally related to the delivery of portfolio recommendations but could also include management of clients' assets. AMDG Financial may provide advice to clients of these institutions that differs from the advice provided under AMDG Financial's wealth management consulting process, because of the unique parameters set by each investment adviser.

Our Seminar Services

AMDG Financial sponsors educational seminars and live events on various investment topics including fundamental portfolio analysis. The investment information provided under this service does not purport to meet the objectives or needs of each individual client. The seminars may be live or virtual events and will provide participants with discussions on wealth management, asset allocation strategies, estate and retirement planning and general educational topics. AMDG Financial seminars are open to the public.

Amount of Managed Assets

As of 12/31/2020, AMDG Financial managed 282 client relationships, consisting of assets under management totaling \$ 211,961,085 on a discretionary basis. AMDG Financial does not manage client assets on a non-discretionary basis. Assets under advisory totaled \$ 217,513,357.

AMDG Financial is an SEC-registered investment adviser, with its principal place of business located in Michigan. AMDG Financial began conducting business in 2002.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- ▶ AMDG FAS-BAS Holdings LLC owns 100% of interest in AMDG Financial and Wayne B. Titus III is an 80.26% indirect owner of AMDG FAS-BAS Holdings LLC.

Item 5: Fees and Compensation

Our Wealth Management and Investment Supervisory Services Fees

AMDG Financial provides wealth management and investment supervisory services on a fee-only basis. AMDG Financial does not sell financial products or accept commissions or remuneration from outside sources. AMDG Financial processes mutual-fund and equity trades through an agreed upon directed broker/custodian.

On a billing-cycle basis, AMDG Financial presents clients with an invoice showing all AMDG Financial fees charged against client accounts and provides billing account totals to the custodian. The client is responsible for verifying the accuracy of AMDG Financial's fee calculation since the custodian does not perform this function.

Billing on newly established accounts may begin after AMDG Financial has received a signed investment plan, investment policy statement and advisory agreement from the client.

We calculate our fees on a billing cycle of three months, in advance with the exception of HSA accounts, beginning each calendar year, based on the values (market value or latest client-communicated fair-market value in the absence of actual fair-market value, plus any credit balance or minus any debit balance), of the client account at the end of the previous three-month period. We charge new accounts a prorated fee for the remainder of the three-month period in which the client opens the account. The custodian may pay fees directly to AMDG Financial, or its designated agent, subject to preauthorization by the client. Any fees billed directly to a client are to be paid within 30 days of the billing date.

HSA accounts are billed in arrears by HSA Administrators for the previous 3 months and are based on average daily balance for that time period. Newly established HSA accounts will be billed the first month of the quarter for the previous prorated days assets are under management.

AMDG Financial may manage a client's 401(k), with or without a fee, and may subsequently recommend the client roll over the 401(k) to an IRA upon separation from their employer. We consider this rollover recommendation to be a conflict of interest, because AMDG Financial may be compensated for the additional assets under management. We mitigate this conflict by reviewing our reasons for our recommendation and cost structure with our client, and by always acting in our clients' best interest as required by our fiduciary duty. Clients have the right to decide whether to accept our recommendations, and to choose other financial professionals who are not affiliated with our firm to implement such recommendations.

Following are the fees AMDG Financial charges for wealth management and investment supervisory services. The following fee schedule is subject to change:

Account Balance	Annual Fee
First \$500,000	1.80%
Next \$500,000	0.80%
Next \$3,000,000	0.60%
Over \$4,000,000	0.40%

Outside held accounts including but not limited to 401(a), 401(k), and 403(b) retirement accounts will be billed according to the above fee schedule or \$600 per quarter, whichever is greater.

Limited Negotiability of Advisory Fees. Although AMDG Financial has established fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis.

We consider client facts, circumstances and needs in determining a client's fee schedule. Among the factors we consider: the complexity of the client's situation; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; and account composition. The specific annual fee schedule appears in the contract between adviser and client and may be based on a percentage of assets managed, an hourly rate, or a fixed, quarterly-fee arrangement.

We may group certain related family-client accounts to reduce fees for family member accounts. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Our Pension Consulting Fees

We charge an annual fee for pension consulting services of 0.75% of plan assets, on a billing

cycle of three months, in advance, beginning each calendar year, based on fair-market value (plus any credit balance or minus any debit balance) of the client's account at the end of the previous three-month period. New accounts are charged a prorated fee for the remainder of the three-month period in which the account is created. Fees shall be paid by the custodian directly to AMDG Financial, or its designated agent, subject to preauthorization to the custodian by the client. Any fees billed directly to a client are due within 30 days of the date of the invoice.

On a billing-cycle basis, AMDG Financial furnishes clients an invoice showing all AMDG Financial fees charged against client accounts and provide billing account totals to the custodian. The client is responsible for verifying the accuracy of AMDG Financial's fee calculation since the custodian does not perform this function.

Our Financial Planning Fees

Financial planning services are included in the provision of wealth management and investment supervisory fees. These services are provided to clients who have engaged AMDG Financial for wealth management services. We offer hourly planning on a limited basis, at our discretion, in cases where a client may not easily participate in wealth management and investment supervisory services. We believe that by providing this hourly service, we can place the client on the right track. We typically reserve this service for clients, or family members of clients, where our more comprehensive approach may be premature.

Our Consulting Service Fees

AMDG Financial's consulting services include the provision of wealth management and investment supervisory fees. These services are provided only to clients who have engaged AMDG Financial for wealth management services.

Our Sub-Advisory Services Fees

AMDG Financial will receive fees from other registered investment advisers who retain us to assist them with investment methodology and wealth-management consulting. Such sub-advisory fees may be higher or lower than the fees AMDG Financial receives in connection with our wealth management and investment supervisory services and may be paid in advance. The specific manner in which advisory fees are charged for sub-advisory services will be established in the investment adviser's written agreement with AMDG Financial.

GENERAL INFORMATION

Termination of the Advisory Relationship. A client agreement may be canceled at any time, by either party, for any reason, upon receipt of five days' written notice. As disclosed previously, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will prorate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees. All fees paid to AMDG Financial for wealth management and investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client may invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other services, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses. In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not

limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

ERISA Accounts: AMDG Financial is a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include, in part, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, AMDG Financial may only charge fees for investment advice related to products for which our firm and/or our related persons do not receive commissions or 12b-1 fees. AMDG Financial is a fee-only registered investment advisory firm. We do not accept commissions or 12b-1 fees on any products we recommend or implement in a client portfolio.

Advisory Fees in General: Clients should note that similar advisory services may or may not be available from other registered or unregistered investment advisers for similar or lower fees.

Item 6: Performance-Based Fees and Side-By-Side Management

AMDG Financial does not charge performance-based fees.

Item 7: Types of Clients

Our Clients

As an organization, we base our interaction with clients on the following values:

1. We care for our community with a focus on understanding the values they hold dear. Our community consists of our clients and their families, our families, our partners and our team members.
2. We lead our community with integrity, stewardship and trust, resulting in a beneficial relationship for all.
3. We support, without judgment, our community members in the accomplishment of their goals, whatever those goals may be.

We act as fiduciaries for our clients. A fiduciary duty is the highest standard of care at either equity or law. A fiduciary is expected to be extremely loyal to the person to whom he/she owes the duty: he/she must not put personal interests before the duty and must not profit from his/her position as a fiduciary, unless the principal consents.

AMDG Financial provides advisory services to the following types of clients:

- ▶ Individuals (other than high net-worth individuals)
- ▶ Entrepreneurs and small-business owners
- ▶ High net-worth individuals
- ▶ Pension and profit-sharing plans (other than plan participants)
- ▶ Charitable organizations and endowments
- ▶ Corporations or other businesses not listed above
- ▶ Registered investment advisers

Our clients tend to be:

- ▶ **Family Stewards** - Individuals whose dominant focus is to take care of their family. They tend to be both personally and professionally conservative and typically have limited knowledge about investing.
- ▶ **Entrepreneurs and small-business owners** – Professionals who may have the vision and passion to start a business but lack the financial knowledge to grow and scale their businesses.
- ▶ **Corporate Plan Sponsors and Non-Profit Stewards** – Corporate plan sponsors and non-profit boards or investment committees whose dominant focus is to take care of retirement or endowment funds entrusted to them. They tend to seek independent, outside fiduciary advice regarding development and implementation of prudent investment strategies and are interested in measuring and improving their internal fiduciary processes.
- ▶ **Financial Phobics** - Individuals often frustrated and confused by the responsibility of wealth, and who dislike investing and avoid technical discussions of it. They choose their advisers based on personal trust.
- ▶ **Independents** - seeking the personal freedom that wealth makes possible. They know wealth is a means to an end but are uninterested in the process of investing itself.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Our Investing Process and Investment Analysis

Our investing process and investment analysis centers around five steps of Fiduciary GPSSM:

1. **Assess client goals and circumstances.** The investment plan process begins during the master map meeting with a discussion of financial values and goals, as well as key relationships, existing assets, other professional advisers, preferred process and important interests.
2. **Set long-term investment objectives.** Taking into account the long-term nature of successful investing, AMDG Financial sets objectives for the client's portfolio that are appropriate for client need, ability, and desire to take risk within the investment horizon(s) identified.
3. **Plan asset allocation.** AMDG Financial attempts to identify an appropriate ratio of asset classes, including stocks, bonds and short-term investments, both domestic and foreign, rather than focusing primarily on securities selection. Asset allocation is the first investment decision.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals. This risk is mitigated through the discipline of rebalancing the portfolio.

4. **Select the investment approach.** With an asset allocation in place, AMDG Financial selects the investment vehicles used to implement the client's portfolio strategy. We base our analysis and selection of investment on a number of factors, and derive our information from commercially available software technology, securities rating services, general market and financial information, due-diligence reviews and specific investment analysis that

clients may request. Sources of information include commercially available investment services, periodicals, and issuer-prepared information that may be used to provide individualized advices to clients. AMDG Financial may use the Modern Portfolio Theory method of analysis in building and servicing client portfolios.

Two key investing principles guide these decisions: a) the importance of diversification and b) the value of staying invested.

a. Diversify

One reason why many investors are reluctant to invest much in the stock market is that they know many stories of companies and stocks that have suddenly fallen on hard times. Some investors imagine an investment in the stock market to be like that—when a stock value has reached a high level, it may be just the time that it is about to fall sharply. The mistake investors make when they think this way is that they forget that while a single stock may rise or fall dramatically, the movements of the overall market are generally much more subdued.

Modern Portfolio Theory explains that two effects govern the movements of every stock market and stock-specific events. It is primarily the stock-specific events that cause individual stocks to move up or down wildly, relative to the overall market. A client may think that the best protection against stock-specific risk is to have portfolio managers that know all the companies in their portfolio well. The trouble is, the events that cause the most damage to stocks usually come as a complete surprise. A company may have a sudden product liability problem, or the chairman may die or become controversial. On the upside, the company may make a surprise new product announcement, or land a major contract. These events are often unanticipated, causing price movements that not even the best portfolio managers can expect. In fact, Modern Portfolio Theory tells us that if the market can anticipate an event, then the effect of the event is already evident in the stock's price, and no further profit from knowledge of the event is possible.

If it is surprising that portfolio managers cannot anticipate a stock's movement, then how can an investor protect a portfolio against that movement? Diversification. The stock-specific movements of individual stocks may not be predictable, but over a diversified portfolio, they tend to cancel one another out.

Modern Portfolio Theory tells us that we can build diversified portfolios to greatly reduce stock-specific risk, but that market events, which affect all stocks, are not diversifiable. That is, even a diversified portfolio of stocks is subject to the overall movements of the market and does not eliminate the risk of loss. Fortunately, the theory predicts that the market rewards us for taking this risk by giving us generous long-term growth potential. The asset allocation decision is where we decide how aggressively to pursue this long-term growth.

b. Stay Invested

Investors often ask when the time is right for them to enter the market. For a long-term investor, AMDG Financial believes the answer is today. No short-term investment opinion exists behind that statement. No one can predict the movements of the market for the next month or year. Just as with unanticipated events, if portfolio managers could somehow predict the future movement of the market, then prices in the market would already reflect that knowledge, and so it would be impossible to profit from it. Even though a danger always exists that the market will go down tomorrow, today is the right day to start investing. AMDG Financial generally recommends the use of long-term investment techniques, which provide dollar-cost averaging, but may in certain circumstances recommend shorter-term trading on a limited basis, to rebalance the portfolio from sudden changes in the market, or to benefit from tax-loss harvesting.

5. **Build client portfolio.** After the first four steps, we construct a portfolio suited to the client's needs, goals, investment horizon and risk tolerance. The building blocks for the portfolio are institutional asset class funds, which provide an excellent way to implement a diversified portfolio investment to maximize the probability of achieving client goals.

For clients who prefer fewer initial meetings, this process may be covered in a slightly different order; however, all the steps are completed for each client.

The result of this process is documentation of the client's situation with our recommendations for repositioning the client's portfolio to maximize the probability for success (the investment plan). These recommendations also take into account portfolio costs as well as the potential tax impact of the restructuring. Our securities analysis methods assume that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are accurate and impartial. While we are alert to indications that data may be incorrect, a risk always exists that our analysis may be compromised by inaccurate or misleading information.

Rebalancing and Reporting Progress

During our checkpoint meetings, we ask clients about any specific events in their lives that may call for a change in portfolio allocation. These events might include, for example, the birth of a child or grandchild, the death of a parent or a change in marital status. If the client notifies us of changes, we update the client's plan as needed. We also monitor portfolios and periodically rebalance them at our discretion absent any input from a client.

Risk of Loss

The lack of a guarantee, and the risk associated with investing dictates that clients should be prepared to lose money. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. We ask that clients work with us to help us understand their tolerance for risk.

Item 9: Disciplinary Information

Our Disciplinary Information

AMDG Financial is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10: Other Financial Industry Activities and Affiliations

Our Other Financial Industry Activities and Affiliations

Clients should be aware that the receipt of additional compensation by AMDG Financial and its management persons or employees may present a conflict of interest that could impair the objectivity of our firm and these individuals when making advisory recommendations.

AMDG Financial endeavors at all times to put the interest of our clients first as part of our fiduciary duty as a registered investment adviser. We take the following steps to address potential conflicts of interest:

- ▶ We disclose to clients the existence of all material conflicts of interest
- ▶ We disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;

- ▶ We collect, analyze, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- ▶ Our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are in the client's best interests given the client's stated needs and circumstances;
- ▶ We require that our employees seek prior approval of any outside employment activity so that we may ensure that any potential conflicts of interests are properly addressed;
- ▶ We periodically monitor these outside employment activities to verify that any potential conflicts of interest area are properly addressed by our firm; and
- ▶ We educate our employees on the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Wayne B. Titus III is founding member of AMDG Financial, a sole member of AMDG Holdings, LLC, and member of AMDG Business Advisory Services, P.L.C., a CPA practice that provides tax and accounting services to families and small businesses. Clients of AMDG Financial are not required to use the services of AMDG Business Advisory Services, P.L.C. and vice versa. There are no material arrangements to refer or compensate these businesses should a client choose to engage either firm.

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

Our Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

AMDG Financial has adopted a code of ethics which sets forth the high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

AMDG Financial and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the code of ethics, but to the general principles that guide the code.

Our firm and/or individuals associated with our firm may buy or sell securities identical to or different from those recommended to our clients for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies), which may also be recommended to a client. It is our firm's policy that no employee may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Our code of ethics includes policies and procedures for the review of quarterly securities transactions reports, as well as initial and annual securities holdings reports that must be submitted by employees with access to those reports. Our code of ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. In addition, our code provides for oversight, enforcement and recordkeeping provisions.

AMDG Financial's code of ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A complete copy of our code of ethics is available to our advisory clients and prospective clients upon request.

Item 12: Brokerage Practices

Our Brokerage Practices

AMDG Financial arranges for execution of securities transactions with the assistance of TD Ameritrade. AMDG Financial participates in the services program offered to independent investment advisers by TD Ameritrade. TD Ameritrade is a FINRA registered broker-dealer. AMDG Financial endeavors to select those brokers or dealers that will provide the best service at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services that will help us provide investment management services to clients. AMDG Financial may therefore recommend (or use) a brokerage firm that provides valuable research and securities transaction services even though a brokerage firm with no research services and minimal transaction assistance may be less expensive. Research services may be useful in the service of all our clients, and not all research may be useful for the account for which the particular transaction was completed. Periodically, as part of our firm's fiduciary practices, AMDG Financial may recommend to clients that a change in broker-dealer is appropriate.

AMDG Financial requires that clients provide us with written authority to determine the broker-dealer to use and the commission costs that will be charged to our clients for these transactions.

Clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

As a matter of policy and practice, AMDG Financial does not generally block client trades. Therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who trade client shares in block increments.

Item 13: Review of Accounts

Our Review of Accounts

Wealth Management and Investment Supervisory Services

Reviews: While the underlying securities within individual portfolio management services accounts are continually monitored, these accounts are reviewed at least on an annual basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts are reviewed by either Wayne B. Titus III or Rebecca J. Stroud, both of whom are Investment Adviser Representatives.

Reports: In addition to the monthly statements and confirmations of transactions that clients receive from their custodian, we provide quarterly reports summarizing account performance, balances and holdings.

Pension Consulting Services

Reviews: AMDG Financial performs reviews as indicated in our letters of arrangement, or minimally when a client advises us of a change in circumstances affecting the client's investment policy statement. AMDG Financial also reviews the investment options of the plan according to the agreed upon time intervals established in the IPS, or during periodic rebalancing. Such reviews generally occur at least on an annual basis. These accounts are reviewed by either Wayne B. Titus III or Rebecca J. Stroud.

Reports: These client accounts receive reports as contracted at the inception of the advisory

relationship.

Financial Planning Services

Reviews: Financial planning services reviews occur in the context of AMDG Financial's wealth management process. Typically, these services produce a baseline financial projection initiated during the preparation of the investment plan and investment policy statement, and these reviews take place in advance or during the process of checkpoint meetings. These accounts are reviewed by either Wayne B. Titus III or Rebecca J. Stroud.

Reports: Wealth management clients receive financial projections that are based on assumptions of market performance, inflation, tax impact, cash flow and other factors. Additional reports are provided on request.

Consulting Services

Reviews: While reviews may occur at different stages according to the nature and terms of the specific engagement, we typically conduct reviews for consulting services and document them during the checkpoint meetings. These accounts are reviewed by either Wayne B. Titus III or Rebecca J. Stroud.

Reports: Wealth management clients may receive advance planning reports that address objectives associated to wealth enhancement, wealth transfer, asset protection, and charitable endowment and gifting, according to the client's needs or the stage in the planning and consulting process.

Item 14: Client Referrals and Other Compensation

Client Referrals and Other Compensation

It is AMDG Financial's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm. It is also our policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

As disclosed under Item 12, above, AMDG Financial participates in TD Ameritrade's institutional customer program and AMDG Financial may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between AMDG Financial's participation in the program and the investment advice it gives to its clients, although AMDG Financial receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research-related products and tools; consulting services; access to a trading desk serving AMDG Financial participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to AMDG Financial by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by AMDG Financial's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit AMDG Financial but may not benefit its client accounts. These products or services may assist AMDG Financial in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help AMDG Financial manage and further develop its business enterprise. The benefits received by AMDG Financial or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

As part of its fiduciary duties to clients, AMDG Financial endeavors always to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by AMDG Financial or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the AMDG Financial's choice of TD Ameritrade for custody and brokerage services.

Item 15: Custody

Custody of Assets

We previously disclosed in the "Fees and Compensation" section (Item 5) of this brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, we notify the client's custodian of the amount of the fee to be deducted from that client's account, and the client receives an invoice, including the calculation of the billing, in advance of the deduction. On at least a quarterly basis, we require the custodian to send the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

As a matter of policy and practice, AMDG Financial does not permit employees or the firm to accept or maintain custody of client assets. If the client gives the adviser the authority to move money from one account to another account, the adviser may have custody of those assets. In order to avoid additional regulatory requirements in these cases, the Custodian and the Adviser have adopted safeguards to ensure that the money movements are completed in accordance with the clients' instructions. It is our policy that all funds, securities, and other assets of each of our clients will be maintained in the name of the respective client and held for safekeeping by the bank, broker-dealer, or other custodian handling each client's respective account.

We provide other services on behalf of our clients that require disclosure on ADV Part 1, Item 9. In particular, certain clients have signed asset transfer authorizations (Standing Letters of Authorization) that permit the Custodian to rely upon instructions from us to transfer client funds to "third parties." In accordance with the guidance provided in the SEC Staff's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subjected to an annual surprise CPA examination.

In the case of outside held accounts in which AMDG Financial maintains PIN/Password access as provided by the client, we are deemed to have custody and the affected accounts are subject to an annual surprise examination required by the SEC. These accounts are held with a non-affiliated Custodian and the balances are aggregated through our portfolio management system for reporting purposes to the client. These non-affiliated custodians send statements directly to the account owners at least quarterly and AMDG Financial advises clients they should review these statements carefully and compare these statements to any reports generated by AMDG Financial Advisory Services LLC.

AMDG Financial is also considered to have deemed custody over AMDG Financial's ERISA retirement accounts, as certain members of our team serve as trustees to the plan. AMDG Financial has retained an outside/independent accounting firm to complete our required custody audit to confirm our compliance with SEC custody regulations which includes an annual surprise examination. Audit procedures are performed to ensure appropriate compliance with

regulatory requirements regarding custody and may include sample confirmation by the independent auditors and respective clients may receive request to confirm balances, and / or additional audit procedures may be performed as determined by these independent auditors in order to conclude on the results of this examination. Examination results are published publicly at <https://www.adviserinfo.sec.gov/IAPD> and are available at the conclusion of the annual examination.

Item 16: Investment Discretion

Our Investment Discretion

Clients hire us to provide discretionary asset management services, in which case we are authorized to place trades in a client's account without requesting permission from the client prior to each trade.

Our discretionary authority includes the ability to do the following without contacting the client:

- ▶ determine the security to buy or sell; and/or
- ▶ determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm. AMDG Financial does not manage client accounts on a non-discretionary basis.

Item 17: Voting Client Securities

Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each asset custodian to forward copies of all proxies and shareholder communications relating to the client's investment assets. We do not offer any consulting assistance regarding proxy issues to clients.

Item 18: Financial Information

Our Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. AMDG Financial has no additional financial circumstances to report.

AMDG Financial has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19: Privacy Policy

AMDG Financial Advisory Services, LLC (referred to as "AMDG Financial") maintains physical, electronic, and procedural safeguards that comply with federal standards to protect its clients' nonpublic personal information ("information"). Through this policy and its underlying procedures, AMDG Financial attempts to secure the confidentiality of client records and information and protect against anticipated threats or hazards to the security or integrity of client records and information.

It is the policy of AMDG Financial to restrict access to all current and former clients' information (i.e., information and records pertaining to personal background, investment objectives, financial situation, tax information/returns, investment holdings, account numbers, account balances, etc.) to those employees and affiliated/nonaffiliated entities who need to know that information to provide products or services in as part of the client's engagement of AMDG Financial. In that regard, AMDG Financial may disclose the client's information: (1) to individuals and/or entities not affiliated with AMDG Financial, including, but not limited to the client's other professional advisers and/or certain service providers that may be recommended or engaged by AMDG Financial as part of the client's engagement of AMDG Financial (i.e., attorney, accountant, insurance agent, broker-dealer, investment adviser, account custodian, record keeper, proxy management service provider, etc.); (2) required to do so by judicial or regulatory process; or (3) otherwise permitted to do so in accordance with the parameters of applicable federal and/or state privacy regulations. The disclosure of information contained in any document completed by the client for processing and/or transmittal by AMDG Financial to facilitate the commencement/continuation/termination of a business relationship between the client and/or between AMDG Financial and a nonaffiliated third party service provider (i.e., broker-dealer, investment adviser, account custodian, record keeper, insurance company, etc.), including, but not limited to, information contained in any document completed and/or executed by the client as part of the client's engagement of AMDG Financial (i.e., advisory agreement, client information form, etc.), shall be deemed as having been automatically authorized by the client with respect to the corresponding nonaffiliated third party service provider.

AMDG Financial permits only authorized employees and affiliates who have signed a copy of AMDG Financial's Non-Disclosure Agreement to have access to client information. Additionally, whenever AMDG Financial hires other organizations to provide services to AMDG Financial's clients, AMDG Financial will require them to sign confidentiality agreements and/or the Privacy Policy.

Should you have any questions regarding the above, please contact Wayne B Titus III, Chief Compliance Officer.

AMDG Financial Advisory Services, LLC · A Registered Investment Advisory Firm ·
amdgservices.com