

## Item 1: Cover Page

# AMJ Financial Wealth Management LLC Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of AMJ Financial Wealth Management LLC. If you have any questions about the contents of this brochure, please contact us at (703) 466-0477 or by email at: [abender@amjfinancial.com](mailto:abender@amjfinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about AMJ Financial Wealth Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). AMJ Financial Wealth Management LLC's CRD number is: 162878.*

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*Registration does not imply a certain level of skill or training.*

Version Date: 5/15/21

## Item 2: Material Changes

This section addresses material changes since the date of our last brochure filing, which was dated March 19, 2021:

The following material changes were made:

If you would like another copy of this Brochure, please download it from the SEC website as indicate above or you may contact Angela Bender at (703) 466-0477 or [abender@amjfinancial.com](mailto:abender@amjfinancial.com).

We encourage you to read this document in its entirety.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

AMJ Financial Wealth Management LLC is a Limited Liability Company organized in the state of Virginia. This firm was formed in February of 2012, and the principal owners are Angela M. Bender and Brett Bender.

### B. Types of Advisory Services

AMJ Financial Wealth Management LLC (hereinafter “AMJ”) offers the following services to advisory clients:

#### *Investment Supervisory Services*

AMJ offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. AMJ creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client’s specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

AMJ evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is available by request by the client.

#### *Financial Planning*

Through MoneyGuide Pro, AMJ provides clients the opportunity for comprehensive financial planning or issue specific planning. If requested by the client, AMJ benchmarks their client plans at least annually to the investment performance to determine if the client’s financial planning goals are on track. Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees or hourly fees and the final fee structure is documented in Exhibit A of the Financial Planning Agreement.

#### *Retirement Plan Advisory Services*

Retirement Plan Advisory Services consists of helping employer plan sponsors to establish, monitor and review their company's retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment selection and monitoring, plan structure, and participant education. Pursuant to Section 402(c)(3) of ERISA, the

client may appoint us as the Plan's "investment manager" with respect to the Plan's portfolio of investment options. Our firm acts as a "fiduciary" within the meaning of Section 3(21) and 3(38) of ERISA with respect to the Plan.

When serving as an ERISA 3(21) investment adviser, the Plan Sponsor and our Firm share fiduciary responsibility. The Plan Sponsor retains ultimate decision-making authority for the investments and may accept or reject the recommendations in accordance with the terms of a separate ERISA 3(21) Plan Sponsor Investment Management Agreement between our Firm and the Plan Sponsor. Under the 3(21) agreement, our Firm can provide the following services to the Plan Sponsor:

- Review or Development of an Investment Policy Statement
- Perform Due Diligence on Money Managers
- Provide Initial Investment and Management Selection - Our Firm typically uses mutual funds/managed accounts/collective trusts/cash equivalents to structure portfolios designed to meet client objectives and risk profiles.
- Provide ongoing Performance Evaluation and Monitoring of Money Managers
- Make Investment Recommendations when necessary
- Retirement Plan Services Analysis - Our Firm will conduct an analysis of a client's retirement plan to evaluate the services currently provided to the client by third parties. The areas of analysis may include asset management services, record keeping, administration, customer service, participant education, etc. These services may also include a cost/benefit analysis, recommendation of alternative vendors, facilitation of the RFP process for solicitation of a new vendor, and/or assistance in fee negotiations with proposed vendors.
- Provide Employee Education Services - Our Firm will provide enrollment and educational services the content of the program will be generic in nature.

As a result of the 3(38) appointment, we are granted full trading authority over the Plan and have the responsibility for the selection and monitoring of all investment options offered under the Plan in accordance with the investment policy statement and its underlying investment objectives and strategies for the Plan. Plan participants have the ability to exercise control over the assets in their account, and we have no authority or discretion to direct the investment of assets of any participant's account under the Plan.

### ***Participant one-on-ones***

We can also be engaged to provide financial education to plan participants. The scope of education provided to participants will not constitute "investment advice" within the meaning of ERISA and participant education will relate to general principles for investing and information about the investment options currently in the plan.

As part of our investment advisory services, our Investment Adviser Representative ("IAR") can make recommendations to plan participants regarding the rollover of employer sponsored retirement plan assets. In the case where an IAR recommends a retirement plan rollover into our individual wealth management advisory program, the IAR will earn a portion of the advisory fee. This presents a conflict of interest because IARs have an economic incentive to recommend you to rollover your retirement plan

assets into our individual wealth management services at our Firm. Plan participants are under no obligation to rollover retirement plan assets to an IRA with our Firm and should carefully consider all relevant factors, such as penalty-free withdrawals, whether loans are permitted, legal protections, required minimum distributions, fees and expenses, service levels, available investment options, employer stock considerations and state taxes.

### ***Small Business Consulting Services***

We provide experienced financial management to small and medium sized companies. Consulting services include, but are not limited to the following: virtual CFO services, business planning, strategic planning, cash planning, organizational structure analysis, accounting system analysis, accounting system implementation, business insurance analysis, lease negotiation, tax review and fundraising.

### ***Educational Workshops***

Occasionally AMJ offers educational workshops for our clients and prospects. Workshops will vary on general financial topics and can include: financial planning, retirement plan distribution strategies, and other current topics of interest. There are no fees for attending these workshops.

### ***Services Limited to Specific Types of Investments***

AMJ generally provides investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, options, ETFs, real estate, hedge funds, REITs, insurance products including annuities, private placements, and government securities. AMJ may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

AMJ offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Our advisory services are tailored to meet your individual needs. You will have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities.

While our advisory services are tailored to you as an individual, when using mutual funds or Exchange Traded Funds ("ETFs") this multi-fund manager approach makes it difficult for us to ensure that your portfolio will not invest in a particular industry or security. However, we are happy to discuss your preferences regarding socially conscious investment concerns and, we'll try as much as possible, to accommodate them.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that may include management fees, transaction costs and any other administrative fees.

AMJ participates in wrap fee programs; which is an investment program where the investor pays one stated fee that includes management fees, and any other administrative fees. AMJ does manage the investments in the wrap fee program. AMJ manages the wrap fee accounts on a discretionary basis and the non-wrap fee accounts on a discretionary or non-discretionary basis. All of the fees paid to the wrap account program will be given to AMJ as a management fee.

## **E. Amounts Under Management**

As of December 31, 2020 our assets under management are:

Discretionary               \$ 240,532,908

Non-discretionary       \$ 0

Total Assets               \$ 240,532,908

# **Item 5: Fees and Compensation**

## **A. Fee Schedule**

### *Investment Supervisory Services Fees*

#### **Strategic Asset Allocation Strategy – Exchange Traded Fund and Mutual Fund Based**

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
Under \$250,000	1.5%
\$250,000 - \$499,999	1.45%
\$500,000 - \$749,999	1.25%
\$750,000 - \$999,999	1.15%
\$1,000,000 - \$1,999,999	1.00%
\$2,000,000 - \$4,999,999	0.90%
\$5,000,000 and Above	Negotiable

### Dynamic Asset Allocation Strategy – Stocks Based & Dynamic Yield Based

Total Assets Under Management	Annual Fee
\$250,000 - \$399,999	1.65%
\$400,000 - \$599,999	1.50%
\$600,000 - \$999,999	1.40%
\$1,000,000 - \$1,999,999	1.30%
\$2,000,000 - \$4,999,999	1.15%
\$5,000,000 and Above	Negotiable

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit I of the Investment Advisory Contract. The fees for portfolio management are based on an annual percentage of assets under management and are applied to the account asset value billed monthly in advance. Fee billing commences on the first full month of our management. The fees will be based on the market value of the account(s) on the previous month's last business day as reported by the Custodian. Fees are assessed on all assets under management, including securities, cash and money market balances, unless otherwise excluded. Our employees and their family related accounts are charged a reduced fee for our services.

The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us. AMJ instructs the custodian to deduct fees from the client's account. You will provide written authorization via the Investment Advisory Contract permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account including our advisory fees. You are encouraged to review your account statements for accuracy. Although not our normal practice, we do accommodate direct billing for a few clients.

In addition, some mutual fund assets deposited in the account may have been subject to deferred sales charges and 12(b)(1) fees and other mutual fund annual expenses as described in the fund's prospectus. These fees are independent of our fees and should be disclosed by the custodian or contained in each fund's prospectus. You should also note that fees for comparable services vary and lower fees for comparable services may be available from other sources.

Either AMJ or you may terminate the management agreement immediately upon written notice to the other party. If termination occurs, advisory fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the month terminated. Upon termination, you are responsible for



monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

## ***Financial Planning Fees***

### ***Fixed Fees***

Depending upon the complexity of the situation and the needs of the client, the fee range for creating client financial plans is \$1,000 to \$10,000. A client pays in two installments with 50% in advance and the remaining balance paid upon completion of the plan. The fees are negotiable and the final fee schedule will be attached as Exhibit A of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the planning contract.

If a client terminates the Agreement, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

We will not require prepayment of more than \$1,200 in fees per client, six (6) or more months in advance of providing any services.

### ***Hourly Fees***

The hourly fee for these services is up to \$250. The fees are negotiable and the final fee schedule will be attached as Exhibit A of the Financial Planning Agreement. Hourly clients will be billed at the end of each month for services rendered. Clients may terminate their contracts without penalty within five business days of signing the planning contract.

### ***Retirement Plan Advisory Services***

For Retirement Plan Advisory Services compensation, we charge an advisory fee as negotiated with the Plan Sponsor and as disclosed in the Employer Sponsored Retirement Plans Consulting Agreement ("Plan Sponsor Agreement"). Our maximum advisory fees do not exceed 1.00% annually. We do impose a minimum fee of \$4000/annually for all our Retirement Plan clients. This minimum is negotiable. Plan Sponsors may elect to be billed a flat dollar fixed fee. Fixed fees range from \$4,000 to \$100,000.

Typically, the billing period for these fees are paid at least quarterly. This fee is generally negotiable, but terms and advisory fee is agreed to in advance and acknowledged by the Plan Sponsor through the Plan Sponsor Agreement and/or Plan Provider's account agreement. Fee billing methods vary depending on the Plan Provider.

Either our Firm or the Plan Sponsor may terminate the Agreement upon 30 days written notice to the other party. The Plan Sponsor is responsible to pay for services rendered until the termination of the Agreement.

### ***Small Business Consulting Service Fees***

The hourly fee for these services is up to \$300. The fees are negotiable and the final fee schedule will be attached as an Exhibit to their Agreement. Fees are either fixed priced or hourly. Fixed fees range from \$500 to \$10,000. Hourly clients will be billed at the end of each month for services rendered. Fixed priced clients will be billed upon terms stated in their Agreement. Fixed fees can be refunded based on the prorated amount of work completed at the point of termination. The fee refunded will be the balance of the fees collected minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

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

You may pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), mark-ups and mark-downs, wire transfer fees, fees for trades executed away from custodian, regulatory fees assessed by FINRA, and taxes on brokerage accounts and securities transactions. These fees are not included within the wrap-fee you are charged by our firm. Neither our Firm nor its supervised persons accept compensation for the sale of securities or other investment products. Further, our firm does not share in any of these additional fees and expenses outlined above.

### ***Administrative Services Provided by Black Diamond***

We have contracted with Black Diamond to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, client database maintenance, quarterly performance evaluations, payable reports, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, Black Diamond will have access to client information, but Black Diamond will not serve as an investment adviser to our clients. Our Firm and Black Diamond are non-affiliated companies. Black Diamond charges our Firm an annual fee for each account administered by Black Diamond. Please note that the fee charged to the client will not increase due to the annual fee our firm pays to Black Diamond, the annual fee is paid from the portion of the management fee retained by our Firm.

There may be a possibility for price or account value discrepancies due to quarter-end transactions in an account. Dividends or trade date settlements may occur and our third party billing software may report a slight difference in account valuation at quarter end compared to what is reported on your Statement from the Custodian. Our firm has the ability to produce billing summaries, which can be provided upon request.

## **B. Payment of Fees**

### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid monthly in advance. Advisory fees may also be invoiced and billed directly to the client with payments due within five days of the beginning of the month.

### ***Payment of Financial Planning Fees***

Hourly Financial Planning fees are paid via check after invoice. Fixed Financial Planning fees are paid via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

### **C. Clients Are Responsible For Third Party Fees**

Clients who participate in the wrap fee program are not responsible for direct trading fees. Clients who do not participate in the wrap fee program are responsible for the payment of third party fees (i.e. custodian fees, mutual fund fees, trading fees etc.). Those fees are separate and distinct from the fees and expenses charged by AMJ. Please see Item 12 of this brochure regarding broker/custodian.

### **D. Prepayment of Fees**

AMJ collects fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned promptly to the client via check or deposited back into client's account.

### **E. Outside Compensation For the Sale of Securities to Clients**

Angela M. Bender in her role as a registered representative accepts compensation for the sale of securities to AMJ clients. AMJ and its supervised persons will accept compensation for the sale of securities or other investment products, including asset based sales charges or services fees from the sale of mutual funds to its clients. This presents a conflict of interest and gives the supervised person and AMJ an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which AMJ receives compensation, AMJ will document the rationale of why this transaction was in the client's best interest. Clients always have the option to purchase AMJ recommended products through other brokers or agents that are not affiliated with AMJ.

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

AMJ does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

AMJ generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension/Profit Sharing Plans
- ❖ Institutions
- ❖ Charitable Organizations

### ***Minimum Account Size***

There is an account minimum, \$250,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

AMJ's methods of analysis and research include macro-economic analysis, fundamental analysis, and quantitative evaluation analysis.

#### **Macro-Economic Research Process**

We utilize research from the top firms on Wall Street to guide our Marco Economic Sector weightings.

#### **Fundamental Research Process**

We take a top down approach to the research of equity selections. After our screening process is completed, we utilize research from Thomson Reuters and CFRA to evaluate the companies and determine if they are included into our Value Growth- Blend Strategy.

#### **Quantitative Evaluation Process**

Finally, the stock selections are put through our quantitative evaluation process that weights our selections by 11 sectors and looks for the best risk adjusted time to enter or exit a position. If all processes of the analysis signal a buy we enter the position and are long the equity until one of the evaluations breaks down. We then exit and push to cash equivalents to await our next equity entry position.

#### ***Investment Strategies***

AMJ uses long term trading, short term trading, margin transactions, and options writing (including covered options, uncovered options, or spreading strategies).

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### ***Mutual Funds Policy***

When purchasing mutual funds, our policy is to select institutional share classes whenever possible. The institutional share class generally has the lowest expense ratio relative to other classes. Mutual fund expense ratios are in addition to our fee, and we do not receive any portion of these charges. If an institutional share class is not available, or is not the optimal solution given trading frequency, the advisor will purchase the least expensive share class available. As share classes with lower expense ratios become available, we may convert the existing mutual fund position to the lower cost share class.

## **B. Material Risks Involved**

### ***Risks***

Investing in securities involves risk of loss which you should be prepared to bear. Our past performance is not a guarantee of future results. Investing in securities (including stocks, bonds, mutual funds and ETFs) involves risk of loss. Further, different types of investments involve varying degrees of risk. Clients and prospective clients should prepare to bear investment loss including loss of original principal.

There are principal and material risks involved with investing which may adversely affect the account value and total return of your portfolio(s). There are other circumstances (including additional risks that are not described here) which could prevent your portfolios from achieving its investment objective. It is important to read all the disclosure information provided and to understand that you may lose money by investing in the any of our strategies.

Your account is subject to the following risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding

oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Cybersecurity Risk -** These risks include both intentional and unintentional events at our Firm or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information. Our Firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because unknown threats may emerge in the future.

### **C. Risks of Specific Securities Utilized**

AMJ generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it can utilize margin transactions and options writing which generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Real Estate** funds face several kinds of risk that are inherent in this sector of the market. Liquidity risk, market risk and interest rate risk are just some of the factors that can influence the gain or loss that is passed on to the investor. Liquidity and market risk tend to have a greater effect on funds that are more growth-oriented, as the sale of appreciated properties depends upon market demand. Conversely, interest rate risk impacts the amount of dividend income that is paid by income-oriented funds.

**Hedge Funds** are not suitable for all investors and involve a high degree of risk due to several factors that may contribute to above average gains or significant losses. Such factors include leveraging or other speculative investment practices, commodity trading, complex tax structures, a lack of transparency in the underlying investments, and generally the absence of a secondary market.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Private placements** carry a substantial risk as they are largely unregulated offerings not subject to securities laws.

**Precious Metal ETFs** (Gold, Silver, Palladium Bullion backed "electronic shares" not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Short term trading** risks include liquidity, economic stability and inflation.

**Margin transactions** use leverage that is borrowed from a brokerage firm as collateral. Margin transactions carry an implicit risk since there is no guarantee that the principal will be repaid.

**Options writing** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. If the future value of the underlying security decreases, the purchaser is still obligated to pay the elevated price.

**1031 Exchanges** allows you to sell appreciated investment real estate (or personal property) and defer the payment of your capital gain taxes by acquiring like-kind replacement property. There are very specific requirements that you must follow so that your sale transaction will qualify for 1031 Tax Deferred Exchange treatment under Section 1031 of the Internal Revenue Code (tax code).

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Certain IAR's (investment advisor representative) of the firm are registered representatives of Triad Advisors, LLC

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither AMJ nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.



### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Certain IAR's of the firm are registered representatives of Triad Advisors, LLC. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. AMJ always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of AMJ in their capacity as a registered representative.

Certain AMJ IAR's are also licensed insurance agents. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. AMJ always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of AMJ in their capacity as a licensed insurance agent. Please note AMJ's IARs will be appropriately licensed to sell insurance products in the states the insurance products are being offered.

### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

AMJ does not utilize other independent third-party advisers or managers in which AMJ would share in any revenue. AMJ will not be compensated via a fee share from the advisers to which it directs those clients.

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

### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

## **B. Recommendations Involving Material Financial Interests**

AMJ does not recommend that clients buy or sell any security in which a related person to AMJ or AMJ has a material financial interest.

## **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of AMJ may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of AMJ to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. AMJ will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold, unless we trade alongside our clients and receive the same pricing.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of AMJ may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of AMJ to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. AMJ will always transact client's transactions before its own when similar securities are being bought or sold, unless we trade alongside our clients and receive the same pricing.

# **Item 12: Brokerage Practices**

## **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian, TD Ameritrade Institutional, a Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA., was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. AMJ will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

### **1. Research and Other Soft-Dollar Benefits**

AMJ receives research, products, or other services from its broker/dealer or another third-party in connection with client securities transactions ("soft dollar benefits"). There is no minimum client number or dollar number that AMJ must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for AMJ to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. However, because this firm does not have to produce or pay for services or products it has an incentive to choose a custodian that provides those services based on its interests rather than the clients' interests. The first consideration when recommending broker/dealers to clients is best execution. AMJ always acts in the best interest of the client.

## **2. *Brokerage for Client Referrals***

AMJ receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. *Clients Directing Which Broker/Dealer/Custodian to Use***

AMJ will not allow clients to direct AMJ to use a specific broker-dealer to execute transactions. Clients must use AMJ's recommended custodian. Any transactions through Triad Advisors, LLC may not necessarily be custodied at TD Ameritrade.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

AMJ will aggregate (combine) trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker-dealer(s) through which such transactions will be placed;
2. We will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated.
3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction;
4. We will prepare a procedure specifying the participating client accounts and how to allocate the order among those clients;
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, it will be allocated pro-rata based on the allocation statement;
6. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
8. Individual advice and treatment will be accorded to each advisory client.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least quarterly by Angela M. Bender and/or other investment adviser representatives. The chief advisors are instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at AMJ are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Angela M. Bender and/or Fridtjov Markussen.

#### **Asset Allocation Process Overview**

**Weekly**, all of the positions are reviewed and put through the fundamental analysis.

**Monthly**, the rebalancing of positions is evaluated by sectors.

**Quarterly**, we review the entire portfolio based on the whole investment process.

For non-discretionary accounts, the client will provide their approval prior to effecting any trade in the account.

**ANNUAL REVIEW** we discuss all of these points with our clients and talk about our expectations for the coming year. Any adjustments to risk tolerance or income need that our clients may have is addressed and the portfolio rebalanced to reflect any changes.

#### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

#### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least monthly or quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Financial Planning/consulting clients, those who have no assets under management in our advisory program, will receive no regular reports from the firm.

### **Item 14: Client Referrals and Other Compensation**

From time to time, AMJ may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing-expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

AMJ does not directly or indirectly compensate any person who is not advisory personnel for client referrals. AMJ does not receive any payments for client referrals.

## **Item 15: Custody**

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

AMJ is deemed to have custody of client funds and securities whenever AMJ is given the authority to have fees deducted directly from client accounts. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which AMJ is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from AMJ. When clients have questions about their account statements, they should contact AMJ or the qualified custodian preparing the statement. When fees are deducted from an account, AMJ is responsible for calculating the fee and delivering instructions to the custodian.

AMJ is also deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and, under that SLOA, it authorizes us to designate the amount or timing of transfers with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow. We do not have a beneficial interest on any of the accounts we are deemed to have Custody where SLOAs are on file. In addition, account statements reflecting all activity on the account(s), are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us or the qualified custodian preparing the statement.

## **Item 16: Investment Discretion**

AMJ provides ongoing supervision on a discretionary and non-discretionary basis. For those discretionary client accounts, the client has given AMJ written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides AMJ discretionary authority via a limited

power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian.

Our advisory services are tailored to meet your individual needs. You will have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities.

While our advisory services are tailored to you as an individual, when using mutual funds or Exchange Traded Funds (“ETFs”) this multi-fund manager approach makes it difficult for us to ensure that your portfolio will not invest in a particular industry or security. However, we are happy to discuss your preferences regarding socially conscious investment concerns and, we’ll try as much as possible, to accommodate them.

### **Item 17: Voting Client Securities (Proxy Voting)**

AMJ may accept authority to vote proxies with respect to securities owned by Clients.

We have adopted proxy voting policies and procedures with respect to securities owned by our Clients for which we have been specifically delegated voting authority and discretion, in accordance with its fiduciary duties and Securities and Exchange Commission Rule 206(4)-6 under the Investment Advisers Act of 1940, which are reasonably designed to ensure that proxies are voted in the best interest of Clients.

To facilitate our proxy responsibilities and assuming the client has designated the authority to AMJ in the Agreement, we have contracted with Institutional Shareholder Services, Inc. (ISS) to vote all proxies on our behalf.

The guiding principle by which we vote on all matters submitted to security holders is the maximization of the ultimate economic value of your holdings. We do not permit voting decisions to be influenced in any matter that is contrary to, or dilutive of, this guiding principle. It is the policy to avoid situations where there is any material conflict of interest or perceived conflict of interest affecting the voting decisions. The Chief Investment Officer, or delegate reviews and votes proxies.

It is the general policy that we vote on all matters presented to security holders in any Proxy, and these policies and procedures have been designed with that in mind. However, we reserve the right to abstain on any particular vote or otherwise withhold its vote on any matter if in the judgment of AMJ, the costs associated with voting such Proxy outweigh the benefits you, or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of you, in our judgment.

Clients delegate to AMJ the discretionary power to vote the securities held in their account pursuant to written agreement. AMJ does not accept any subsequent directions on matters presented to shareholders for a vote, regardless of whether such subsequent directions are from the Client itself or a third party.

Upon request, we will provide separately to each Client (i) a copy of AMJ's proxy voting policies and procedures and (ii) details as to how the firm has voted securities in your account.

*Class Action Suits* - A class action is a procedural device used in litigation to determine the rights of and remedies, if any, for large numbers of people whose cases involve common questions of law and/or fact. Class action suits frequently arise against companies that publicly issue securities, including securities recommended by investment advisors to clients. With respect to class action suits and claims, you (or your agent) will have the responsibility for class actions or bankruptcies, involving securities purchased for or held in your account. We do not provide such services and are not obligated to forward copies of class action notices we may receive to you or your agents.

## **Item 18: Financial Information**

### **A. Balance Sheet**

AMJ does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither AMJ nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

AMJ has not been the subject of a bankruptcy petition in the last ten years.