



**GLASS WEALTH MANAGEMENT™**  
Portfolio Management | Investment Advisory | Family Office Services

## **PART 2A FORM ADV**

### **Firm Brochure**

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**ITEM 1: COVER PAGE**

**Firm Brochure**

# **Glass Wealth Management Co., LLC**

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[www.gwm-sa.com](http://www.gwm-sa.com)



This brochure provides information about the qualifications and business practices of Glass Wealth Management Co., LLC. If you have any questions about the contents of this brochure, please contact us at 210-930-5141. 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.

Glass Wealth Management Co., LLC is a registered investment adviser. This registration does not imply a certain level of skill or training.

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

**ITEM 2: MATERIAL CHANGES**

November 30, 2021; Diana Kelly resigned, and we have changed our Chief Compliance Officer.

January 1, 2022; David Hornberger and Christopher Wilde became Members of Glass Wealth Management Co., LLC.

January 16, 2022; Kelly Harris was hired as Executive Assistant.

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**ITEM 4: ADVISORY BUSINESS*****History and Ownership***

Founded in 1988 by Edward M. Glass, Glass Wealth Management Co., LLC is a registered investment advisor based in San Antonio, Texas, and registered with the Securities and Exchange Commission (SEC). The firm provides investment services primarily for high-net-worth individuals, families, and related accounts. We are investors, not market timers. As such, we design investment portfolios to endure throughout complete business cycles, through market peaks and troughs. Core to our investment approach is the belief that an investor must “know what you own and why you own it.” Hence, it is with deference to that mantra that a client portfolio seldom will hold any financial product. Our unwavering client focus, our size, and our location equip us to avoid the noise that often surrounds investment decisions and the financial industry.

Originally operating under the name Glass Management Company, Inc., the firm changed its name to Glass Wealth Management Company, Inc. on January 8, 2014. The company later reorganized into a Texas limited liability company on January 5, 2021, and adopted the name Glass Wealth Management Co., LLC.

While founded by Edward M. Glass in March 1988, our roots and relationships in the business trace back to 1974. The firm also was at the vanguard for the financial industry’s embrace of the registered investment advisor (RIA) model, minimizing conflicts of interest germane to brokerages and proliferate throughout financial services. Our resolute focus on acting in the best interests of our clients dictated this corporate structure over three decades ago, and that focus continues to guide the growth and evolution of our firm. In 1995, Mr. Glass partnered with Mr. Stephen B. Wilde and merged with Wilde Advisory Services, Inc., another RIA firm with deep roots in South Texas. This merger created growth for the firm while ensuring succession of leadership. In April of 2006, Mr. Glass conveyed his interest in the company back to the firm and became a consultant to Mr. Wilde, who assumed ownership of the firm. On December 21<sup>st</sup> of 2014, Mr. Glass passed away, having served his clients in our industry for over fifty years. Mr. Wilde, to ensure the continued success of the firm, accepted Mr. David Hornberger and Mr. Christopher Wilde as minority owners of the firm, effective January 1, 2022.

The firm offers to clients discretionary and non-discretionary management of assets and does not participate in a wrap-fee program. As of December 31, 2021, the firm has discretionary management authority on \$160,350,619 in client assets and manages \$14,947,153 on a non-discretionary basis.

The firm delivers customized investment advisory services based on individual needs as determined by such key factors as investment experience, risk tolerance, investment time horizons, and other client-specific concerns. Glass Wealth Management Co., LLC manages investments in publicly traded securities deemed suitable for the client and in accordance with the terms of the appropriate Investment Management Agreement.

For family relationships with assets under management of greater than \$5 million, the firm additionally offers GWM Total Asset Management. Here, in addition to the investment advisory services described above, we provide consulting services that may include, among others, the review and analysis of external investments and the formulation of various implementation options through our extensive network of professional service providers. This service provides clients with a more comprehensive view of a family’s financial position that can help clients manage their overall asset diversification as well as tax and estate planning needs.

**ITEM 5: FEES AND COMPENSATION**

Glass Wealth Management Co., LLC earns a management fee based on the market value of the portfolio assets the firm manages for the client. As a registered investment advisor, Advisor earns no commissions or other fees of any type. Fees are payable at the end of each calendar quarter and are calculated based on the market value of the assets on the last business day of the quarter.

***Investment Management Fee Schedule***

<b>Equities may be charged up to:</b> <ul style="list-style-type: none"> <li>• 1.00% annually on the first \$1 million</li> <li>• 0.60% annually on the next \$4 million</li> <li>• 0.50% annually on the next \$20 million</li> <li>• Fees negotiable on amounts in excess of \$25 million</li> </ul>	<b>Fixed Income, Mutual Funds and Exchange Traded Funds may be charged up to:</b> <ul style="list-style-type: none"> <li>• 0.35% on the first \$5 million</li> <li>• 0.25% on amounts over \$5 million</li> </ul>
<b>Certificates of Deposit (CDs):</b> <ul style="list-style-type: none"> <li>• One-time charge equal to \$1.00 per 1,000.00 for the purchase of any CD in the portfolio.</li> <li>• Funds allocated to a CD are not charged a management fee.</li> </ul>	<b>Total Asset Management Service (TAM Service):</b> <ul style="list-style-type: none"> <li>• Account(s) must have initial minimum balance of \$5 million.</li> <li>• The above management fee structure for equities, fixed income, mutual funds, and exchange-traded funds will be applied first to accounts under the TAM Service.</li> <li>• An additional 0.25% is charged specifically for the TAM Service.</li> </ul>
<b>Other Fee Arrangements:</b> <ul style="list-style-type: none"> <li>• Advisor may serve as a consultant to Client in which case fees are negotiated on a case-by-case basis.</li> <li>• Advisor may be engaged to track non-discretionary or unmanaged accounts for performance reporting purposes, a service which carries a fee of up to 0.1%.</li> <li>• Any employee or employee related account(s) in excess of \$100,000 in assets will be subject to an Investment Management Agreement and charged a fee of up to 0.1%.</li> </ul>	

The market value of the portfolio assets the firm manages for you at the end of each calendar quarter will serve as the basis for fee calculations. All fees are payable in arrears. For example, fees will be billed on April 1 for the quarter ending March 31 and are calculated based on the March 31 portfolio market value.

If an investment agreement is terminated prior to the end of the quarter the client will be charged a prorated amount based upon the termination. An investment agreement may generally be terminated at any time by the client or the applicant on written notice to the other party. The investment agreement may not be assigned by Advisor without Client's consent.

The client determines the custodian to be used and may determine the asset mix. In most instances, cash is invested in short-term bearing instruments available to the custodian and charges may be made by such custodian, which may not be disclosed on the custodian's statement, if a commingled account is utilized.

Client can elect to pay Advisor for its service by choosing one of the two options:

1. *Auto-Deducted Management Fee:* Client authorizes the Custodian to deduct from the Account and pay to Advisor the management fee for each calendar quarter and any other

fees payable under this Agreement from the Account as such fees become due and payable, unless otherwise paid directly by Client. Advisor will send to the Custodian and Client at the same time a bill or invoice showing the amount of the management fee due, the Account value on which the fee is based, and how the fee was calculated. The Custodian will send Client a quarterly (or more frequent) statement showing all amounts paid from the Account, including all management fees paid by Custodian to Advisor.

2. *Client-Billed Management Fee:* Management fees will be billed directly to Client (and not deducted from Client's Account), and Client agrees to pay all management fees within 30 days of Client's receipt of an invoice from Advisor.

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

Glass Wealth Management Co., LLC does not receive performance-based fees.

#### **ITEM 7: TYPES OF CLIENTS**

Glass Wealth Management Co., LLC currently provides investment advisory services to individuals, trusts and estates, corporate entities (e.g., closely-held LLCs, etc.), and partnerships.

Clients wishing to employ the GWM total Asset Management strategy must have family assets under management by the firm of greater than \$5 million.

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

The firm designs a custom portfolio for each client while aligning with one of the following four strategies. Overall account objectives may be achieved using multiple client related accounts.

- A. **GWM Core Equity** - Consists of discretionary portfolios at least 90% invested in large capitalization core style equities or funds emphasizing large capitalization core positions. These portfolios adhere to a fundamentally disciplined investment approach focusing on a blend of growth and value. The investment objective is to provide long-term returns in the form of price appreciation and yield.
- B. **GWM Balanced** - Consists of discretionary portfolios that have an objective of capital appreciation with an additional emphasis on income from dividends and interest. Asset weightings will focus on large capitalization core equities and mutual funds, with minimum allocation to both taxable and/or non-taxable fixed income instruments of greater than 10%.
- C. **GWM Total Fixed Income** - Consists of discretionary portfolios that are at least 90% invested in taxable and or non-taxable fixed income instruments, such as corporate and municipal bonds. Asset weightings will focus on providing income and preserving capital.
- D. **GWM Total Asset Management** (family assets over \$5 million)- Consists of discretionary portfolios that have an investment rationale focused on total asset management, as instructed by the client. While this strategy can employ any mix of the above equity and debt strategies, it also involves a review of a client's total asset and debt situation (including external assets) in order to form a comprehensive view of the client's net worth and asset mix. Because it is comprehensive, it can be used by the client in a variety of ways including, but not limited to estate planning, tax planning, and evaluation of alternative asset investments. Consequently, capital preservation and liquidity are emphasized, and portfolios tend to carry a lower beta (or inherent volatility when compared to the market benchmark). While these portfolios tend to focus on stability and yield, they also have higher cash inflows and outflows.

***Portfolio Construction***

We utilize a “top down” and “bottom up” approach to constructing portfolios. The first phase considers macro-environmental concerns, with the second offering a far more focused look at a company-specific factors. During the “top down” component, our process consists of the following key practices: (i) identifying those sectors or industries that are deemed to offer the greatest investment opportunities relative to investment risk; (ii) screening with sector and industry diversification in mind; and (iii) emphasizing those areas of the economy deemed to offer the greatest opportunity.

The “bottom up” phase provides structure to stock selection. Our objective is to select great companies with compelling ventures and reasonable valuations. The evaluation considers at least two primary efforts. The first focuses on investing in high quality companies that can be held over a long-term investment horizon, where such companies exhibit some or all of the following qualities: (i) large established firms; (ii) great management teams; (iii) strong balance sheets; (iv) industry leader; and (v) proven track record. The second effort focuses on identifying the following superior business economics: (i) good or improving profitability; (ii) attractive industry position; (iii) end market demand; and (iv) free cash flow.

***Sell Discipline***

Incumbent to constructing enduring portfolios is an intentional, focused discipline for trimming, closing, or otherwise selling investment positions. Stock holdings are reviewed as possible sale candidates for one of the following reasons: (a) the price objective assigned by the firm is achieved; (b) the fundamentals of a company show deterioration; or (c) a negative change in the investment environment for specific industries or companies occurs which dictates the movement of funds to other industries or individual stocks.

***Tax Efficient Strategy***

The tailoring of a portfolio to a client’s unique goals and needs enables the firm to focus on tax efficiencies when exercising discretion over the investments. In particular, this discipline empowers the firm: (a) to construct individual tax-efficient portfolios tailored to the individual’s investment goals and risk tolerance; (b) to build customized portfolios offering greater flexibility with respect to the realization of taxable gains; (c) to maintain low turnover of portfolio positions; (d) to preserve capital and control risk; and (e) to institute year-end portfolio adjustments driven by the client’s unique tax situation.

**ITEM 9: DISCIPLINARY INFORMATION**

Glass Wealth Management Co., LLC does not have any disciplinary information to disclose.

**ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Not applicable.

**ITEM 11: CODE OF ETHICS; PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

The Code of Ethics for Glass Wealth Management Co., LLC is as follows:

- A. Act with integrity, competence, dignity, and in an ethical manner when dealing with the public, clients, prospects, employers, employees, and fellow members.
- B. Practice and encourage others to practice in a professional and ethical manner that will reflect credit on members and their profession.



- C. Strive to maintain and improve their competence and the competence of others in the profession.
- D. Use reasonable care and exercise independent professional judgment.

Applicant's employees may at times own securities that are also owned by or recommended to Applicant's clients. The purchase and sale of securities must comply with the Applicant's Statement of Policy on Personal Investment Transactions. The records of security trades and a copy of the Applicant's Statement of Policy are available upon request. The intent of the Policy is to prevent anyone associated with the firm from knowingly benefiting in any personal investments due to that person's position with the firm.

Transactions for clients and employers shall have priority over transactions in securities or other investments of which a member is the beneficial owner so that such personal transactions do not operate adversely to their clients or employer's interests, as is consistent with the aforementioned policy.

**Personal Trading:** Personal trading is an area where a conflict could arise, trading by an employee ahead of clients. However, all employees check with the trading desk prior to making any trades for their personal accounts and fill out paperwork on the day they intend to trade for their own account. Should any employee desire to purchase or sell a security in which Glass Wealth Management Co., LLC is currently active, a waiting period of one business day will apply, before acting on his own behalf. The employee must wait until the next business day after the firm has traded for the client to do his or her transaction. After each quarter, these reports are compared to the corresponding brokerage confirms. This system appears to control this risk and no violations have been found.

#### **ITEM 12: BROKERAGE PRACTICES**

Glass Wealth Management Co., LLC has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides Glass Wealth Management Co., LLC with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist Glass Wealth Management Co., LLC in managing and administering clients' accounts include software and other technology that accomplish the following;

(i) provide access to client account data (such as trade confirmations and account statements, (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts, (iii) provide research, pricing, and other market data, (iv) facilitate payment of fees from its clients' accounts, and (v) assist with back-office functions, record keeping, and client reporting.

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

Glass Wealth Management Co., LLC is independently operated and owned and is not affiliated with Fidelity.

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

Because we receive research from several Wall Street firms, we will occasionally direct free-to-trade business to those firms at the institutional commission rate of 4 to 9 cents per share. Other than that, we direct trades to the client's custodian.

**ITEM 13: REVIEW OF ACCOUNTS**

Glass Wealth Management Co., LLC employs a portfolio management team approach to investment advisory activities, including but not limited to client account reviews. While all accounts are reviewed by a collective team, accounts are regularly reviewed at least monthly by the account's designated lead portfolio manager (Steve Wilde or David Hornberger). More frequent, and unscheduled, reviews consistently are made, especially when there are significant changes in any of the following: (i) specific securities prices; (ii) overall market trends; (iii) monetary and other factors; (iv) significant domestic and international political events; (v) client investment objectives, risk tolerance, financial concerns, or other client-specific topics; or (vi) fundamentals of securities held. Examples of factors reviewed would include: (i) security prices; (ii) size of holdings; (iii) cash reserves; (iv) holding periods; (v) tax consequences; and (vi) client investment objectives.

Clients receive quarterly account reports from Glass Wealth Management Co., LLC in addition to statements, confirmations, and other reports or materials provided by the custodian of record. While Glass Wealth Management Co., LLC may also provide customized reports for clients upon request, they may at any time request or receive reports specific, but not limited to the following: (i) realized and unrealized gain/loss; (ii) performance; (iii) multi-style attribution; (iv) appraisal with or without income; (v) transaction(s); and (vi) fixed income maturity schedules.

**ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

Not applicable.

**ITEM 15: CUSTODY**

Glass Wealth Management Co., LLC does not maintain custody of client assets. In any event, it is always made clear to the client that he or she has a direct relationship with the account custodian and will receive from that custodian regular statements and confirmations. We also make clear that we receive duplicates and reconcile our accounts to the custodian accounts monthly. Clients are urged to do the same. It is consistently emphasized that our only power over any accounts is derived from a trading authorization. We cannot and will not access funds in any manner without written permission from the client. In the initial interview with prospective clients, they are offered the opportunity to select a qualified custodian of their choosing. If no custodian is preferred and the client asks for a suggestion, we normally recommend Fidelity Investments as we have a number of accounts on the Wealthscape platform. If a full-service firm is preferred by the client, we normally negotiate a discount off their base rate.

**ITEM 16: INVESTMENT DISCRETION**

Unless directed otherwise in accordance with our Investment Management Agreement, Glass Wealth Management Co., LLC has the authority to determine the securities to be bought and sold, in addition to the quantity, without obtaining specific client consent. Glass Wealth Management Co., LLC adheres to prudent diversification principles.

In some cases, Glass Wealth Management Co., LLC is given discretionary authority to determine the brokerage firms engaged for certain security transactions. This determination is based on several factors, including but not limited to: (a) where the best execution (price) is likely to be obtained (this is a function of past experience with individual firms, brokers, and traders and the securities in question); (b) a brokerage firm's research and investment ideas that directly impact client portfolios; (c) the operational

aspects of a brokerage firm's back office (considering, among other things, whether the client receives payment or securities on a timely basis); and (d) in certain cases, the client's direction to a specific brokerage or dealer.

Because of these considerations, Glass Wealth Management Co., LLC may determine it appropriate for clients to execute transactions with a broker dealer who may charge a brokerage commission in excess of that which another broker might have for effecting the same transaction in recognition of the value of brokerage or research services provided by said broker. Additionally, it must be determined that the commission charged by the executing broker is reasonable in relation to the value of the brokerage and research services provided. The rationale for Glass Wealth Management Co., LLC selecting a broker under this circumstance is determined by direct value solely to its clients. For example, research services furnished by brokers with whom Glass Wealth Management Co., LLC effects securities transactions may be used in servicing client accounts and not all such services may be used by application in connection with accounts which pay the brokers providing such services.

Glass Wealth Management Co., LLC may aggregate trades from several client accounts when appropriate. This aggregation is done in an effort to reduce the overall cost of trade execution for client portfolios. In circumstances where only a portion of the total order is executed, securities will be allocated based on the Advisor's professional judgment in an effort to lower overall transaction costs.

Clients may instruct Glass Wealth Management Co., LLC which broker dealer to use for custody of any Account and may direct the broker used to execute all transactions for any account. In such a case, the client will negotiate terms and arrangements for the account with that broker or dealer, and Glass Wealth Management Co., LLC will use such designated broker or dealer and will not seek better execution services or prices from any other entity. Generally, transactions in equity securities will be placed and executed with the independent custodian selected by the client (with the exception of portfolio assets held at a bank trust department).

#### **ITEM 17: VOTING CLIENT SECURITIES**

##### ***Proxy Voting***

In certain circumstances, and in accordance with the client's specific advisory agreement, Glass Wealth Management Co., LLC shall consider voting proxies related to securities held by any client in a manner that is in the best interest of the client. Glass Wealth Management Co., LLC shall consider only those factors that relate to the client's investments or that are established by the client's written instructions. Such factors will include how the vote will economically impact and affect the value of the client's investment (keeping in mind that, after conducting an appropriate cost-benefit analysis, not voting at all on a presented proposal may be in the best interest of the client).

Proxy votes generally will be cast in favor of proposals that: (i) maintain or strengthen the shared interests of shareholders and management; (ii) increase shareholder value; (iii) maintain or increase shareholder influence over the issuer's board of directors and management; (iv) maintain or increase the rights of shareholders. Proxy votes generally will be cast against proposals having the opposite effect.

In voting on any issue, Glass Wealth Management Co., LLC and its employees shall vote in a prudent and timely fashion and only after a careful evaluation of the issue(s) presented on the ballot. In exercising its voting discretion, Glass Wealth Management Co., LLC and its employees shall avoid direct or indirect conflict of interests raised by such voting decision. Glass Wealth Management Co., LLC will provide adequate disclosure to the client if any substantive aspect or foreseeable result of the subject matter to be voted upon raises an actual or potential conflict of interest.

Consistent with the SEC Rule 206(4)-6, Glass Wealth Management Co., LLC will keep certain records required by applicable laws in connection with its proxy voting activities for clients and shall

provide proxy-voting information to clients upon their written or oral request. A copy of Glass Wealth Management Co., LLC's proxy-voting policies and procedures are available upon request.

**ITEM 18: FINANCIAL INFORMATION**

Glass Wealth Management Co., LLC is a Texas Limited Liability Company. Generally, all earnings or losses are annually distributed to the owner(s) for reporting purposes to the IRS. There typically are no positive retained earnings and the property and equipment are fully depreciated. The company has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

