

## Item 1 Cover Page

**FORM ADV WRAP  
FEE PROGRAM  
BROCHURE**



# True Wealth Advisory Group

**“We help lead your financial life, so you can lead your ideal life.”**

1 Alhambra Plaza, PH  
Coral Gables, FL 33134

Telephone: 786-358-0050  
Facsimile: 786-513-6130

[www.TrueWealthAdvisoryGroup.com](http://www.TrueWealthAdvisoryGroup.com)

**March 31, 2022**

**This Wrap Fee Program Brochure (“Wrap Brochure”) provides information about the qualifications and business practices of True Wealth Advisory Group, LLC (“TWAG”). If you have any questions about the contents of this Wrap Brochure, contact us at 786-358-0050. The information in this Wrap Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**This brochure has been prepared according to the requirements and rules promulgated by the United States Securities and Exchange Commission (“SEC”).**

**Additional information about True Wealth Advisory Group, LLC (CRD # 306523) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). TWAG is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## Item 2 Material Changes

This Annual Amendment, dated March 31, 2022, has no material updates since TWAG last filed its Wrap Brochure on December 31, 2021. TWAG's regulatory assets under management and assets under advisement, as of March 31, 2022, has been amended and is disclosed in Item 4.

The December 31, 2021 Wrap Brochure contained the following material changes since the filing of TWAG's Annual Amendment Wrap Brochure, dated March 2021:

- Item 4 has been updated to show TWAG's Regulatory Assets Under Management.
- Item 6 has been amended to include additional language related to TWAG's portfolio management and the portfolio management conducted by Independent Managers.
- Item 7 has been amended to describe what client information is shared and/or provided to Independent Managers.
- Item 8 has been amended to state that clients are not restricted from corresponding or consulting with Independent Managers or TWAG.
- Item 9 has been amended to add language describing Mr. Shachtman's activity related to Other Financial Activities and Industry Affiliations.
- Item 10 has been removed as TWAG is applying for registration with the Securities and Exchange Commission.

### **Item 3 Table of Contents**

Item 1 Cover Page .....	1
Item 2 Material Changes.....	2
Item 3 Table of Contents.....	3
Item 4 Services, Fees and Compensation.....	4
Item 5 Account Requirements and Types of Clients.....	6
Item 6 Portfolio Manager Selection and Evaluation.....	6
Item 7 Client Information Provided to Portfolio Managers.....	13
Item 8 Client Contact With Portfolio Managers .....	14
Item 9 Additional Information .....	14

## Item 4 Services, Fees and Compensation

### Services

The True Wealth Advisory Group Wrap Fee Program (the “Program”) is an investment advisory program sponsored by True Wealth Advisory Group, LLC (“TWAG”, “We” or the “firm”). TWAG offers discretionary and non-discretionary investment advisory services, which are offered solely through the Program. Nonetheless, TWAG does provide investment consulting services to clients outside of the Program.

TWAG is an investment adviser registered with the Securities and Exchange Commission (“SEC”) and is based in Coral Gables, FL. TWAG is organized as a limited liability company ("LLC") under the laws of the State of Delaware. TWAG is wholly owned by TWAG Holdings, Inc., which in turn is wholly owned by Marc Shachtman, our founder and CEO. As of March 31, 2022, TWAG managed \$125,106,614 in regulatory assets under management on a discretionary basis and \$16,119,362 in regulatory assets under management on a non-discretionary basis, for a total of \$141,225,976 in regulatory assets under management.

Prior to TWAG rendering any advisory services, prospective clients are required to enter into one or more written agreements with TWAG setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”). Please refer to Item 6 below which contains the description of the investment advisory services we offer as well as information on how we tailor our advisory services to your individual needs. As used in this Wrap Brochure, the words “firm”, “we,” “our,” and “us” refer to TWAG and the words “you,” “your,” and “client” refer to you as either a client or prospective client of our firm.

The Program is offered as a wrap fee program, which is an arrangement under which clients receive investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions for a specified fee or fees not based upon transactions in their accounts. In addition to entering into an Advisory Agreement with TWAG, clients must also open a new securities brokerage account and complete a new account agreement with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (“Schwab”) or another broker-dealer that TWAG approves under the Program.

### Fees and Expenses

#### *Wrap Program Fees Charged by TWAG*

The Program is offered on a fee basis, meaning participants pay TWAG a single annualized fee based upon assets under management or advisement (“Wrap Fee”).

The Wrap Fee, which covers investment management services offered through the Program as well as certain brokerage transaction costs, is based on a percentage of the assets in your account and is set forth in the following annual fee schedule:

Assets Under Management	Annual Fee
\$0 – 1,999,999	1.00%
\$2,000,000 - 4,999,999	0.90%
\$5,000,000 – 9,999,999	0.75%
\$10,000,000 – 14,999,999	0.65%
\$15,000,000 – 24,999,999	0.60%
\$25,000,000 – 49,999,999	0.45%
\$50,000,000 – 99,999,999	0.35%
\$100,000,000 – 249,999,999	0.30%
\$250,000,000+	0.25%

The Wrap Fee is billed and payable, quarterly in advance, based on the average daily balance of the assets managed during the quarter.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, the Wrap Fee will be charged in arrears and be prorated for the number of days in which advisory services were rendered during the quarter.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable Wrap Fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total on which fees are charged, which may result in your paying a reduced Wrap fee based on the breakpoints described in the above fee schedule.

In the event the Advisory Agreement is terminated, the Wrap Fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate

The Wrap Fee is negotiable, depending on individual client circumstances. TWAG, in its sole discretion, may negotiate to charge a lesser Wrap Fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, concentrated stock positions, accommodation accounts, alternative investments, etc.), TWAG may negotiate a fee rate that differs from the range set forth above.

As referenced above, a portion of the Wrap Fees paid to TWAG are used to cover securities brokerage commissions and administrative costs imposed by the custodian for custodial alternative assets. A conflict of interest exists in connection with this arrangement because TWAG has an incentive to reduce the number of transactions executed in the account or otherwise take action not to custody alternative assets with a custodian participating in the Program because TWAG is responsible for absorbing such costs.

Notwithstanding the foregoing, in addition to the Wrap Fee, clients will still be responsible for certain brokerage costs, fees charged by third-party investment managers or sub-advisers (collectively, "Independent Managers"), and other costs as described below in more detail.

Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions made in clients' accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. Fees paid for the Program may also be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

### ***Additional Fees and Expenses***

In addition to the Wrap Fees paid to TWAG, clients will, as applicable, also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions. These additional charges will include, as applicable, mark-ups and mark-downs on fixed-income transactions, brokerage transactions executed away from Schwab, fees and expenses charged by Independent Managers, fees and expenses attributable to alternative investments, margin and financing costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund program fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees.

Clients generally provide TWAG and certain Independent Managers with the authority to directly debit their accounts for payment of their advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which TWAG retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to TWAG.

Clients may make additions to and withdrawals from their account at any time, subject to TWAG's right to terminate an account. Additions may be in cash or securities provided that TWAG reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to TWAG, subject to the usual and customary securities settlement procedures. However, TWAG designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. TWAG may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charge, short term redemption fees, etc.) and/or tax ramifications.

### **Performance-Based Fees and Side-by-Side Management**

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of the capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

Independent Managers and the managers of funds recommended by TWAG may charge performance fees. Please refer to the Form ADV Part 2A for such Independent Managers and, where applicable, the prospectus or other offering documents for the pertinent fund.

## **Item 5 Account Requirements and Types of Clients**

We offer investment advisory services to individuals, high net worth individuals, corporations, and insurance companies.

In general, we seek client relationships with a minimum of ten million dollars (\$10,000,000) in assets to provide investment consulting and investment management services. At our sole discretion, we provide advisory services to clients below this minimum account target amount for assets. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our advisement. We may also combine account values for your family members to meet the stated minimum.

TWAG does not charge a minimum advisory fee.

## **Item 6 Portfolio Manager Selection and Evaluation**

### **Portfolio Manager**

TWAG acts as the sponsor and a portfolio manager under the Program. TWAG may also recommend the use of Independent Managers to act as portfolio manager.

Where TWAG act as a portfolio manager for your accounts, a conflict of interest exists because of this Arrangement, whereby TWAG has incentive to not select Independent Managers to act as a portfolio manager to increase TWAG's compensation.

We do not evaluate our own portfolio management in a manner similar to Independent Managers, because we typically select Independent Managers to manage only a portion of your assets with specific asset class or investment needs.

**Use of Independent Managers:** TWAG can select, or recommend, certain third-party independent managers ("Independent Managers") to actively manage a portion of client assets. When selecting or recommending

certain Independent Managers, TWAG delegates its authority to the Independent Manager and no separate client agreement is necessary. TWAG may provide the client with the Independent Manager's disclosure brochure.

Certain Independent Managers will set forth the specific terms and conditions under which a client engages an Independent Manager in a separate written agreement with the designated Independent Manager. In those cases, clients will also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

TWAG evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, TWAG seeks to assess the Independent Managers' investment strategies, past-performance (based on industry standards), and risk results in relation to its clients' individual portfolio allocations and risk exposure. TWAG may also take into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors. TWAG utilizes these reviews to determine the necessity for replacing, or recommending the replacement of, Independent Managers.

TWAG does not review, nor does it engage any third-party to conduct such reviews, of performance information related to Independent Managers to determine or verify its accuracy or its compliance with any presentation standards.

TWAG continues to provide services relative to the discretionary or non-discretionary selection, or recommendation, of the Independent Managers. On an ongoing basis, TWAG monitors the performance of those accounts being managed by Independent Managers, and seeks to ensure their strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different or conflicting with the advice we give to other clients regarding the same security or investment. Our investment advice and advisory services are tailored to meet the individual needs of clients. TWAG chooses investments and/or investment strategies it deems appropriate given the client's investment objectives and risk tolerance.

### **Advisory Services**

Through the Program, TWAG provides discretionary investment management services on behalf of its clients whereby it is granted discretionary authority to make recommendations and manage the investments of its clients.

Participation in the Program requires you to grant us discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities to be purchased or sold for your account without obtaining your approval prior to each transaction. We will also have discretion over the broker or dealer to be used for securities transactions and over the commission rates to be paid. We will also have discretion to select Independent Managers who will also have discretionary authority to manage certain assets on a discretionary basis on your behalf. Discretionary authority is typically granted through the Advisory Agreement you sign with our firm, a power of attorney, and/or trading authorization forms. Discretionary authority granted to TWAG must, in all cases, be provided in writing to us and accepted by both parties before we can make investment decisions for any client account. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing. TWAG will not accept proxy voting on behalf of its clients for the Program or other advisory services.

Through the Program, TWAG's typically utilizes the following investment strategies:

- **Core Investment Portfolios:** Core investment portfolios consist of diversified portfolios of three asset

classes: stocks, bonds and cash or cash alternatives. We typically assemble our core portfolios using exchange-traded funds ("ETFs"), mutual funds and Independent Managers. All portfolios are customized in light of a client's risk tolerance, income profile, and investment objectives.

- **Independent Managers:** TWAG has the authority to and may delegate a portion of your assets to be managed on a discretionary basis by an Independent Manager. Among other things, where applicable, we will assist clients with building a customized portfolio using model portfolios provided by select sub-advisers. With respect to sub-advised services, clients select a category of risk based on an assessment of their individual risk tolerance and investment objectives, to which one or more model portfolios are then correlated. We will recommend to clients what portion of their assets may be invested in the portfolios and discuss the allocation of their assets among the portfolios, but they will determine what assets will be invested in which portfolios. Clients may, other than for model portfolios constructed by a sub-adviser, impose reasonable restrictions on the management of their accounts—for example, restricting the type or amount of security to be purchased in the portfolio
- **Private Investment Opportunities:** For our ultra-high net worth clients we may invest in alternative investments, including unregistered pooled investment vehicles (or "private funds"). Investors that seek to invest in such alternative investments typically must be accredited investors under Regulation D of the Securities Act of 1933 and meet other eligibility requirements. Alternative investments are subject to a variety of risks which are typically described in the offering documents for such alternative investments which must be carefully reviewed and understood by investors prior to investing in such alternative investments.
- **Types of Investments:** We offer advice on equity securities, corporate debt securities, municipal securities, variable annuities, registered investment companies (e.g. mutual funds ETFs), cash alternatives (e.g., certificates of deposit, money market funds), United States government/government agency, real estate investment trusts ("REITs"), interests in partnerships investing in real estate, interests in partnerships investing in oil and gas interests, interests in partnerships investing in private equity investments, listed options, and cryptocurrencies.

We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different from or conflict with the advice we give to other clients regarding the same security or investment.

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you a WRAP Fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Cyclical Analysis:** A type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions.

**Risk:** The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of



securities that would be affected by these changing trends.

**Modern Portfolio Theory:** A theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

**Risk:** Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

**Long-Term Purchases:** securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk Factors**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. The following discussion of risk factors does not describe all of the risks that are associated with our services, our investment methodologies or strategies, or the investments which we recommend and represents only a summary of any risk factors described herein.

We cannot offer any guarantees or promises that your financial goals and objectives will be achieved. Past performance is in no way an indication of future performance.

In addition to the risks listed below, clients should review the respective offering or similar documents of each mutual fund, ETF, private placement investment, other security or instrument in its portfolio or recommended for purchase by us for a detailed description of risk factors associated with a particular investment or portfolio. We encourage all of our clients to meet with us on a regular basis to review the assets in the account and the specific risk parameters for the account.

### **General Risks**

TWAG may utilize a range of different investment strategies depending upon the investment objectives of the client. The associated risks will vary depending upon which investment products and strategies are employed. Risks associated with TWAG investment strategies as applicable, include, but are not limited to the following:

Although we anticipate doing so for many clients, TWAG is not required to diversify our strategies. We may invest in a limited number of strategies or with a limited number of mutual funds and ETFs. In addition, funds that we recommend may invest in underlying funds in the same or similar securities, further limiting the diversification of managed accounts.

We may invest in strategies or markets that underperform as compared to other strategies or securities markets generally. This strategy may cause client accounts to underperform as compared to other investment vehicles that invest in different asset classes. Different types of securities (for example, large-, mid- and small- capitalization stocks or growth or value stocks) tend to go through cycles of performing better—or worse— than the securities markets generally.

We may utilize such investment techniques as leverage, margin transactions, and option transactions. These practices can, in certain circumstances, maximize the adverse impact to client accounts. We cannot guarantee or represent that our investment strategy will be successful, and investment results may vary substantially over time.

We may invest our clients' assets in various underlying funds, including mutual funds, ETFs, and private funds, which may, in turn, invest in or be comprised of a variety of securities and other instruments. Certain types of securities, such as non-investment grade debt securities, and small capitalization stocks are subject to the risk that the securities may not be sold at the quoted market price within a reasonable period of time. A managed account holding these securities may experience substantial losses if required to liquidate these holdings.

The price of any security or the value of an entire asset class can decline for a variety of reasons outside of TWAG's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If a client has a high allocation in a particular asset class it may negatively affect overall performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period will cause that client account to underperform relative to the overall market.

Investment values fluctuate, especially so over shorter periods of time. The possibility of capital loss does exist. However, historical data suggests that the risk of principal loss can be minimized if a long-term investment mix, chosen in accordance with your risk tolerances and objectives, is maintained over the long-term. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains are realized on successful investments. Clients may not get a return of capital or realize any gains on their investments. If they do, those returns, or gains may not occur for a substantial period of time after investing with us.

Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can affect a security's or instrument's value. The value of securities or instruments of smaller, less well-known issuers can be more volatile than that of larger issuers. Issuer-specific events can have a negative impact on the value of client accounts.

TWAG cannot control and clients are exposed to the risk that financial intermediaries or security issuers experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any broker utilized by a client, notwithstanding asset segregation and insurance requirements that are beneficial to clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of securities held by clients. Finally, any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a client.

The value of assets or income from investments may be less in the future as inflation decreases the value of money. As inflation increases, the value of fixed assets can decline. This risk is greater for fixed income securities with

longer maturities.

### ***Equity Securities***

The trading prices of equity securities fluctuate in response to a variety of factors. These factors include events impacting a single issuer, as well as political, market and economic developments that affect specific market segments and the stock market as a whole. The value of client accounts, like stock prices generally, will fluctuate within a wide range in response to these factors. As a result, client accounts could lose value over short or even long periods.

Stocks of mid-cap companies tend to be more volatile than those of large-cap companies because mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies. During a period when large- and mid-cap U.S. stocks fall behind other types of investments, bonds or small-cap stocks, for instance, the performance of investment strategies focused on large- and/or mid-cap stocks will lag the performance of these other investments. Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks. During a period when small-cap and/or international stocks fall behind other types of investments, U.S. large- and mid-cap stocks, for instance, the performance of investment strategies focused on small-cap or international stocks may lag the performance of these other investments. In the past, these periods have lasted in excess of several years.

### ***Fixed-Income Investments***

Changes in interest rates will affect the value of fixed income investments. In general, as interest rates rise, bond prices fall, and conversely, as interest rates fall, bond prices rise. Interest rate risk is generally greater for high yield securities; however, higher-rated fixed income securities are also subject to this risk. Increased interest rate risk is also a factor when investing in fixed income securities paying no current interest (such as zero-coupon securities and principal-only securities), interest-only securities and fixed income securities paying non-cash interest in the form of other securities.

The issuer or guarantor of a fixed income security may be unable or unwilling to make timely payments of interest or principal. This risk is magnified for lower-rated debt securities, such as high yield securities. High yield securities are considered predominantly speculative with respect to the ability of the issuer to make timely payments of interest or principal. In addition, funds that invest in fixed income securities issued in connection with corporate restructurings by highly leveraged issuers or in fixed income securities that are in default may be subject to greater credit risk because of those investments.

### ***Mutual Funds and ETFs***

Mutual fund and/or ETF performance may not exactly match the performance of the index or market benchmark that the mutual fund and/or ETF is designed to track because 1) the mutual fund and/or ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the mutual fund and/or ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the mutual fund and/or ETF and/or for the securities held by the mutual fund and/or ETF may cause the mutual fund and/or ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the mutual fund and/or ETF.

Clients should be aware that to the extent TWAG invests in mutual fund and/or ETFs, they will pay two levels of compensation - fees charged by TWAG as well as any management fees charged by the issuer of the mutual fund and/or ETF. This scenario may cause a higher cost (and potentially lower investment returns) than if a client purchased the mutual fund and/or ETF directly.

Mutual funds and ETFs typically include embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. Mutual fund and/or ETF expenses change from time to time

at the sole discretion of the mutual fund and/or ETF issuer. Mutual fund and/or ETF tracking error and expenses vary.

Mutual fund and ETF investments rely on third-party management and advisers; TWAG will not have an active role in the day-to-day management of such mutual fund or ETF investments.

Clients are strongly urged to carefully read the prospectuses and other documents related to investments in mutual funds and ETFs.

### ***Private Funds***

Private funds are speculative, not suitable for all investors, and intended for experienced and sophisticated investors who are willing to bear the significant risks of an investment in a private fund, which can include: loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices; lack of liquidity in that there may be no secondary market for the investment; volatility of returns; restrictions on the ability to transfer any investment; potential lack of diversification and the resulting concentration risk; absence of information regarding valuations and pricing; complex tax structures and delays in tax reporting; less regulation and higher fees than other investments; and risks associated with operations, personnel, and processes of the manager and/or sponsor.

The performance of a private fund will be dependent in part upon the integrity, skill, and judgment of its portfolio managers.

We conduct the amount and depth of due diligence that we believe is adequate to recommend private funds to our clients. However, due diligence is not a guarantee and may not reveal problems associated with a particular private fund. We rely upon representations made by the sponsors, managers, accountants, attorneys, prime brokers and other investment professionals associated with the private fund. If any representation is misleading, incomplete, or false, it may result in the selection of private funds that might otherwise have been eliminated from consideration had complete and accurate information been made available.

The Wrap Fee charged by TWAG will result in a layering of fees, which will reduce the rate of return that the investor will derive from the underlying private fund investment.

Clients are strongly urged to read the offering documents for each private fund which detail the services, fees, risk factors, and conflicts of interest associated with the private fund investment.

### ***COVID-19***

As of the date of this filing, there is an ongoing outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization declared a pandemic on March 11, 2020. The outbreak of COVID-19 has caused a worldwide public health emergency with a substantial number of hospitalizations and deaths, and has significantly adversely impacted global commercial activity and contributed to both volatility and material declines in equity and debt markets. The global impact of the outbreak is rapidly evolving, and many country, state and local governments have reacted by instituting mandatory or voluntary quarantines, travel prohibitions and restrictions, closure or reduction of offices, businesses, schools, retail stores and other public venues and/or cancellation, suspension or postponement of certain events and activities, including certain non-essential government and regulatory activity. Businesses are also implementing their own precautionary measures, such as voluntary closures, temporary or permanent reductions in work force, remote working arrangements and emergency contingency plans. Such measures, as well as the general uncertainty surrounding the dangers, duration and impact of COVID-19, are creating significant disruption in supply chains and economic activity, impacting consumer confidence and contributing to significant market losses, including having particularly adverse impacts on transportation, hospitality, tourism, sports, entertainment and other industries dependent upon physical presence. As COVID-19 continues to spread, potential additional adverse impacts, including a global, regional or other economic recession of indeterminate duration, are increasingly likely and difficult to assess.

The extent of the impact of COVID-19 on clients' investments will depend on many factors, including the duration and scope of the resulting public health emergency, the extent of any related restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of the COVID-19 pandemic may materially and adversely impact the value, performance and liquidity of TWAG's investments, its ability to source, manage and divest investments, and its ability to achieve its investment objectives, all of which could result in significant losses to its clients.

In addition, COVID-19 and the resulting changes to global businesses and economies likely will adversely impact the business and operations of TWAG and its affiliates. Certain businesses and activities may be temporarily or permanently halted as a result of government or other quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors, including the potential adverse impact of COVID-19 on the health of key personnel.

### ***Government Regulation***

Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations.

### **Voting Client Securities**

TWAG does not take discretion with respect to voting proxies on behalf of its clients.

TWAG may allocate assets to one or more Independent Managers. In some instances, the Independent Manager may vote proxies per their proxy voting policies which will be disclosed to you and agreed upon when engaging such Independent Manager.

Except as required by applicable law, TWAG will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies.

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. TWAG has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. TWAG also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, TWAG has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where TWAG receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials to the client. Electronic mail is acceptable where appropriate and where the client has authorized contact in this manner.

## **Item 7 Client Information Provided to Portfolio Managers**

Through your participating in the Program, Independent Managers have access to your personal information as contained within the Schwab platform, as the Independent Managers have the ability to access your accounts for providing advisory and portfolio management services. Additionally, TWAG may provide Independent Managers with information about your investment objectives, investment guidelines, risk tolerance, tax brackets and other tax information, etc. for the Independent Manager to effectively provide you advisory and/or portfolio management services.

## **Item 8 Client Contact With Portfolio Managers**

There are no restrictions on clients' ability to correspond or consult with TWAG or the Independent Managers.

## **Item 9 Additional Information**

### **Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

### **Other Financial Activities and Industry Affiliations**

Mr. Shachtman serves a member of the Limited Partner Advisory Committee ("LPAC") formed for the purpose of advising the General Partner of a Private Fund Issuer on specific issues during the lifetime of a fund, including conflicts of interest and material changes to the governing documents of the fund where Limited Partners' consents or approvals are required. Mr. Shachtman receives no direct or indirect compensation for providing these services.

### **Code of Ethics, Participation in Client Transactions and Personal Trading**

#### **Description of Our Code of Ethics**

TWAG has adopted a Code of Ethics, pursuant to Rule 204A-1 of the Investment Advisors Act of 1940, which sets forth high-ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

TWAG and our personnel owe a duty of loyalty, fairness and good faith toward our clients. We 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 of Ethics. Persons associated with our firm are also required to report any violations of our Code of Ethics.

Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm. 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.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest:**

TWAG does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory) or agency cross transactions (which occurs when an investment adviser, acting as broker for a person other than the advisory client, knowingly makes a sale or purchase of any security for the account of that client). In addition, TWAG does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

TWAG, its affiliates, employees and their families, and trusts, estates, charitable organizations and retirement plans established by, and under the control of, TWAG or its personnel ("Affiliated Persons") may purchase or

sell the same securities as are purchased or sold for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which TWAG specifically prohibits. TWAG has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow TWAG's procedures when purchasing or selling the same securities purchased or sold for the client.

#### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

TWAG and its Affiliated Persons may affect securities transactions for their own accounts that differ from those recommended or effected for other TWAG clients. TWAG will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation. It is the policy of TWAG to place the clients' interests above those of TWAG and its employees.

#### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Additionally, as these situations represent actual, or potential, conflicts of interest to our clients, we have established the following policies and procedures for implementing TWAG's Code of Ethics, to ensure TWAG complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of TWAG may put his or her own interest above the interest of an advisory client.
2. TWAG requires prior approval for any IPO or private placement investments by related persons of TWAG.
3. We maintain a list of reportable securities holdings for TWAG and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on at least an annual basis by TWAG's Chief Compliance Officer or his/her designee
4. 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 TWAG's access persons.
5. We require delivery and acknowledgement of the Code of Ethics by each supervised person of TWAG.
6. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
7. Any individual who violates any of the above restrictions may be subject to termination.

## **Reviews of Accounts**

Mr. Shachtman reviews accounts for clients for which TWAG provides investment consulting and investment management services on a periodic basis. TWAG does not provide reports to clients receiving investment consulting services unless agreed upon between TWAG and the client.

Mr. Shachtman can also review accounts on demand when requested by client, or in connection with significant market or economic events.

TWAG does not provide clients with regular reports.

## **Client Referrals and Other Compensation**

### ***Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest***

TWAG recommends that clients establish brokerage accounts with Schwab to maintain custody of clients' assets and to effect trades for their accounts. TWAG is independently owned and operated and not affiliated with Schwab. Schwab provides TWAG with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to advisors. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab also makes available to TWAG other products and services that benefit TWAG but may not benefit its clients' accounts. These benefits may include national, regional or TWAG specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of TWAG by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist TWAG in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of TWAG's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of TWAG's accounts, including accounts not maintained at Schwab. Schwab also makes available to TWAG other services intended to help TWAG manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to TWAG by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to TWAG. While, as a fiduciary, TWAG endeavors to act in its clients' best interests, TWAG's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to TWAG of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

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



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

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

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

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

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

Irrespective of direct or indirect benefits to our client through Schwab, we strive to enhance the client's experience, help reach their goals and put their interests before that of our firm or its associated persons.

### ***Advisory Firm Payments for Client Referrals***

TWAG, from time to time, can pay third party solicitors for client referrals. TWAG maintains a written solicitation agreement with each solicitor. Unless otherwise disclosed, any such referral fee is paid solely from TWAG's investment management fee and does not result in any additional charge to the client. TWAG is not compensated by other parties for client referrals. If the client is introduced to TWAG by a solicitor, the client will receive in advance and in writing, from the solicitor, the solicitor's disclosure statement containing the terms and conditions of the solicitation agreement as well as a copy of this Brochure. The terms of our arrangement, including the compensation the solicitor will receive from TWAG for referrals, are shared with the prospective client who, in turn, provides written acknowledgment of his or her understanding

No third party that is not a client provides an economic benefit to TWAG for providing investment consulting or investment management services to our clients.

### **Financial Information**

TWAG is not required to disclose any financial information due to the following:

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

TWAG has obtained financial assistance by participating in the Paycheck Protection Program ("PPP") established by the U.S. Small Business Administration ("SBA"). The SBA initiated the PPP to assist companies like TWAG

in response to COVID-19 pandemic by providing low-interest loans for business essentials such as payroll. These loans are eligible for forgiveness, but it is not guaranteed as it is based on factors such as being used for eligible expenses including payroll, overhead, and any interest payments previously made by the company.