



Part 2A of Form ADV: *Firm Brochure*

Astoria Strategic Wealth, Inc.

11257 Triple Crown Way
Conroe, TX 77304

Mailing Address:

3915 W. Davis Street Suite 130, #185
Conroe, TX 77304

Telephone: 888-321-7374

Email: info@astoriastrategicwealth.com

Web Address: www.astoriastrategicwealth.com

March 2023

This brochure provides information about the qualifications and business practices of Astoria Strategic Wealth, Inc. ("ASW", "Advisor", "We", "Firm"). If you have any questions about the contents of this brochure, please contact us at 888-321-7374, or info@astoriastrategicwealth.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. ASW is registered with the Securities and Exchange Commission. Registration does not imply any special skills of training.

Additional information about ASW is available on the SEC's website at <https://adviserinfo.sec.gov/>

Item 2 Material Changes

The firm has made the following material changes since its last amendment filed in September 2022:

1. Item 4 client assets under management have been updated.
2. Matthew Frost has been designated as the Chief Compliance Officer of the firm.

Item 3 Table of Contents

Contents	Page
Item 2 Material Changes	2
Item 3 Table of Contents	3
Item 4 Advisory Business	4
Item 5 Fees and Compensation	10
Item 6 Performance-Based Fees and Side-By-Side Management	13
Item 7 Types of Clients.....	14
Item 8 Methods of Analysis, Investment Strategies, and Risk of Loss	14
Item 9 Disciplinary Information	18
Item 10 Other Financial Industry Activities and Affiliations	19
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
Item 12 Brokerage Practices	21
Item 13 Review of Accounts	22
Item 14 Client Referrals and Other Compensation	24
Item 15 Custody	24
Item 16 Investment Discretion	24
Item 17 Voting Client Securities	25
Item 18 Financial Information	25

Item 4 Advisory Business

ASW is a registered investment adviser with its principal place of business located in Texas. ASW, formerly known as Pauley Financial Services, Inc. began conducting business in 2000.

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

- Kimberly Victoria
- Brian A. Cox

ASW offers the following services:

1. FINANCIAL PLANNING AND INVESTMENT MANAGEMENT SERVICES (SILVER, GOLD, AND PLATINUM)

- ASW offers financial planning and investment management services designed to meet the specific needs of clients. Clients may select the level of service they need from the services offered below.
- Investment management services are provided on a discretionary and non-discretionary basis. Discretion is agreed upon at inception of the client relationship. For non-discretionary accounts, no transactions will be made without the client's prior approval.
- While the advisor can recommend various insurance products to the client, the advisor does not engage in the sale of insurance products nor does the advisor receive commissions from the sale of insurance products.

Silver: This service includes (all or part of this list depending on client needs and complexity):

- **Core services.** All clients receive the following core services:
 - **Information Gathering and Assimilation:** Advisor and client to exchange information regarding client goals, resources, liabilities, accounts, and risk tolerance. Advisor will assimilate data into a cohesive system for running projections, provide assistance opening, consolidating, or transferring accounts, and provide single sign-on access to a client portal for client ongoing access.
 - **Baseline Financial Goal Plan and Investment Plan Design:** Advisor and client will work together to create an initial baseline financial goal plan, supplemented with an investment plan which includes an investment model and Investment Policy Statement (IPS). The baseline financial goal plan is a summary of resources and financial goals with a projection of the intersection of the two. The IPS will govern the trading and management of managed accounts. The baseline financial goal plan and the investment plan create the foundation for monitoring, measuring

and adjusting client's progress toward goals.

- **Ongoing Services:** With a baseline financial goal plan and investment plan in place, advisor will transition to recurring services that will provide support to client in the following areas:
 - An **Annual Plan Update** to update, review, adjust and monitor client's progress toward achieving the goals stated in the baseline financial goal plan and investment plan. Annually, the baseline financial goal plan, and if applicable, the investment plan, will be updated and then considered to be the current baseline financial goal plan and investment plan.
 - **Ongoing, Discretionary Investment Management for** managed account(s) in accordance with IPS
 - **Managed Account(s) Titling and Beneficiary Designation review**
 - **Review of ERISA Accounts.** Upon request or at the annual plan update, advisor may review ERISA account investment selections, beneficiary designations, contribution amounts and type (pre-tax or Roth). Advisor does not manage these accounts and therefore these accounts are not considered "Managed Accounts". Advisor will not obtain or maintain login access for any client ERISA accounts – review of these accounts will be accomplished via client screen share.

Gold:

- In addition to the advisor's core Silver services, the Gold service level includes (all or part of this list depending on client needs and complexity):
 - In coordination with client's tax professional(s), the incorporation of tax-efficient strategies (if applicable) such as asset location, rebalancing, tax-deferred and tax-free savings opportunities, tax-loss harvesting, Roth conversions, required minimum distribution(s), donor-advised funds and gifting of appreciated securities, and education planning (529 plans).
 - An **Estate Plan Review**, or recommendation to update or create a set of estate documents by an estate attorney.
 - **Client Insurance Coverage Needs (risk mitigation)** may be reviewed as applicable to include life, disability, and umbrella.
 - **Non-Standard Investment Asset Review:**
 - Optionally, upon request only, and charged separately, a non-standard Investment Asset may be reviewed. While not exhaustive or inclusive of each item below, the consultation regarding non-standard investment assets may include such things as a review of marketing materials (or "pitch book"), limited due diligence of principals, review of investment vehicle

structure or document(s), terms, liquidity, auditor(s), other relevant third-parties, risks, and position size considerations. Note: each analysis may incorporate significantly different considerations. non-standard Investment Assets may bear significantly higher and/or different risks than the assets managed by Advisor in Managed Accounts. Advisor will not track, monitor, price, value, trade or include non-standard Investment Assets in Managed Accounts. Non-Standard investment assets will not be included in the calculation of the Investment Management Fee.

- A non-standard investment asset review charge of \$1,000 will be due upon delivery of each review.

- **Additional Services Available:**

- Advisor has set the annual financial planning fee based upon the estimated client needs with respect to the topics and activities described above. However, we understand that circumstances change, and unexpected needs arise. We describe these as special situations, and we offer special situation support. Based upon the level of special situation support required, the annual financial planning fee will be evaluated and adjusted, if necessary, in accordance with the provisions in the Financial Planning and Investment Management Services Agreement.
- Examples of special situation support are:
 - In conjunction with client's other advisors (attorneys, consultants, insurance providers, tax professionals, lending professionals), review, resource coordination and/or analysis for topics such as:
 - Coordinated semi-annual tax planning meetings as requested
 - Cash-flow
 - Financing
 - Employee equity strategies
 - Employee contract review and benefit analysis
 - Business owner equity strategies to include exit strategies planning
 - Estate plan creation or revision with consideration to tax optimization, wealth transfer, intergenerational planning, risk mitigation
 - Specific decision analysis (buy or lease? second homes, paying off mortgages etc.)
 - Philanthropic endeavors
 - Divorce support by way of assistance with Qualified Domestic Relation Order(s)

Platinum

- In addition to advisor's core Silver services and those services provided at the Gold level, the Platinum service level includes (all or part of this list depending on client needs and complexity):

- **Non-Standard Investment Asset Review:**

- Annually, a limit of two (2) non-standard investment asset(s) may be reviewed upon written request. While not exhaustive or inclusive of each item below, the consultation regarding non-standard investment assets may include such things as a review of marketing materials (or “pitch book”), limited due diligence of principals, review of investment vehicle structure or document(s), terms, liquidity, auditor(s), other relevant third-parties, risks, and position size considerations. Note: each analysis may incorporate significantly different considerations. Non-standard investment assets may bear significantly higher and/or different risks than the assets managed by advisor in managed accounts. Advisor will not track, monitor, price, value, trade or include non-standard Investment assets in managed accounts. Non-standard investment assets will not be included in the calculation of the investment management fee.
- Additional reviews of non-standard investment assets may be requested (to include a re-review, or review of a new non-standard investment asset). A non-standard investment asset review charge of \$1,000 will be due upon delivery of each review beyond the two that are included with this service agreement.

- **Additional Services Available:**

- Advisor has set the annual financial planning fee based upon the estimated client needs with respect to the topics and activities described above. However, we understand that circumstances change, and unexpected needs arise. Based upon the level of special situation support required, the annual financial planning fee will be evaluated and adjusted, if necessary, in accordance with the provisions in the Financial Planning and Investment Management Services Agreement.
- **Special Situation Support** (as applicable): In conjunction with client’s other advisors (Attorneys, Consultants, Insurance Providers, Tax Professionals, Lending Professionals), review, resource coordination and/or analysis for topics such as:
 - Coordinated semi-annual tax planning meetings as requested
 - Cash-flow
 - Financing
 - Employee equity strategies
 - Employee contract review and benefit analysis
 - Business owner equity strategies to include exit strategies planning
 - Estate plan creation or revision with consideration to tax optimization, wealth transfer, intergenerational planning, risk mitigation
 - Specific decision analysis (buy or lease? second homes, paying off mortgages etc.)
 - Philanthropic endeavors
 - Divorce support by way of assistance with Qualified Domestic Relation Order(s)

2. NON-STANDARD FINANCIAL PLANNING SERVICES: (18-25 UNDER PARENTS, PRO BONO, HOURLY)

18-25 Under Parents and Pro Bono:

- These service levels include the following services (all or part of this list depending on client needs and complexity):
 - Ongoing, Discretionary Investment Management for Managed Account(s) in accordance with IPS.
 - Managed Account(s) Titling and Beneficiary Designation review
 - Review of ERISA Accounts. Upon request, advisor may review ERISA account investment selections, beneficiary designations, contribution amounts and type (pre-tax or Roth). Advisor does not manage these accounts and therefore these accounts are not considered “Managed Accounts”. Advisor will not obtain or maintain login access for any client ERISA accounts – review of these accounts will be accomplished via client screen share.

Hourly Financial Planning Service (Hourly Service):

- This is an hourly consultation service billed at \$300/hour on a quarterly basis in arrears.

3. RETIREMENT PLAN CONSULTING SERVICES:

For clients who are seeking a retirement plan solution, we offer the following range of services:

Limited Scope ERISA 3(21) Fiduciary:

- ASW may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions. As an investment advisor ASW has a fiduciary duty to act in the best interest of the client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using ASW can help the plan sponsor delegate liability by following a diligent process.
- Fiduciary Services are:
 - Provide investment advice to the client about asset classes and investment options available for the plan in accordance with the plan’s investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. ASW acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
 - Assist the client in the development of an investment policy statement (“IPS”). The IPS establishes the investment policies and objectives for the plan. Client shall have the ultimate

responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.

- Provide investment advice to the plan Sponsor with respect to the selection of a qualified default investment option for participants who are automatically enrolled in the plan or who have otherwise failed to make investment elections. The client retains the sole responsibility to provide all notices to the plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with client on a periodic basis to discuss the reports and the investment recommendations.
- Non-fiduciary Services are:
 - Assist in the education of plan participants about general investment information and the investment options available to them under the plan. Client understands ASW's assistance in education of the plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, ASW is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the plan participants. ASW will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the plan.
 - Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.
 - ASW may provide these services or, alternatively, may arrange for the plan's other providers to offer these services, as agreed upon between ASW and client.
 - ASW has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
 - Real estate (except for real estate funds or publicly traded REITs);
 - Stock brokerage accounts or mutual fund windows;
 - Participant loans;
 - Non-publicly traded partnership interests;
 - Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
 - Other hard-to-value or illiquid securities or property.
- Excluded Assets will not be included in calculation of Fees paid to ASW on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.
- **Client Tailored Services and Client Imposed Restrictions**
 The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.
 Agreements may not be assigned without written client consent.
- **Wrap Fee Programs**
 ASW does not sponsor any wrap fee programs.

4. ASSETS UNDER MANAGEMENT

- As of 12/31/2022, we have regulatory assets under management in the amount of \$296,558,934 with \$260,467,210 under discretionary management and \$36,091,724 under non-discretionary management.

Item 5 Fees & Compensation

Under certain circumstances and at the sole discretion of the Advisor, fees are negotiable.

1. FINANCIAL PLANNING SERVICE (SILVER, GOLD, OR PLATINUM)

- For clients who select one of our Silver, Platinum or Gold service levels, the financial planning fee – an annual fixed fee – is established at the onset in Schedule A of the Financial Planning and Investment Management Services Agreement and is based on the level of service provided to that client.
 - The investment management fee is a non-negotiable annual fee of 0.45%, calculated on the market value of the assets in managed account(s) and is charged quarterly. The market value used for this calculation is provided by the client's custodian, as of the last business

day of the quarter. The financial planning fee is pulled directly from a non-qualified managed account that the client has designated for fees.

- The annual financial planning fee(s) are negotiable and charged quarterly.
 - **Silver** service – fees are up to \$3,600 annually based on complexity of the client situation
 - **Gold** service – fees range between \$3,600 and \$7,000 annually based on complexity of the client situation
 - **Platinum** services – fees range between \$6,000 and \$50,000 annually based on complexity of the client situation
- Amounts held in cash or cash equivalents will be charged an investment management fee. As such, there may be periods of time where the investment management fee is larger than the interest or credited rate earned for cash or cash equivalents.
- Clients provide written authorization for the direct deduction of ASW's fees from accounts held at the firm's recommended custodian(s).
- Any changes in fees are governed by the terms of the Financial Planning and Investment Management Services Agreement.
- Please note, the annual fixed planning fee and investment management fee are charged on a pro-rated basis from the date of all parties signing the Financial Planning and Investment Management Services Agreement.
- Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the client cancels after five (5) business days, any unpaid earned fees will be due to AWS or any unearned fees will be refunded to the client.
- The quarterly financial planning fee and investment management fee will continue until terminated by either party with thirty (30) day written notice. Upon termination of the Agreement, any unpaid earned fees will be due to AWS or any unearned fees will be refunded to the client.

2. NON-STANDARD FINANCIAL PLANNING SERVICES: (18-25 UNDER PARENTS, HOURLY, and RETIREMENT PLAN CONSULTING)

18-25 Under Parents

- For clients who select our 18-25 Under Parents level of service, a financial planning fee will not be assessed. Instead, the client will be charged only the investment management fee.

- The investment management fee is a non-negotiable annual fee of 0.45%, calculated on the market value of the assets in managed account(s) and is charged quarterly. The market value used for this calculation is provided by the client's custodian, as of the last business day of the quarter.
- Amounts held in cash or cash equivalents will be charged an investment management fee. As such, there may be periods of time where the investment management fee is larger than the interest or credited rate earned for cash or cash equivalents.
- Clients provide written authorization for the direct deduction of ASW's fees from your accounts held at the firm's recommended custodian.
- Any changes in fees are governed by the terms of the Financial Planning and Investment Management Services Agreement.

3. HOURLY

- This is an hourly consultation service billed at \$300/hour quarterly in arrears.

4. RETIREMENT PLAN CONSULTING

- The annual fee for advisory services for plans is negotiable and shall be calculated as follows:

Plan Assets	Annual Fee Paid Quarterly in Arrears
401k Plan and/or Defined Benefit Assets Under Management	0.15% - 0.45% depending on plan size and complexity

- All fee calculations will be based upon the market value of the plan assets at quarter-end. The market value used for this calculation is provided by the client's custodian, as of the last business day of the quarter.

5. Client Payment of Fees

- Fees for asset management services are deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account. The financial planning fee is pulled directly from a non-qualified managed account that the client has designated for fees.
- Fees for hourly financial planning will be billed to the client and paid directly to ASW. These fees can be pulled directly from a non-qualified managed account that the client has designated for fees.
- Fees for ERISA services will either be deducted from plan assets or paid directly to ASW. The client must consent in advance to direct debiting of their investment account.

6. TERMINATION OF ADVISORY RELATIONSHIP

- **Financial Planning and Investment Management Services Agreement:** The terms of termination are provided in and governed by the Financial Planning and Investment Management Services Agreement. If fees were paid in advance, the pro rata portion of fees paid for work that was not performed before the termination date will be refunded to the client in full.

7. MUTUAL FUND & EXCHANGE TRADED FUND (ETF) FEES

- All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, money market funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. You could invest in a mutual fund directly or an ETF through a brokerage account, without our services. In that case, you would not receive the services provided by our firm which are designed, among other things, to assist you in determining which mutual fund or ETF is most appropriate to your financial condition and objectives. Accordingly, you should review both the fees charged by the funds, trading fees, and our fees to fully understand the total amount of fees you would pay and evaluate the advisory services we provide.

8. ADDITIONAL FEES & EXPENSES

- Clients will also incur certain charges imposed by third parties (custodians, broker-dealers, platforms, and others) regarding investments made in the account(s). These commissions, fees and charges may include but not limited to the following: brokerage commissions; transaction, exchange, trade away and clearing fees; account, wire, and electronic fund transfer fees; margin interest; custodial fees; administration and termination fees; and other costs and expenses. Mutual funds, money market funds and exchange-traded funds also charge internal management fees, which are disclosed in the fund's prospectus. ASW does not receive any portion of these commissions, fees, and charges.

9. Prepayment of Client Fees

Fees for ERISA 3(21) services are billed quarterly in arrears.

If the client cancels after five (5) business days, any unearned fees will be refunded to the client, or any unpaid earned fees will be due to ASW.

10. External Compensation for the Sale of Securities to Clients

- ASW does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of ASW.

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

- ASW does not charge performance-based fees nor engage in side-by-side management.

Item 7 Types of Clients

- ASW provides advisory services to the following types of clients:
 - High net worth individuals and their families
 - Individuals
 - Charitable organizations
 - Pension and profit-sharing plans
 - Private businesses
- ASW does not require a minimum to open an account.

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

1. METHODS OF ANALYSIS:

- **Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of primarily exchange traded fund securities that represent asset classes to include equities, fixed income, commodities, and cash to meet clients' investment goals and risk tolerance.
 - Portfolios may be augmented upon request with non-standard investment assets (also known as alternative asset classes) including but not limited to real estate, private equity, and/or hedge funds. Per the non-standard investment reviews outlined in Item 4 of this form ADV 2A, ASW will not track, monitor, price, value, trade or include non-standard assets in managed accounts, nor will they be included in the calculation of the investment management fee. These asset classes may be added due to their low correlation to the performance of clients' core liquid portfolios. These investments may be purchased by clients meeting certain qualification standards. Investing in these involves additional risks including, but not limited to, the risk of investment loss due to the use of leveraging and other speculative investment practices as well as the lack of liquidity and performance volatility. In addition, these funds are not required to provide periodic pricing or valuation information to investors and may involve complex tax structures and delays in distributing important tax information. Clients should be aware that these funds are not liquid as there may be no secondary trading market available. At the absolute discretion of the issuer of the fund, there may be certain repurchase offers made from time to time. However, there is no guarantee that client will be able to redeem the fund during the repurchase offer.

- A risk of asset allocation is that you may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for your goals.
- The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time by providing written notice to ASW.
- **Fundamental analysis.** Our analysis concentrates on factors that determine value. This would normally encourage purchases in securities that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.
- **Quantitative analysis.** Investments made using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.
- **Mutual Fund and/or Exchange-Traded Fund (ETF) Analysis.** We utilize macroeconomic models to determine valuations across asset classes and seek to construct appropriate market exposures. Investment decisions are made using economic and fundamental data. We look at the track record of the mutual fund or ETF in an attempt to determine if that fund tracks appropriately with its index.

2. RISKS FOR ALL FORMS OF ANALYSIS

- Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.
- All investment programs have certain risks that are borne by the investor. Our investment approach keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with ASW:
 - ❖ Market Risk: The prices of securities held by mutual funds and ETFs in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate, and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
 - ❖ 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.

- ❖ Inflation Risk: When any type of inflation is present, a dollar today will buy more than 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.
- ❖ 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.
- ❖ Management Risk: The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.
- ❖ Equity Risk: Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- ❖ Fixed Income Risk: The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed-income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- ❖ Investment Company Risk: When a client invests in open-end mutual funds or ETFs, the client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk

arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. ASW has no control over the risks taken by the underlying funds in which client invests.

- ❖ REIT Risk: To the extent that a client invests in REITs, it is subject to risks generally associated with investing in real estate, such as (i) possible declines in the value of real estate, (ii) adverse general and local economic conditions, (iii) possible lack of availability of mortgage funds, (iv) changes in interest rates, and (v) environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.
- ❖ Exchange-Traded Fund (ETF) Risk: ETFs are traded on stock exchanges or on the over-the-counter market. An investment in an ETF generally presents the same primary risks as an investment in a conventional mutual fund (see below) that has the same investment objectives, strategies, and policies. The price of an ETF can fluctuate up or down, and account(s) could lose money investing in an ETF if the prices of the securities owned by the ETF go down. The risk of owning these types of holdings also reflects the risks of their underlying securities. For example, precious metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, and/or (3) a significant change in the attitude of speculators and investors. In addition, an active trading market for an ETF's shares may not develop or be maintained.
- ❖ Mutual Fund Risk: Mutual Funds are managed independently of a client's account. With all investments, past performance does not guarantee future results. A manager who has been successful in the past may not be able to replicate that success in the future. Managers of different funds held by the client may purchase the same security, thus increasing the risk to the client if that security were to fall in value. An additional risk is that a manager may deviate from the stated investment mandate or strategy of the fund, a circumstance that could make the holding(s) less suitable for the client's portfolio. Additionally, these investments are subject to the same risks as the underlying investments. These investments are subject to the risks of the mutual fund's investments and expenses. The client account may receive distributions of taxable gains from portfolio transactions by the manager and may recognize taxable gains from

transactions in shares of that mutual fund, which would be taxable when distributed. A client could invest in a mutual fund directly. Accordingly, the client should review both the fees charged by the funds and the fee charged by ASW to fully understand the total amount of fees to be paid by the client and to thereby evaluate advisory services being provided. Factors to be considered by prospective clients may include the size of the portfolio, the nature of the investments to be managed, commission costs, custodian expenses, the anticipated level of trading activity, and the amount of advisory fees for managing the portfolio.

3. INVESTMENT STRATEGIES

- Our advice generally includes recommendations regarding the following securities. We use the following investments in managing your account(s), provided that such investments are appropriate to your needs and consistent with your investment objectives, risk tolerance, and time horizons, among other considerations:
 - Exchange-listed securities
 - Certificates of deposit
 - Municipal securities
 - Mutual fund shares
 - Exchange – traded funds (ETFs)
 - Variable life insurance and variable annuities¹
- Long-term purchases
 - Typically, we purchase securities with the idea of holding them in your account for a year or longer, unless conditions allow for us to tax loss harvest in your taxable accounts. We otherwise seek to employ a long-term buy and hold strategy. We generally employ this strategy when we want exposure to a particular asset class over time, regardless of the current projection for this class. A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains. Moreover, a security may decline sharply in value before we make the decision to sell.
- You are reminded that investing in any security entails risk of loss including but not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Item 9 Disciplinary Information

- We are required to disclose any legal or disciplinary events that are material to a client's or

¹ ASW does not sell or receive commissions on insurance products. However, we provide advice and recommendations for the best use of the products in client portfolios as part of our process or if requested.

prospective client's evaluation of our advisory business or the integrity of our management.

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

Item 10 Other Financial Industry Activities and Affiliations

- ASW is not registered as a broker-dealer and no affiliated representatives of ASW are registered representatives of a broker-dealer. Neither ASW nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.
- Some of our investment adviser representatives are Certified Financial Planners™. The website for this organization includes online search tools that allow interested parties (prospective clients) to search for individual financial planners within a selected state or region. A portion of the membership fees may be used so that the representatives' names will be listed in this entity's website (or other listings).
- This passive website may provide means for interested persons to contact a financial planner via electronic mail, telephone number, or other contact information, in order to interview the participating planner. Members of the public may also choose to telephone association staff to inquire about an individual planner within their area, and they would receive the same or similar information. Prospective clients locating one of our associates via this method are not actively marketed by these associations. Clients who find us in this way do not pay more for their services than clients referred to us in another fashion, such as by another client. We do not pay these entities for prospective client referrals, nor is there a fee-sharing arrangement reflective of a solicitor engagement.
- Jacob S. Ridley is involved with a financial industry affiliated business as the owner, managing member, and as an investment advisor of Church Fiduciary, LLC. Church Fiduciary, LLC is a Texas registered investment advisory firm. Jacob Ridley receives compensation for advisory services provided as a representative and owner of Church Fiduciary, LLC. Jacob Ridley spends the minority of the time in his work day on Church Fiduciary, LLC activities.

This practice represents a conflict of interest because Jacob S. Ridley's interests are divided. This conflict is mitigated by disclosures, firm procedures, and the firm's fiduciary obligation to place the best interest of the client first. Jacob S. Ridley does not offer Church Fiduciary, LLC services to Astoria Strategic Wealth, Inc. clients.

Kirby D. Jacobson is Chief Operating Officer for Darwin's Beagle, Inc. a business consulting firm that provides process analytics and process improvement to clients. Kirby D. Jacobson spends a minority of the time in his workday on Darwin's Beagle, Inc. activities. He may offer clients services from this

activity. He may receive separate yet typical compensation.

This practice represents a conflict of interest because it gives an incentive to recommend services based on the compensation received. This conflict is mitigated by disclosures, procedures and Astoria Strategic Wealth's fiduciary obligation to place the best interest of the client first and the clients are not required to purchase any services. Clients have the option to purchase these services through another consultant of their choosing.

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

- Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.
- ASW and our personnel owe a duty of loyalty, fairness, and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code of Ethics.
- Our Code of Ethics includes policies and procedures for the review of quarterly personal securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or participation in an initial public offering. Our Code of Ethics also provides for oversight, enforcement and recordkeeping provisions.
- Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.
- A copy of our Code of Ethics is available to you and prospective clients upon request and at no charge.
- Our Code of Ethics is designed to ensure that the personal securities transactions, activities, and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.
- ASW and its affiliated persons do not recommend to clients securities in which we have a material financial interest.
- Our firm and/or individuals associated with our firm buy and sell for their personal accounts securities identical to or different from those recommended to our clients. Either of these policies

creates a conflict of interest with our clients, which we are mitigating through our personal trading policy and monitoring of personal securities trades.

- To avoid the possibility of front-running, it is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Item 12 Brokerage Practices

- ASW has elected to use TD Ameritrade Institutional ("TDAI") and Schwab Advisor services ("Schwab") as the primary custodians with which to serve clients. TD Ameritrade Institutional and Schwab will be referred to together as "our Broker Dealers" for the remainder of this document. Our decision to use certain custodians is based on their discounted commission structure, the availability of certain securities with no transaction fees, trading platforms, electronic reporting, online access for our clients, and financial stability. Not all investment advisors require their clients to open their accounts with specific custodians. Our choice of custodians through which we execute our trades can affect our ability to achieve the most favorable execution of your transactions, potentially increasing costs. In recommending our broker dealers as custodians and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum:
 - existing relationship with us,
 - financial strength,
 - reputation,
 - reporting capabilities,
 - execution capabilities,
 - pricing, and types and quality of research.
- The determining factor in the selection of a broker-dealer/custodian to execute transactions for your accounts is not the lowest possible transaction cost, but whether they can provide what is in our view the best qualitative execution for your account.
- We participate in the institutional customer programs offered by our broker dealers. TDAI is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. Our broker dealers offer services to independent investment advisors which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from our broker dealers through our participation in the program.
- We recommend our broker dealers to our clients for custody and brokerage services. There is no direct link between our firm's participation in the programs and the investment advice we give to our clients. Along with you, we receive economic benefits through our participation in the programs

that are typically not available to TD Ameritrade/Schwab retail investors.

- These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds and ETFs with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, and technology.
- Some of the products and services made available by our broker dealers through the program benefit ASW and may not benefit our client accounts. These products or services assist us in managing and administering client accounts, including accounts not maintained at our broker dealers. The benefits we receive through participation in the programs do not depend on the amount of brokerage transactions directed to our broker dealers. Clients should be aware, however, that our receipt of economic benefits creates a conflict of interest and indirectly influences our recommendation of our broker dealers for custody and brokerage services. Unless directed otherwise by a client, ASW migrates client accounts to custody their assets at our broker dealers and these client accounts are profitable to our broker dealers.
- TDAI and Schwab are independent of and unaffiliated with ASW and there is no employee or agency relationship between TDAI/Schwab and ASW.
- ASW's receipt of these benefits does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts.
- ASW does not receive client referrals from any custodian in exchange for using that broker-dealer.
- ASW does not allow directed brokerage accounts.
- ASW is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of ASW. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis. If aggregation is not allowed or infeasible and individual transactions occur (e.g., withdrawal or liquidation requests, odd-lot trades, etc.) an account may potentially be assessed higher costs or less favorable prices than those where aggregation has occurred.

Item 13 Review of Accounts

1. FINANCIAL PLANNING SILVER SERVICE

- **REVIEWS:** Upon request or annually, we conduct an annual review of accounts for Financial Planning Service Silver clients and update their financial goal plan as appropriate.
- **REPORTS:** In addition to the written or electronic statements and confirmations of transactions that Silver clients receive from their financial institutions or custodians, we also provide written account reports (as needed) directly to our clients on a quarterly basis. We advise clients to carefully compare the information provided on these reports with statements the clients receive from their custodian to ensure that all account transactions, holdings, and values are correct and current. Additionally, we may provide access to MoneyGuidePro, a software platform that allows clients to view their account balances and holdings as those institutions have reported to us. We have also added Orion, a software platform that provides our clients with account overviews in various formats. Orion also provides direct access to MoneyGuidePro and Citrix ShareFile.

2. FINANCIAL PLANNING GOLD AND PLATINUM SERVICE

- **REVIEWS:** While the underlying securities within all of our Gold, and Platinum client accounts are monitored on an ongoing basis, client accounts are reviewed quarterly at a minimum. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, the market, and the political or economic environment. Additionally, we are happy to review the client's portfolio at any time upon his/her request. These accounts are reviewed by one of our advisors.
- **REPORTS:** In addition to the written or electronic statements and confirmations of transactions that Gold and Platinum clients receive from their financial institutions or custodians, we also provide written account reports directly to our Silver (as needed), Gold and Platinum clients on a quarterly basis. We advise clients to carefully compare the information provided on these reports with statements the clients receive from their custodian to ensure that all account transactions, holdings, and values are correct and current.
- Additionally, we provide access to MoneyGuidePro, a software platform that allows clients to view their account balances and holdings as those institutions have reported to us. We have also added Orion, a software platform that provides our clients with account overviews in various formats. Orion also provides direct access to MoneyGuidePro and Citrix ShareFile.

3. FINANCIAL PLANNING 18-25 UNDER PARENTS AND PRO BONO

- **REVIEWS:** ASW conducts an ongoing review of managed accounts to provide investment management in accordance with the client's IPSs.
- **REPORTS:** Clients receive written or electronic statements and confirmations of transactions from their financial institutions or custodians.

4. RETIREMENT PLAN INVESTMENT ADVISORY CONSULTING

- **REVIEWS:** While the underlying funds within all of our Retirement Plan Investment Advisory Consulting plans are monitored on an ongoing basis, retirement plans are reviewed at least annually. More frequent reviews may be triggered by material changes in the funds, the market, and the political or economic environment. Additionally, we are happy to review the plan upon the request of company management. These accounts are reviewed by one of our advisors.
- **REPORTS:** Reports are to be provided by the plan participant record keeper.

Item 14 Client Referrals and Other Compensation

- It is our policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.
- It is our policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services we provide to our clients other than benefits discussed above in Item 12.

Item 15 Custody

- An investment advisory firm has custody of client funds or securities when it has the authority to access either. We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts, giving us a nominal form of custody of our clients' funds. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.
- Clients may directly link other accounts (not managed by ASW) to their financial plan which allows them access directly to these accounts via their MoneyGuidePro login. Liabilities and account balances are updated periodically. Client accounts linked in this manner are not directly managed by ASW.

Item 16 Investment Discretion

- As previously disclosed in Item 4 of this brochure, our firm provides discretionary and non-discretionary asset management services. Clients grant us discretionary authority when they sign our advisory agreement and their custodial agreement.

- ASW allows clients to place certain restrictions, as outlined in the client's Investment Policy Statement or similar document. These restrictions must be provided to ASW in writing.

Item 17 Voting Client Securities

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

Item 18 Financial Information

- We do not require or solicit prepayment of \$1,200 in fees per client, six months or more in advance.
- The firm has no financial conditions to disclose that are reasonably likely to impair our ability to meet our contractual commitments to clients.
- The firm has not been the subject of a bankruptcy petition.