

# Align Wealth Management, LLC Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Align Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at (408) 559-7444 or by email at: [chris@alignwmgmt.com](mailto:chris@alignwmgmt.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Align Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Align Wealth Management, LLC's CRD number is: 323615.*

1850 Hamilton Ave  
San Jose, CA 95125-5625  
(408) 559-7444  
[chris@alignwmgmt.com](mailto:chris@alignwmgmt.com)  
[www.alignwealthmgmt.com](http://www.alignwealthmgmt.com)

*Registration as an investment adviser does not imply a certain level of skill or training.*

Version Date: 02/19/2025

## **Item 2: Material Changes**

There are no material changes in this brochure from the last annual updating amendment on 02/14/2024 of Align Wealth Management, LLC. Material changes relate to Align Wealth Management, LLC's policies, practices or conflicts of interests.

## Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes .....	ii
Item 3: Table of Contents.....	iii
Item 4: Advisory Business.....	2
Item 5: Fees and Compensation.....	6
Item 6: Performance-Based Fees and Side-By-Side Management.....	9
Item 7: Types of Clients .....	9
Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss .....	9
Item 9: Disciplinary Information .....	14
Item 10: Other Financial Industry Activities and Affiliations .....	14
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	15
Item 12: Brokerage Practices .....	16
Item 13: Review of Accounts.....	17
Item 14: Client Referrals and Other Compensation .....	18
Item 15: Custody .....	20
Item 16: Investment Discretion .....	21
Item 17: Voting Client Securities (Proxy Voting) .....	21
Item 18: Financial Information.....	21
Item 19: Requirements For State Registered Advisers .....	22

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Align Wealth Management, LLC (hereinafter “AWML”) is a Limited Liability Company organized in the State of California. The firm was formed in September 2022, and the principal owner is Christopher Thomas.

### B. Types of Advisory Services

#### *Portfolio Management Services*

AWML offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. AWML creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

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

AWML evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. AWML will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

AWML seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of AWML’s economic, investment or other financial interests. To meet its fiduciary obligations, AWML attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, AWML’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is AWML’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time. AWML provides portfolio management services through three different platforms: (1) SEI Asset Management Program, (2) Advyzon Investment Management, LLC, and (3) AssetMark.

- (1) SEI Asset Management Program: For the SEI Program, SEI Private Trust Company serves as the custodian for assets of clients who wish to a) purchase SEI Mutual Funds as part of an SEI strategy allocation, b) participate in the SEI Separate Accounts Program, c) purchase non-SEI mutual funds and ETFs as part of an asset allocation

recommended and managed by AWML, and/or d) purchase or hold individual stocks and securities on an unsolicited basis, not recommended or managed by AWML. Through this program, AWML serves as the investment advisor to the investor, and is responsible for analyzing the investor's current financial situation, return expectations, risk tolerance, time horizon, and asset class preference, pursuant to AWML's investment advisory agreement. Based upon the investor's information, AWML and the investor select an investment strategy and choose from one of many mutual fund asset allocation models, which may be provided by SEI Investments Management Corporation (SIMC), purchase the individual mutual funds, select from among SEI's Separately Managed Account portfolios, or implement the investment strategy with non-SEI mutual funds and ETFs.

- (2) Advyzon Investment Management, LLC: For the Advyzon program, Advyzon provides a turnkey asset management program which are constructed using mutual funds, exchange-traded funds ("ETFs"), fixed-income securities, and/or equities. AWML will evaluate your financial situation, investment objectives, financial goals, tolerance for risk, and investment time horizon. Because the management of your investments is based on your financial circumstances, it is important that you provide complete and accurate information to AWML. AWML is also responsible for determining whether your participation in the Program is appropriate for you, and for selecting an Investment Strategy to be used in managing your assets. Once an Investment Strategy is selected for you, Advyzon will manage your account on a discretionary basis according to the mandate of the selected Investment Strategy. You will establish a brokerage account with a qualified custodian. You grant Advyzon the authority to implement transactions in your account in accordance with your selected Investment Strategy. Advyzon will monitor and periodically rebalance your account as they deem necessary. In addition, Advyzon has the discretion to change the investment options and the allocation targets in the Investment Strategy at any time.
- (3) AssetMark Platform: AssetMark Trust Company and Pershing provide custody for the AssetMark Platform, which is sponsored by AssetMark, Inc., a registered investment adviser. The AssetMark Platform has two options. The first is an Asset Allocation System that AWML may use to manage client assets. It is made up of model portfolios provided by a number of institutional investment strategists. The portfolio designs are based on the information, research, asset allocation methodology and investment strategies of the investment strategists. The second option is a Privately Managed Account Program where AssetMark introduces clients to investment managers that AWML recommends, who provide discretionary management of individual portfolios of equity securities, fixed income securities, mutual funds, and/or exchanged traded funds (ETFs).

AssetMark Platform client fees are payable quarterly, in advance, based on the average market value of assets under management during the previous quarter. AWML, AssetMark, the investment strategists who design the portfolios, and others who provide support services for the AssetMark Platform may receive a portion of the fee paid by the client.

The maximum advisory fee charged to clients will not exceed 2.25% per year. Custodian fees may be charged separately from the AssetMark Platform client fees. The amount of the advisory fee charged by AWML and paid by the client depends on a variety of factors. AWML may retain a portion of the fees up to 1.35% of the total fees charged to client for its role as investment adviser.

A condition of participation in the AssetMark Platform is that all accounts are held at Pershing Advisor Solutions or AssetMark Trust Company. Pershing Advisor Solutions or AssetMark serve as Custodian for Retirement Accounts. Execution and clearance of transactions is provided by Pershing or AssetMark Trust Company. As a result, best execution may not be achieved.

A complete description of the AssetMark Platform and related fees and charges can be found in the AssetMark Schedule H Disclosure Brochure, which will be provided to all clients prior to or at the time an account is established. Clients should carefully review the AssetMark Disclosure Brochure prior to establishing an account.

### ***Pension Consulting Services***

AWML offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- identifying investment objectives and restrictions
- providing guidance on various assets classes and investment options
- recommending money managers to manage plan assets in ways designed to achieve objectives
- monitoring performance of money managers and investment options and making recommendations for changes
- recommending other service providers, such as custodians, administrators and broker-dealers
- creating a written pension consulting plan

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

### ***Financial Planning***

Financial plans and financial planning may include but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

In offering financial planning, a conflict exists between the interests of the investment adviser and the interests of the client. The client is under no obligation to act upon the investment adviser's recommendation, and, if the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the investment adviser. This statement is required by California Code of Regulations, 10 CCR Section 260.235.2.

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

AWML generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities. AWMML may use other securities as well to help diversify a portfolio when applicable.

### ***Written Acknowledgement of Fiduciary Status***

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

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

AWML offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent AWMML from properly servicing the client account, or if the restrictions would require AWMML to deviate from its standard suite of services, AWMML reserves the right to end the relationship.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees and transaction costs. AWMML does not participate in wrap fee programs.

## E. Assets Under Management

AWML has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$87,526,554	\$0	December 2024

## Item 5: Fees and Compensation

### A. Fee Schedule

Lower fees for comparable services may be available from other sources.

#### *Portfolio Management Fees*

Total Assets Under Management	Annual Fees
\$0 - \$2,000,000	1.00%
\$2,000,001 - \$4,000,000	0.80%
\$4,000,001 - \$6,000,000	0.60%
\$6,000,001 - \$15,000,000	0.40%
\$15,000,001 - AND UP	0.25%

AWML uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

The fee schedule is a blended tier schedule. Please see below for example.

*Fee formula description:* For purposes of calculating the client's portfolio management fees described above, an example is offered below for a sample \$2,500,000 account:

- For that portion of the client's account(s) up to \$2,000,000 the adviser will charge an annual fee of 1.00% as described above, resulting in an annual fee of \$20,000 on the first \$2,000,000; plus
- For that portion of the client's account(s) exceeding \$2,000,000 but not exceeding \$2,500,000, the adviser will charge an annual fee of 0.80% as described above, resulting in an annual fee of \$4,000 on the portion between \$2,000,000 and \$2,500,000.



*This would result in a total annual fee of \$24,000 on the sample \$2,500,000 account*

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of AWML's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

Asset Management Platforms: SEI, AssetMark and Advyzon receives an annual Program Fee based on a percentage of assets under management, including cash and cash equivalents. This fee is separate from and in addition to the portfolio management fee, outlined above. The maximum annual program fee is 0.75%.

### ***Pension Consulting Services Fees***

#### **Asset-Based Fees for Pension Consulting**

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
All Assets	1.00%

The advisory fee is calculated using the value of the assets on the last business day of the prior billing period

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement.

Clients may terminate the agreement without penalty for a full refund of AWML's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement immediately upon written notice. AWML bills based on the balance on the first day of the billing period

### ***Financial Planning Fees***

#### **Fixed Fees**

The negotiated fixed rate for creating client financial plans is between \$0 and \$50,000.

#### **Hourly Fees**

The negotiated hourly fee for these services is between \$300 and \$800.

Clients may terminate the agreement without penalty, for full refund of AWML's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in arrears.

### ***Payment of Pension Consulting Fees***

Asset-based pension consulting fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in advance.

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

Financial planning fees are paid via check.

Fixed financial planning fees are paid in arrears upon completion.

Hourly financial planning fees are paid in arrears upon completion.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by AWML. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Prepayment of Fees**

AWML collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

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

Neither AWML nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

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

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

AWML generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

There is no account minimum for any of AWML's services.

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

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

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

AWML's methods of analysis include Charting analysis, Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

**Charting analysis** involves the use of patterns in performance charts. AWML uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

### *Investment Strategies*

AWML uses long term trading and selection of other advisers.

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

## **B. Material Risks Involved**

### *Methods of Analysis*

**Charting analysis** strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio

exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

**Quantitative analysis** Investment strategies 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.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

### ***Investment Strategies***

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

**Selection of Other Advisers:** Although AWML will seek to select only money managers who will invest clients' assets with the highest level of integrity, AWML's selection process cannot ensure that money managers will perform as desired and AWML will have no control over the day-to-day operations of any of its selected money managers. AWML would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulator breach or fraud. In monitoring and analyzing the third-party advisers, AWML uses benchmarking analysis, assessing whether the adviser's performance has met, exceeded, or fallen short of comparable benchmarks (e.g., Russell 2000, S&P 500, etc.), together with comparison against any stated benchmarks the adviser has set for itself.

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

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

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment

returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. 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, (3) a significant change in the attitude of speculators and investors. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF’s shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Non-U.S.** securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

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

## **Item 9: Disciplinary Information**

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

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

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

There are no self-regulatory organization proceedings to report.

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

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

Neither AWML nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

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

Neither AWML nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

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

Christopher John Thomas is an accountant and owner of Thomas & Company, CPA. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. AWML always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of AWML in connection with such individual's activities outside of AWML. Christopher John Thomas does not have signatory authority in his capacity as an accountant.



All material conflicts of interest under Section 260.238 (k) of the California Corporations Code are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

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

AWML may direct clients to third-party money managers. AWML will be compensated via a fee share from the advisers to which it directs those clients. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that AWML has an incentive to direct clients to the third-party money managers that provide AWML with a larger fee split. AWML will always act in the best interests of the client, including when determining which third party money managers to recommend to clients. AWML will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where AWML is recommending the adviser to clients.

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

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

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

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

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

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

From time to time, representatives of AWML may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of AWML to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. AWML will always

document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

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

From time to time, representatives of AWML may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of AWML to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, AWML will never engage in trading that operates to the client's disadvantage if representatives of AWML buy or sell securities at or around the same time as clients.

### **Item 12: Brokerage Practices**

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

Custodians/broker-dealers will be recommended based on AWML's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and AWML may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in AWML's research efforts. AWML will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

AWML recommends SEI Private Trust Company, Charles Schwab & Co., Inc. Advisor Services and AssetMark Trust Company.

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

While AWML has no formal soft dollars program in which soft dollars are used to pay for third party services, AWML may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). AWML may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and AWML does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. AWML benefits by not having to

produce or pay for the research, products or services, and AWML will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that AWML's acceptance of soft dollar benefits may result in higher commissions charged to the client.

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

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

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

AWML may permit clients to direct it to execute transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to AWML to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

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

AWML does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

## **Item 13: Review of Accounts**

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

All client accounts for AWML's advisory services provided on an ongoing basis are reviewed at least annually by Christopher Thomas, Managing Member and Chief Compliance Officer, with regard to clients' respective investment policies and risk tolerance levels. All accounts at AWML are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Christopher Thomas, Managing Member and Chief Compliance Officer. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

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

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

With respect to financial plans, AWML's services will generally conclude upon delivery of the financial plan.

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

Each client of AWML's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

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

## **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

AWML receives compensation from third-party advisers to which it directs clients.

AWML has access to a variety of economic benefits, services, and products in connection with AWML's use of SEI's investment adviser platform. The terms and availability of these benefits vary among advisors on the SEI platform (including AWML) depending on the business conducted with SEI and other factors. These services generally help AWML conduct its advisory business, but each specific benefit does not necessarily benefit each client.

Beyond access to SEI investment products, these include conferences, seminars and other educational and networking activities, business entertainment, reimbursement of travel and attendance expenses, research and other investment support services (such as client proposal and other financial planning support), technical and operational solutions (including the SEI Wealth Platform), marketing assistance (including joint marketing designed to promote SEI investment products), compliance services, human resources consulting, risk management/insurance assistance, front office, middle office, back office and other administrative support (including providing clerical staff to assist in the completion of required paperwork), SEI attendance at client meetings, information technology services, continuity and succession planning, access to financing and banking options, trust services, portfolio reporting, automatic rebalancing, tax loss harvesting,

waiver or payment of certain fees (including paying account transfer fees or other charges that AWML or its clients would incur when changing service providers), vendor discounts, discount pricing on SEI services, and broader practice management consulting. These benefits may be provided via SEI, its affiliates, or third parties and may be made available to AWML at no fee, at a discounted fee, or via financial compensation provided by SEI. Some of these offerings depend on AWML conducting a minimum amount or type of current or expected future business with SEI or having a minimum account size or amount of assets under management with SEI or invested in SEI investment products. Certain of these services or products, including those provided by or paid for by SEI, may be used by AWML in connection with its general business activities, in addition to supporting AWML's interaction with SEI systems. The benefits, services, products, or payments discussed herein may be significant to AWML and create an incentive for the AWML to utilize SEI services or investment products for its customers rather than other service providers or investment products. However, AWML strives at all times to put the interests of its clients first, including when selecting custodians or investment products for clients

Charles Schwab & Co., Inc. Advisor Services provides AWML with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes 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. For AWML client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to AWML other products and services that benefit AWML but may not benefit its clients' accounts. These benefits may include national, regional or AWML specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of AWML by Charles Schwab & Co., Inc. 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 AWML 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, if applicable), provide research, pricing information and other market data, facilitate

payment of AWML's fees from its clients' accounts (if applicable), 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 AWML's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to AWML other services intended to help AWML 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, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to AWML by independent third parties. Charles Schwab & Co., Inc. Advisor Services 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 AWML. AWML is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

## **B. Compensation to Non - Advisory Personnel for Client Referrals**

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

## **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, AWML will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, in states that require it, AWML will:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the client's account and verify that the qualified custodian sends invoices to the client.
- (C) Send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. Clients are urged to compare the account statements they received from custodian with those they received from AWML.

## **Item 16: Investment Discretion**

AWML provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, AWML generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. Clients with discretionary accounts will execute a limited power of attorney to evidence discretionary authority. AWML will not place transactions on behalf of non-discretionary client accounts.

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

AWML will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

AWML neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

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

Neither AWML nor its management has any financial condition that is likely to reasonably impair AWML's ability to meet contractual commitments to clients.

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

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

## **Item 19: Requirements For State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

AWML currently has only one management person: Christopher John Thomas. Education and business background can be found on the individual's Form ADV Part 2B brochure supplement.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

### **C. Calculation of Performance-Based Fees and Degree of Risk to Clients**

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

### **D. Material Disciplinary Disclosures for Management Persons of this Firm**

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

### **E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

Neither AWML, nor its management persons, has any relationship or arrangement with issuers of securities.