

Registered as: National Wealth Management Group, LLC | CRD No. 174883



## **Form ADV Part 2A – Disclosure Brochure**

**Effective: March 25, 2025**

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This brochure provides information about the qualifications and business practices of National Wealth Management Group (“NWMG” or the “Adviser”). If you have any questions about the contents of this brochure, please contact us at (800) 936-3820 or by email at [ben@nwmgadvisors.com](mailto:ben@nwmgadvisors.com).

NWMG is a registered investment adviser with the United States Securities and Exchange Commission (“SEC”). The information in this brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment adviser does not imply any specific level of skill or training.

Additional information about National Wealth Management Group is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## Item 2 – Material Changes

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This item contains only the material changes made since the previous annual amendment filed on March 5, 2023.

NWMG has made the following material changes to now be represented in this Disclosure Brochure:

- Item 12 – Brokerage Practices – Updated to remove disclosures associated with NWMG’s brokerage practices with Interactive Brokers; and

At any time, you can view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our CRD# 174883. You can also request a copy of this Disclosure Brochure at any time, by contacting us at (800) 936-3820 or by email at [ben@nwmgadvisors.com](mailto:ben@nwmgadvisors.com).

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## Item 4 – Advisory Services

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### A. Firm Information

National Wealth Management Group, LLC (“NWMG” or the “Adviser”) was formed and registered as an investment adviser with the Securities and Exchange Commission (“SEC”) in 2015.

National Wealth Management Group offers services through our network of Investment Advisor Representatives (“IARs”). Some of our IARs have their own legal business entity whose trade name and logos are used for marketing purposes; they can appear on marketing materials and/or client statements. Any such trade name is a legal entity of the IAR, not NWMG. The IARs are under the supervision NWMG and the advisory services of the IAR are provided through NWMG. National Wealth Management Group has the arrangement described above with the following Investment Advisor Representatives:

- Vivienne Schleu - Alpina Financial Consultants, LLC;
- Lisa Gerardi - Gerardi Wealth Management, LLC;
- Angela Howard - Model Wealth Group, LLC: and,
- Brent Gargano – Infinite Wealth Planning.

### B. Advisory Services Offered

National Wealth Management Group, LLC provides fee-based investment advisory services primarily to individuals and high-net worth individuals (each a “Client”) based on the individual goals, objectives, time horizon, and risk tolerance of each client. 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

IARs are restricted to providing services and charging fees in accordance with the descriptions provided in this document and detailed in the account agreement. However, the exact service and fees charged to a particular client are dependent upon the IAR that is working with the client. IARs are instructed to consider the individual needs of each client when recommending an advisory platform. Investment strategies and recommendations are tailored to the individual needs of each client.

IARs associated with NWMG are appropriately licensed and authorized to provide advisory services on behalf of NWMG. IARs associated with NWMG may also be registered representatives of LPL

Financial, an SEC registered and FINRA<sup>1</sup>/SIPC<sup>2</sup> member broker/dealer. Any securities transactions for these IARs shall be directed to LPL Financial for execution. As registered representatives of a broker-dealer, these IARs can receive commissions on any investment products sold or placed through LPL Financial that are not related to NWMG. Any such commissions and/or renewals on products they may solicit through LPL Financial is in addition to any compensation received from NWMG.

In particular, IARs can earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL Financial. You are encouraged to learn more about LPL by reviewing LPL's Form CRS and having a discussion with your IAR. Additional information about LPL Financial can be found on the [Investment Adviser Public Disclosure](#) website<sup>3</sup>. You can also access free and simple tools to help you research firms and financial professionals at Investor.gov/CRS, which provides educational materials about broker-dealers, investment advisers, and investing. NWMG and LPL Financial are not affiliated legal entities.

### **Principal Owners**



**Benjamin J. Jones (50%)** – Ben serves as a Managing Director, Chief Executive Officer and Chief Compliance Officer as well as a Financial Advisor. He earned his B.S. in Business Administration from Pepperdine University; he started his career as a financial advisor in 2006.



**Vivienne K. Schleu, CPA (50%)** – Ms. Schleu serves as the Managing Director, Chief Financial Officer and Financial Advisor. Vivienne started in the securities industry in 1995, the first year that Florida allowed CPA's to become securities licensed.

### **C. Client Account Management**

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<sup>1</sup> **FINRA (Financial Regulatory Authority)** is dedicated to investor protection and market integrity through effective and efficient regulation of the securities industry. FINRA is not part of the government, but an independent, not-for-profit organization authorized by Congress to protect America's investors by making sure the securities industry operates fairly and honestly. <http://www.finra.org>.

<sup>2</sup> **SIPC (Securities Investors Protection Corporation)** was created under the Securities Investor Protection Act as a non-profit membership corporation. SIPC oversees the liquidation of member broker-dealers that close when the broker-dealer is bankrupt or in financial trouble, and customer assets are missing. <http://sipc.org>

<sup>3</sup> An official website of the United States Government 

Prior to engaging NWMG to provide investment advisory services, each Client is required to enter into an investment advisory agreement and, depending on the service(s) engaged, one or more agreements with other third parties. The investment advisory agreement executed with NWMG defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – NWMG, in connection with the Client, develops a strategy in pursuit of the Client’s goals, both long-term and short-term objectives.
- Asset Allocation – NWMG will develop a strategic asset allocation that is targeted to the investment objectives, time horizon, financial situation and tolerance of risk for each Client.
- Portfolio Construction – NWMG will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – NWMG will provide investment management and ongoing oversight of the Client’s investment portfolio.

### **Investment Management Services**

National Wealth Management Group, through its IARs, provides ongoing investment advice and management on assets in the client’s custodial accounts. Advice may be discretionary or non-discretionary as indicated in the client account agreement. More specific account information and acknowledgements are further detailed on the account application.

NWMG’s investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. NWMG will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

Investment management services can include:

- Redistributing investment allocations to diversify the portfolio
- Employing cash positions as a possible hedge against market movement
- Selling positions to harvest capital gains or losses
- Business or sector risk exposure to a specific security or class of securities
- Managing overweighted position[s] in accordance with risk tolerance
- Generating cash to meet Client needs
- Risk Management

Investment strategies and recommendations generally consist of a broad asset allocation consistent with one of the six following objectives:

1. **Income with Capital Preservation.** Emphasis is placed on generation of current income with lower exposure to higher-volatility assets. Designed as a longer-term accumulation account, this investment objective is considered generally the most conservative. Lowering the risk generally means lowering the overall return.
2. **Income with Moderate Growth.** This investment objective emphasizes generation of current income with a secondary focus on moderate capital growth.
3. **Growth with Income.** This investment objective emphasizes modest capital growth with some focus on generation of current income.
4. **Growth.** This investment objective emphasizes achieving high long-term growth and capital appreciation. Emphasizing higher-volatility assets, there is little focus on generation of current income.
5. **Aggressive Growth.** This investment objective emphasizes aggressive growth and maximum capital appreciation, with no focus on generation of current income. This objective has a very high level of risk and is for investors with a longer time horizon.
6. **Speculative.** This investment emphasizes a potential high rate of return with unproven strategies and a significant risk of losing most or all of the amount invested. The primary objective is capital appreciation with no focus on income generation. This objective has the highest level of risk and is for investors with long-term time horizons and do not rely on the capital invested.

### **LPL Financial Sponsored Platforms - Strategic Wealth Management (SWM I and SWM II)**

Strategic Wealth Management is the name of the custodial account offered through LPL Financial LLC to support investment advisory services provided by NWMG. Within a SWM account, IARs provide advice on the purchase and sale of various types of investments, such as mutual funds, exchange-traded funds (“ETFs”), variable annuity subaccounts, real estate investment trusts (“REITs”), equities, and fixed income securities. The advice is tailored to the individual needs of the client based on the investment objective chosen by the client in order to help assist clients in attempting to meet their financial goals. Accounts are reviewed on a regular basis and rebalanced as necessary according to each client’s investment profile. More specific account information and acknowledgements are further detailed in the account opening documents.

IARs can offer SWM I or SWM II. The accounts offer the same investment choices and are managed in substantially the same manner, but the fee structure is different. For SWM I, clients are charged transaction fees in addition to the advisory fee whereas for SWM II, the transaction fees are absorbed as part of the advisory fee (a “wrap fee”). NWMG offers SWM II as wrap fee program where the firm acts as the sponsor and portfolio manager. Please see Appendix 1 –Wrap Fee Program Brochure, which is

included as a supplement to this Disclosure Brochure. The advisory fee for SWM II accounts will typically be higher than SWM I to account for the transaction fees.

Depending on the anticipated level of trading, NWMG IARs will work with each client to determine the most cost-effective fee structure. The minimum account opening amount is generally \$15,000.

### **LPL Sponsored Wrap Fee Programs**

National Wealth Management Group offers a number of other wrap fee programs where LPL serves as the sponsor and portfolio manager. While LPL serves as the wrap fee sponsor and portfolio manager, NWMG manages the allocation of funds across different portfolios and available fund selections.

#### **Optimum Market Portfolios Program (OMP)**

The Optimum Market Portfolios (“OMP”) program offers clients the ability to participate in a professionally managed asset allocation program designed by LPL Financial. There are six Optimum Funds that can be purchased within an OMP account:

1. Optimum Large Cap Growth Fund
2. Optimum Large Cap Value Fund
3. Optimum Small Cap Growth Fund
4. Optimum Small Cap Value Fund
5. Optimum International Fund
6. Optimum Fixed Income Fund

NWMG will obtain the necessary financial data from each Client and then select the proper fund portfolio program. While NWMG selects an appropriate portfolio program, LPL Financial will manage the underlying Optimum Funds on a discretionary basis consistent with the portfolio program objectives. LPL Financial does not directly manage fund assets on behalf of any particular client. LPL Financial follows an asset allocation investment style in constructing portfolios for OMP. Asset allocation methodology is implemented by combining investments representing various asset classes that react differently to varying market conditions. Thus, if one asset class reacts negatively to certain market events, the potential exists for another asset class to react positively. As with any investment strategy, there is no guarantee that the use of an asset allocation strategy will produce favorable results. NWMG is responsible for educating Clients about this investment style in advance of opening the account by explaining the various asset classes (e.g., large cap growth, large cap value, etc.) being used. This educational process continues throughout the time that the Client maintains the account.

OMP is one of several portfolio platforms centrally managed by LPL Financial. OMP enables NWMG to manage client assets through diversified asset allocation models employing professional money management and automatic rebalancing. A minimum account value of \$1,000 is required for OMP.



### **Personal Wealth Portfolios Program (PWP)**

PWP offers Clients an asset management account using third party adviser portfolio allocation models designed by LPL Financial. The PWP program is a unified managed account program in which LPL and NWMG provide ongoing investment advice and management. In PWP, clients invest in asset allocation portfolios (“Portfolios”) designed by LPL’s Research Department, which include a combination of mutual funds, exchange-traded funds (“ETFs”) and investment models (“Models”) provided to LPL by third party money managers (“PWP Advisors”). The Models typically consist of equity and fixed income securities but can include investment company securities (ETFs and mutual funds). LPL’s Research Department selects the mutual funds, ETFs and Models to be made available in a Portfolio. NWMG obtains the necessary financial data from the client, assists the client in determining the suitability of the program and assists the client in setting an appropriate investment objective. NWMG, or client with the assistance of the Advisor, selects a portfolio based on client’s investment objective and then selects among the mutual funds, ETFs and/or Models available in the portfolio. If client authorizes Advisor to take discretion to make such selections on client’s behalf, the discretionary authority will be set out in the Account Agreement and Application signed by the Client. Neither LPL nor a third-party money manager directly provides advisory services to the clients of NWMG. The third-party money managers selected by LPL Financial for a program platform manage the portfolio without regard for any particular Client of NWMG. The Advisor is solely responsible for the advisory services provided and selecting the proper portfolio of third-party money managers. NWMG is not acting as promoter for LPL Financial or other third-party money managers. A minimum account value of \$250,000 is required for PWP.

### **Model Wealth Portfolios Program (MWP)**

Model Wealth Portfolios offers clients a professionally managed mutual fund asset allocation program. NWMG IARs will obtain the necessary financial data from the Client, assist the Client in determining the suitability of the MWP program and assist the Client in setting an appropriate investment objective. The Advisor will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL’s Research Department consistent with the Client’s stated investment objective. LPL’s Research Department is responsible for selecting the mutual funds within a model portfolio and for making changes to the mutual funds selected. The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds including in certain circumstances exchange traded funds and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts. In the future, the MWP program may make available model portfolios designed by strategists other than LPL’s Research Department. If such models are made available, NWMG will have discretion to choose among the available models designed by LPL or outside strategists. A minimum account value of \$10,000 is required for MWP.

### **Manager Access Select Program (MAS)**

Manager Access Select provides clients access to the investment advisory services of professional portfolio management firms for the individual management of client accounts. NWMG will assist client in identifying a third-party portfolio manager (Portfolio Manager) from a list of Portfolio Managers made available by LPL. The Portfolio Manager manages client's assets on a discretionary basis. NWMG will provide initial and ongoing assistance regarding the Portfolio Manager selection process. A minimum account value of \$50,000 is typically required for MAS, however, in certain instances, the minimum account size may be lower or higher.

### **Manager Access Network Program (MAN)**

Manager Access Network enables high-net-worth investors to access a variety of institutional portfolio managers. By using separate account managers, clients can enjoy a higher level of specialization and service through the ownership of individual securities. A broad range of portfolio managers and multiple investment styles are available, including equity, fixed income, asset classes, mutual funds, ETFs, and specialty strategies. Clients contract directly with the portfolio managers for discretionary asset management services. LPL Financial provides brokerage, custodial, and administrative services to clients. Due diligence and portfolio monitoring is not provided by LPL Research. Minimum account balances vary by portfolio manager, but typically start at \$100,000 for equity strategies and \$250,000 for fixed income strategies.

### **Guided Wealth Portfolios (GWP)**

Guided Wealth Portfolios ("GWP" or the "Managed Service") offers clients the ability to participate in a centrally managed, algorithm-based investment program which is made available to users and clients through a web-based, interactive account management portal ("Investor Portal"). Investment recommendations to buy and sell open-end mutual funds and exchange-traded funds are generated through LPL's proprietary, automated, computer algorithms (collectively, the "Algorithm"), based upon model portfolios constructed by LPL and selected for the account as described below (such model portfolio selected for the account, the "Model Portfolio").

Communications concerning GWP are provided by LPL and intended to occur primarily through electronic means (including but not limited to, through email communications or through the Investor Portal), although NWMG will be available to discuss investment strategies, objectives or the account in general in person or via telephone.

A preview of the Managed Service (the "Educational Tool") is provided for a period of up to forty-five (45) days to help users determine whether they would like to become advisory clients and receive ongoing financial advice from LPL and NWMG by enrolling in the Managed Service. The Educational Tool and Managed Service are described in more detail in the GWP Program Brochure available from LPL and from NWMG IARs. Users of the Educational Tool are not considered to be advisory clients of LPL, NWMG, do not enter an advisory agreement with LPL or NWMG, do not receive ongoing

investment advice or supervisions of their assets, and do not receive any trading services. A minimum account value of \$5,000 is required to enroll in the Managed Service.

- Features of the Educational Tool - Users of the Educational Tool (each, a “user”) agree to a terms of use (“Terms of Use”) and complete an investor profile. An investment objective (“Investment Objective”) and Model Portfolio is assigned to each user based upon factors in the investor profile, including risk tolerance and the number of years remaining until the age of retirement (such time being referred to herein as the “Retirement Age”). (See description in “Features of the Managed Service” below for information regarding the design of the Model Portfolios.) Based on the Investment Objective and Model Portfolio, the Educational Tool generates sample analysis, advice and investment recommendations (“Sample Recommendations”).
  - The Educational Tool provides Sample Recommendations that are designed to assist users in determining whether to utilize the Managed Service. Access to the Educational Tool is limited to a period of forty-five (45) days. The Educational Tool is intended to be used for educational and informational purposes only. The Educational Tool does not provide comprehensive financial planning and is not intended to constitute legal, financial or tax advice. There are typically other relevant factors and financial considerations (e.g., debt load or financial obligations) that LPL and NWMG do not take into consideration in formulating any Sample Recommendations provided. The Sample Recommendations made are meant solely as a sample of the types of recommendations available through the Managed Service. LPL and NWMG are not responsible for any actions taken with respect to the Sample Recommendations, and users are solely responsible for making their own investment decisions. The Educational Tool is only one of many tools that users can use as part of a comprehensive investment analysis process. Users should not rely on the Educational Tool as the sole basis for investment decisions.
  - Although LPL is an investment adviser and broker-dealer registered with the SEC and a member of the Financial Industry Regulatory Authority, in providing access to the Educational Tool, LPL and NWMG do not intend to establish an advisory relationship, or in the case of LPL, a brokerage relationship, with users of the Educational Tool. Users are not charged an advisory fee or any other fee or expense to use the Educational Tool. The scope of any investment advisory relationship with LPL and NWMG begins when users enroll in the Managed Service. The output that users receive by using the Educational Tool, including the Sample Recommendations, can differ materially from the advice users would receive as an advisory client of LPL and NWMG.
  - Neither LPL nor NWMG provides ongoing investment management or trading services for assets of users of the Educational Tool, makes any determination as to whether the website

through which the Managed Service is accessed, or the Educational Tool is appropriate for any user. Neither LPL nor NWMG can access any assets in any accounts users aggregate in the Educational Tool, places any trades on behalf of users of the Educational Tool, or provides ongoing supervision of assets of users of the Educational Tool. The Sample Recommendations provided are intended as an informational preview of the Managed Service, and the Sample Recommendations are being provided to demonstrate the types of analysis, advice and recommendations provided by the Managed Service.

- Features of the Managed Service - Clients participating in the Managed Service complete an account application (the “Account Application”) and enter into an account agreement (the “Account Agreement”) with LPL and NWMG. As part of the account opening process, clients are responsible for providing complete and accurate information regarding, among other things, their age, risk tolerance, and investment horizon (collectively, “Client Profile”). LPL and NWMG rely on the information in the Client Profile in order to provide services under GWP, including but not limited to, determination of suitability of GWP for clients and an appropriate Investment Objective and Model Portfolio for clients. The Model Portfolios have been designed and are maintained by LPL or, in the future, a third-party investment strategist (as applicable, the “Portfolio Strategist”) and shall include a list of securities holdings, relative weightings and a list of potential replacement securities for tax harvesting purposes. Neither the Client nor NWMG’s IARs can access, change or customize the Model Portfolios. Only one Model Portfolio is permitted per account.
  - Based upon a client’s risk tolerance as indicated in the Client Profile, the client is assigned an investment allocation track (currently conservative, moderate, or aggressive) for a Retirement Goal or a Major Purchase Goal, the purpose of which is to slowly rotate the client’s equity exposure allocation to fixed income exposure and cash over time. LPL Research created these tracks using academic research on optimized retirement allocations, the industry averages as calculated by Morningstar for the target date fund universe, and input from other third parties.
  - Within the applicable allocation track and based upon a client’s chosen Retirement Age in the Client Profile, the client will be assigned a Model Portfolio and one of five of LPL’s standard investment objectives.
    - Income with capital preservation. Designed as a longer term accumulation account, this investment objective is considered generally the most conservative. Emphasis is placed on generation of current income with minimal risk of capital loss. Lowering the risk generally means lowering the potential income and overall return.
    - Income with moderate growth. This investment objective emphasizes generation of current income with a secondary focus on moderate capital growth.
    - Growth with income. This investment objective emphasizes modest capital growth with some focus on generation of current income.
    - Growth. This investment objective emphasizes achieving high long-term growth and capital appreciation. There is little focus on generation of current income.

- Aggressive growth. This investment objective emphasizes aggressive growth and maximum capital appreciation, with no focus on generation of current income. This objective has a high level of risk and is for investors with a longer timer horizon.

Both the client and NWMG are required to review and approve the initial Investment Objective. As a client approaches the Retirement Age, the Algorithm will automatically adjust the client's asset allocation. Any change to the Investment Objective directed by a Client due to changes in the Client's risk tolerance and/or Retirement Age will require written approval from the Client and NWMG before implementation. Failure to approve the change in Investment Objective will result in a Client remaining in a Model Portfolio that is no longer aligned with the applicable Client Profile. The Investment Objective selected for the account is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time and may be inconsistent with other asset allocations suggested to client by LPL and/or NWMG prior to client entering into the Account Agreement. Achievement of the stated investment objective is a long-term goal for the account, and asset withdrawals can impair the achievement of client's investment objectives. A Client Profile that includes a conservative risk tolerance over a long-term investment horizon typically will result in the selection of an Investment Objective that is riskier than would be selected over a shorter-term investment horizon. Clients should contact NWMG if they believe the Investment Objective does not appropriately reflect the Client Profile, such as their risk tolerance.

- By executing the Account Agreement, clients authorize LPL and NWMG to have discretion to buy and sell only open-end mutual funds ("Mutual Funds") and exchange-traded funds ("ETFs") (collectively, "Program Securities") according to the Model Portfolio selected and, subject to certain limitations described in the Account Agreement, hold or liquidate previously purchased non-model securities that are transferred into the account ("Legacy Securities"). In order to be transferred into an account, Legacy Securities must be Mutual Funds with which LPL has a full or partial selling agreement, ETFs or individual U.S. listed stocks. Securities that are not Program Securities included within the Model Portfolio will not be purchased for an account, and, in its sole discretion, LPL will determine whether to hold or sell Legacy Securities, generally, but not solely, with the goal of optimizing tax impacts for accounts that are subject to tax. Additional Legacy Securities will not be purchased for the account. Clients cannot impose restrictions on liquidating any Legacy Securities for any reason. Clients should not transfer in Legacy Securities that they are not willing to have liquidated at the discretion of LPL.
- In addition, uninvested cash will be invested in money market funds, the Multi-Bank Insured Cash Account ("ICA") or the Deposit Cash Account ("DCA"), as described in the Account Agreement. Dividends paid by the Program Securities in the account will be contributed to the cash allocation and ultimately reinvested into the account based on the Model Portfolio once the tolerance within cash allocation is surpassed.

- Pursuant to the Account Agreement, NWMG is authorized to perform tax harvesting when deemed acceptable by the Algorithm. None of the Client, NWMG or LPL can alter trades made for tax harvesting purposes. In order to permit trading in a tax-efficient manner, the Account Agreement also grants the authority to select specific tax lots when liquidating securities within the account. Although the Algorithm attempts to achieve tax efficiencies, by doing so the client's portfolio may not directly align with Model Portfolio. As a result, the client can expect to receive advice that differs from the advice received by accounts using the same Model Portfolio, and the client's account would perform differently than other accounts using the same Model Portfolio.
- During the term of the Account Agreement, LPL will perform a daily review of the account to determine if rebalancing is appropriate based on tolerance thresholds established by LPL. At each rebalancing review, the account will be rebalanced if at least one of the account positions is outside such thresholds, subject to a minimum transaction amount established by LPL. In addition, LPL may review the account for rebalancing in the event that the Portfolio Strategist changes a Model Portfolio, which could delay placing rebalancing transactions for non-qualified (that is, taxable) accounts by a number of days in an attempt to limit short-term tax treatment for any position being sold. In addition, trading in the account at any given time is also subject to certain conditions, including but not limited to, conditions related to trade size, the target cash allocation and allocation tolerances. The rebalancing frequency cannot be altered by the Client, NWMG, or LPL registered representatives.
- Selection of a Third-Party Robo Advisor - Under NWMG agreement with LPL, NWMG was provided the opportunity to offer GWP, which utilizes LPL's Algorithm as described herein, to prospective clients. NWMG is not otherwise affiliated with LPL.
- NWMG believes that certain clients will benefit from GWP services, particularly due to the relatively low minimum account balance and the combination of a digital advice solution with access to an advisor. Unlike direct-to-consumer Robo platforms, NWMG is responsible on an ongoing basis as investment advisor and fiduciary for the client relationship, including for recommending the program for the client; providing ongoing monitoring of the program, the performance of the account, and the services of LPL; determining initial and ongoing suitability of the program for the client; reviewing clients' suggested portfolio allocations; reviewing and approving any change in Investment Objective due to changes clients make to their Client Profile; answering questions regarding the program, assisting with paperwork and administrative and operational details for the account; and being available to clients to discuss investment strategies, changes in financial circumstances, objectives or the account in general in person or via telephone. NWMG can also recommend other suitable investment programs if clients have savings goals or investment needs for which GWP is not the optimal solution.

### **Schwab Managed Account Platforms**

The Managed Account Select<sup>®</sup> (“Select”) and Managed Account Access<sup>®</sup> (“Access”) programs make up Schwab’s single-contract offering. Select and Access are wrap fee programs that offer brokerage, custody, and money manager (“manager”) services.

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

National Wealth Management Group includes securities transaction fees together with its investment advisory fees. Including these fees into a single asset-based fee is considered a “Wrap Fee Program”. The Advisor customizes its investment management services for its Clients. The Advisor details NWMG Wrap Fee Programs within a supplemental wrap fee program disclosure. Depending on the level of trading required for the Client’s account[s] in a particular year, the Client may pay more or less in total fees than if the Client paid its own transaction fees. Please see Appendix 1 –Wrap Fee Program Brochure, which is included as a supplement to this Disclosure Brochure.

#### **E. Retirement Plan Consulting**

Investment advisor representatives of NWMG may assist clients that are trustees or other fiduciaries to retirement plans (“Plans”) by providing fee-based consulting and/or advisory services. IARs may perform one or more of the following services, as selected by the client in the client agreement:

- Assistance in the preparation or review of an investment policy statement (“IPS”) for the Plan based upon consultation with client to ascertain Plan’s investment objectives and constraints.
- Acting as a liaison between the Plan and service providers, product sponsors or vendors.
- Ongoing monitoring of investment manager(s) or investments in relation to the criteria specified in the Plan’s IPS or other written guidelines provided by the client to IAR.
- Preparation of reports describing the performance of Plan investment manager(s) or investments, as well as comparing the performance to benchmarks.
- Ongoing recommendations, for consideration and selection by client, about specific investments to be held by the Plan or, in the case of a participant-directed defined contribution plan, to be made available as investment options under the Plan.
- Education or training for the members of the Plan investment committee with regard to various matters, including plan features, retirement readiness matters, service on the committee, and fiduciary responsibilities.

- Assistance in enrolling Plan participants in the Plan, including conducting an agreed upon number of enrollment meetings. As part of such meetings, IARs may provide participants with information about the Plan, which may include information on the benefits of Plan participation, the benefits of increasing Plan contributions, the impact of pre-retirement withdrawals on retirement income, the terms of the Plan and the operation of the Plan.

If the Plan makes available publicly traded employer stock (“company stock”) as an investment option under the Plan, IARs do not provide investment advice regarding company stock and are not responsible for the decision to offer company stock as an investment option. In addition, if participants in the Plan can invest the assets in their accounts through individual brokerage accounts, a mutual fund window, or other similar arrangement, or can obtain participant loans, investment advisor representatives do not provide any individualized advice or recommendations to the participants regarding these decisions. Furthermore, IARs do not provide individualized investment advice to Plan participants regarding their Plan assets. In addition, if client elects to engage an IAR to perform ongoing investment monitoring and ongoing investment recommendation services to a Plan subject to ERISA in the client agreement, such services will constitute “investment advice” under Section 3(21)(A)(ii) of ERISA. Therefore, the IARs will be deemed a “fiduciary” as such term is defined under Section 3(21)(A)(ii) of ERISA in connection with those services. Clients should understand that to the extent the IAR is engaged to perform services other than ongoing investment monitoring and recommendations, those services are not “investment advice” under ERISA and therefore, the IAR will not be a “fiduciary” under ERISA with respect to those other services.

From time to time the NWMG may make the Plan or Plan participants aware of and may offer services that are separate and apart from the services provided under Retirement Plan Consulting. Such other services may be services to the Plan, to a client with respect to client's responsibilities to the Plan and/or to one or more Plan participants. In offering any such services, the IAR is not acting as a fiduciary under ERISA with respect to such offering of services. If any such separate services are offered to a client, the client will make an independent assessment of such services without reliance on the advice or judgment of the IAR. Such service may include:

- Assistance with investment education seminars and meetings for Plan participants. Such meetings may be on a group or individual basis, and may include information about the investment options under the Plan (e.g., investment objectives, risk/return characteristics, and historical performance), investment concepts (e.g., diversification, asset classes, and risk and return), and how to determine investment time horizons and assess risk tolerance. Such meetings do not include specific investment advice about investment options under the Plan as being appropriate for a particular participant.
- Assistance at client’s direction in making changes to investment options under the Plan.



- As part of the ongoing investment recommendation service set out above, assistance in identifying investment options in connection with the “broad range” requirement of Section 404(c) of the Employee Retirement Income Security Act of 1974 (“ERISA”).
- As part of the ongoing investment recommendation service set out above, assistance in identifying an investment fund product or model portfolio in connection with the definition of a “Qualified Default Investment Alternative” (“QDIA”) under ERISA.
- Assistance with the preparation, distribution and evaluation of Request for Proposals, finalist interviews, and conversion support in connection with vendor analysis and service provider support.
- Preparation of comparisons of Plan data (e.g., regarding fees and services and participant enrollment and contributions) to data from the Plan’s prior years and/or a benchmark group of similar plans.
- Assistance in identifying the fees and other costs borne by the Plan for, as specified by client, investment management, recordkeeping, participant education, participant communication and/or other services provided with respect to the Plan.

#### **F. Plan Participant Advisory Services (PPAS)**

Investment advisor representatives of NWMG, can be engaged to provide asset allocation and/or specific investment recommendations for retirement plan assets based on the investment options available and the financial information provided by the client. The IAR tailors the recommendation to the individual needs of the client based upon their investment objectives. Depending on the available options offered by the plan custodian, IARs may have discretionary authority to directly execute trades on behalf of clients or the client may retain the sole responsibility for determining whether to implement any recommendations and for placing transactions. The IAR is responsible for determining the fee to charge each client based on factors such as total amount of assets involved in the relationship and the complexity of the services. Clients should consider the level and complexity of the services to be provided when negotiating the fee with IAR. Clients pay the fee by a check made payable to NWMG. The client can terminate the arrangement at any time, and may request a refund of unearned fees, if any, based on the time and effort completed prior to the termination of the agreement. The agreement terminates upon delivery of a written or verbal recommendation. No refunds will be made after delivery of the recommendation, except when the number of actual hours is less than the estimated number of hours expected.

#### **G. Variable Sub-Account Management Services**

National Wealth Management Group is available to manage variable annuity and/or variable life sub-accounts by selecting, monitoring and exchanging as necessary between the available investment

choices. Sub-accounts are managed based on a particular client's financial goals, risk tolerance and time horizon while taking into account certain restrictions.

## H. Financial Planning Services

National Wealth Management Group will typically provide a variety of financial planning and consulting services to Clients, pursuant to a written financial planning agreement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation. A particular client's financial plan will include the relevant types of planning specific to their needs and objectives such as:

- **Business Succession** – planning for the continuation of a business in a smooth a transition as possible with the use of buy-sell agreements, key-man insurance and engaging independent legal counsel as needed.
- **Cash Flow/ Budget Planning** – planning to manage expenses against current and projected income.
- **College / Education** – planning to pay the future college / education expenses of a child or grandchild.
- **Divorce** – planning for the financial impact of divorce such as change in income, retirement benefits and tax considerations.
- **Estate Planning** – planning that focuses on the most efficient and tax friendly option to pass on an estate to a spouse, other family members or a charity.
- **Final Expenses** – planning to leave assets to cover final expenses such as funeral, debts and potential business continuity.
- **Insurance Needs** – planning for the financial needs of survivors to satisfy such financial obligations as housing, dependent childcare and spousal arrangements as well as education.
- **Investment Planning** – planning an investment strategy consistent with some particular objectives, time horizons and risk tolerances.
- **Major Purchase** – Evaluation of the pros and cons of home ownership verse renting as well as buying or leasing a car, for example.
- **Retirement** – planning an investment strategy with the objective of providing inflation- adjusted income for life.
- **Tax Planning** – planning a tax efficient investment portfolio to maximize deductions and off-setting losses.
- **Wealth Accumulation** – planning to build wealth within a portfolio that takes into consideration risk tolerance and time horizon.

The services take into account information collected from the client such as financial status, investment objectives and tax status, among other data. Fees for such services are negotiable and detailed in the client agreement. The financial plan may include generic recommendations as to general types of investment products or specific securities which may be appropriate for the Client to purchase given his/her financial situation and objectives. The Client is under no obligation to act upon IAR recommendation or purchase such securities. However, if the Client desires to purchase securities or advisory services in order to implement his/her financial plan, NWMG may make a variety of products and services available through its IARs. This may result in the payment of normal and customary commissions, advisory fees or other types of compensation to NWMG and the IAR.

For certain financial planning engagements, NWMG will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

### **I. Trust & Will**

National Wealth Management Group can offer estate planning services to clients that consist of education on estate planning topics and the collection of general information necessary to complete a new estate plan or review a current estate plan. NWMG can also assist a client in gathering the required information needed by an independent third-party estate planning firm<sup>4</sup>.

Any and all fees paid by the client for outside services can be paid to the provider directly or, depending on the client specific agreement, such fees can be paid by NWMG.

### **J. Hourly Consulting Services**

National Wealth Management Group IARs can provide consulting services including, as selected by the client in the consulting agreement, advice regarding tax planning, investment planning, retirement planning, estate planning, cash flow/budget planning, business planning, education planning, and personal financial planning. The services take into account information collected from the client such as financial status, investment objectives and tax status, among other data. IARs may or may not deliver to the client a written analysis or report as part of the services. IARs tailor the hourly consulting services to the individual needs of the client based on the investment objective chosen by the client. The

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<sup>4</sup> Certain Investment Advisor Representatives, that are not dually registered as Registered Representatives of a broker/dealer utilize the services of Trust & Will, a third-party digital estate planning service for clients who have the need for estate planning review, creation or updates (<https://trustandwill.com/>). Clients are not required to utilize any third-party products, services or referrals and can select the service provider of their choice. The introduction and/or use of such service providers does not amount to the practice of law; National Wealth Management Group does not provide legal services.

engagement terminates upon final consultation with the client. Fees for such services are negotiable and detailed in the client agreement.

### **K. Third Party Advisory Services**

National Wealth Management Group can establish agreements with a third-party adviser where that adviser offers various types of directly sponsored programs. All third-party investment advisers to whom NWMG may refer clients will be licensed as investment advisers by their resident state and any applicable jurisdictions or Registered Investment Advisers with the SEC. After gathering information about a client's financial situation and investment objectives, NWMG may assist the client in selecting a particular third-party program with whom NWMG has established an agreement. NWMG receives compensation pursuant to its agreements with these third-party advisers for introducing Clients and for certain ongoing services provided to Clients.

This compensation to NWMG is disclosed in a separate disclosure document and is typically a percentage of the third party's investment advisory fee or a fixed fee. The disclosure document provided by NWMG will clearly state the fees payable to NWMG and the impact to the overall fees due to these payments. Since the compensation paid to NWMG may differ depending on the agreement with each third-party adviser, NWMG has an incentive to recommend one third-party advisers over another; however, the firm has a fiduciary duty to act in the best interests of the client.

NWMG seeks to ensure full disclosure for Clients who are referred to third-party investment advisers, including services rendered and fee schedules, by delivery at the time of the referral of a copy of the relevant third-party adviser's Form ADV 2A as well as the Form ADV 2A for NWMG. If the investment program recommended to a client is a wrap fee program, the client will also receive the wrap fee program brochure provided by the sponsor of the program.

Clients will be required to enter into an advisory agreement and complete other account specific documents with the third-party money manager in order to establish an account. While NWMG will assist in determining an appropriate third-party adviser, NWMG does not participate in the management of accounts established with a third-party money manager.

### **L. IRA Rollover Considerations**

When National Wealth Management Group provides investment advice to Clients regarding their retirement plan accounts or individual retirement accounts, the firm is a fiduciary 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 NWMG makes money creates some conflicts with a client's interests, so NWMG operates under a rule that requires the Advisor to act in a Client's best interest in making such recommendations and not put the firm's interests ahead of a client.

Alternatively, NWMG can provide an education only approach regarding rolling over retirement plan account assets to an individual retirement account ("IRA") that NWMG can manage on a behalf of a

Client. Clients that elect to rollover assets to an IRA will pay an asset management fee to NWMG, which is a conflict of interest.

Clients are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by NWMG. Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of each.

An employee will typically have four options:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney. If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - Employer retirement plans generally have a more limited investment menu than IRAs.
  - Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, participants could potentially delay their required minimum distribution beyond age 70½.
6. A 401(k) may offer more liability protection than a rollover IRA; each state may vary.
  - Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies.
  - However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.

7. Participants may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If company stock is owned in a plan, participants may be able to liquidate those shares at a lower capital gains tax rate.
10. Plans may allow NWMG to be hired as the manager and keep the assets titled in the plan name.

It is important to understand the differences between these types of accounts and to decide whether a rollover is the best option. Prior to proceeding, if you have questions contact your Investment Adviser Representative, or call our main number as listed on the cover page of this brochure.

If an IAR with NWMG recommends that a client roll over their retirement plan assets, such a recommendation creates a conflict of interest because NWMG and that IAR will earn an advisory fee on the rolled over assets. No client is under any obligation to rollover retirement plan assets to an account managed by NWMG. NWMG's Chief Compliance Officer, Benjamin J. Jones, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.

### **M. Conflicts of Interest**

Under federal and state law, National Wealth Management Group is a fiduciary and must fully disclose all material facts relating to an advisory relationship. As a fiduciary, NWMG seeks to avoid conflicts of interest or, at a minimum, make full disclosure to provide sufficiently specific facts for Clients to understand and appreciate the risk associated with a conflict of interest. The disclosure goal is to allow clients to provide informed consent or to decide not to engage NWMG for services. Clients are encouraged to consider and ask questions about conflicts disclosed throughout this document, including the specific conflicts of interest listed below.

#### **Insurance Products**

Investment advisor representatives of NWMG can also be insurance agents able to sell insurance products for commission compensation.

- Advisory fees are not charged on funds used to purchase insurance products.
- Advisory fees are not reduced due to compensation received for insurance commissions.
- The receipt of commissions provides an incentive to purchase insurance products.

#### **Money Managers and Product Sponsors**

Investment advisor representatives will, on occasion, have an opportunity to attend a training event or participate in a due diligence visit where the Money Manager or Product Sponsor will cover the associated travel expenses such as airfare, hotel and meals. Training opportunities are often held at luxury resorts where amenities such as golf, spas and entertainment are provided. Such accommodations represent a conflict of interest that can influence the evaluation of the Money Manager or Product sponsor based on factors other than the quality of services.

### **Additional Compensation**

NWMG can receive an economic benefit for providing advisory services from sources other than the Client. Economic benefits include sales awards and gifts, an occasional meal, as well as entertainment such as a concert, show or sporting event. Such compensation is not directly related to the advice or services provided to a particular client, but it does create a conflict of interest that can influence the selection of services based on the compensation received. See Item 14, Client Referrals and Other Compensation, for additional information.

### **Industry Professionals**

When it is in the best interests of the Client, NWMG can introduce the services of other professionals for certain non-investment purposes (i.e., attorneys and accountants). In particular, Clients can receive tax preparation services as a complementary or discounted service through a separate legal entity subsidiary, Alpina Tax & Accounting Services (ATAS).

Introductions represent a conflict of interest because they create a relationship where the other professional has an implied obligation to introduce potential new clients to NWMG. Clients are under no obligation to engage the services of any such professional. If the client engages any such professional, and a dispute arises, any recourse will be exclusively from and against the engaged professional.

### **Financial Planning**

Depending on the type of account that could be used to implement a financial plan, compensation can include (but is not limited to) advisory fees, advisory program wrap fees; commissions; mark-ups and mark-downs; transaction charges; confirmation charges; small account fees; mutual fund 12b-1 fees; mutual fund sub-transfer agency fees; hedge fund, managed futures, and variable annuity investor servicing fees; retirement plan fees; fees in connection with an insured deposit account program; marketing support payments from mutual fund, annuity and insurance sponsors; administrative servicing fees for trust accounts; referral fees; compensation for directing order flow; and bonuses, awards or other things of value. To the extent that an IAR recommends that Client invest in products and services that will result in compensation being paid to NWMG and the IAR, this presents a conflict of interest. This compensation to IAR and NWMG may be more or less depending on the product or service that IAR recommends. Therefore, there is a financial incentive to recommend that a financial plan be implemented using a certain product or service over another product or service.

Clients are under no obligation to act upon the recommendations contained in a financial plan. If the client elects to act on any of the recommendations, there is under no obligation to effect the transaction through the investment adviser.

Conflicts of interest are mitigated by the fiduciary duty to always act solely in a client's best interest and acting accordingly. Benjamin Jones, the Chief Compliance Officer, is available to discuss any concerns that exist due to a conflict of interest.

## N. Assets Under Management

As of December 31, 2024 National Wealth Management Group manages the following assets:

Assets Under Management	Assets
Discretionary Assets	\$324,533,963
Non-Discretionary Assets	\$9,965,354
<b>Total</b>	<b>\$334,499,317</b>

- Investment advisor representatives of NWMG also provide consulting services to variable annuity assets under advisement held in brokerage accounts at LPL Financial that are not actively managed, there is no trading authority and no advisory fee. Clients may request more current information at any time by contacting the Advisor.

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## Item 5 – Fees and Compensation

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The following paragraphs detail the fee structure and compensation methodology for services provided by National Wealth Management Group, LLC. Each Client engaging NWMG for services described herein shall be required to enter into a written agreement with NWMG.

### A. Fees for Advisory Services

#### Investment Management Services

The specific way fees are charged by the firm is established in a client's written agreement between the client and NWMG – up to 3.0% of assets under management. Clients can determine to engage the services of NWMG on a discretionary or non-discretionary basis. Investment advisory fees are paid quarterly in advance or in arrears<sup>5</sup>.

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<sup>5</sup> Advance Billing = [Quarter End Value x Advisory Fee Rate] / 360 x 90 Days  
Arrears Billing = [Average daily balance x Advisory Fee Rate] / 360 x 90 Days



- For account held at LPL Financial, advisory fees are based on the market value of assets under management at the end of the quarter, billed in advance.
- For account held at Charles Schwab, advisory fees are based on the market value of assets under management at the end of the month, billed in arrears. (Please also see the [Charles Schwab Pricing Guide](#) at this hyperlink).

Investment advisory fees are negotiable based on several factors, including: the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities are likely to have a higher fee than less complicated accounts.

The independent custodian selected sends statements at least quarterly to you showing the market values for each security included in the assets and all disbursements in your account including the amount of the advisory fees paid to us. The custodian is responsible for calculating and deducting advisory fees from client accounts by direct agreement or invoice.

If the advisory agreement is terminated before the end of the quarterly period, client is entitled to a pro-rated refund of any pre-paid quarterly advisory fee if any based on the number of days remaining in the quarter after the termination date.

### **Mutual Fund Share Class Selection**

Section 206 of the Investment Advisers Act of 1940 (Advisers Act”) imposes a fiduciary duty to act solely in a client’s best interests and specifically prohibits investment advisers, directly or indirectly, from engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client. However, the fiduciary duty to which advisers are subject is not specifically defined in the Advisers Act or the Commission rules but reflects a Congressional recognition “of the delicate fiduciary nature of an investment advisory relationship” as well as a Congressional intent to eliminate, or at least expose, all conflicts of interest which might incline an investment adviser, consciously or unconsciously, to render advice which was not disinterested.

With regard to the selection of individual mutual fund share classes, NWMG will seek to determine the most advantageous share class available to each client. While institutional share classes are usually the lowest cost alternative in terms of annual expenses, under certain circumstances clients may be better served to pay a higher annual expense ratio and avoid a transaction fee on each trade. When selecting a mutual fund for a client’s advisory account, the Investment Advisor Representative has a fiduciary duty to select the share class that helps manage the overall fee structure of the account. The overall fee structure includes such fees as: Asset Management Fees, Expense ratio, which includes 12b-1 fees, generally .25% for A-shares and/or trade ticket charges.

The more beneficial share class depends on an analysis of all fees including ticket charges and expected 12b-1 fees. The purpose of 12b-1 fees, as approved by the SEC, are to cover marketing expenses and shareholder services such as the support services. Investing in a 12b-1 fee paying share class can be less expensive for a client than investing in a share class with a lower expense ratio if the ticket charges on the lower-cost share class exceed the amount of ongoing 12b-1 fees.

Depending on the anticipated trading volume, and the asset management fee that is determined based on account size, complexity and time requirements, IARs have a fiduciary duty to determine the mutual fund share class that is in the best interest of each client as part of the overall fee analysis.

For a wrap fee account, a different conflict of interest is introduced because the Advisor now has an incentive to *not* trade as frequently (reverse churning) to avoid the ticket charges which can affect the profitability of a wrap fee account. This conflict is mitigated by an IAR's fiduciary duty to act solely in a client's best interest while also considering the higher asset management fee charged for wrap fee accounts presumes such ticket charges. Additional trading (and tickets charges) do not impact compensation to the IAR.

- IARs must anticipate and monitor trading volume, and the asset management fee that is determined based on account size, complexity and time requirements.
- NWMG will review mutual fund positions that clients transfer “in kind” to be included in assets managed by NWMG and will advise the client as to alternatives available to them regarding share classes.
- NWMG recognizes that in some situations, alternative share classes might not be available. For example, 529 and 401(k) Plans often have a limited array of investments and share classes available.

### **Legacy Mutual Fund Holdings**

When the client transfers assets into a managed account, the portfolio advisor will review the client's mutual fund holdings. If such mutual fund holdings not among NWMG's recommended funds, the mutual fund will generally be sold unless the client needs to avoid a taxable gain or directs NWMG to hold the position. In some circumstances, if the legacy holding fits into the asset allocation of the portfolio, it may be held going forward. In other circumstances, including certain advisory platform services offered by or through NWMG, there may be no option to hold legacy mutual funds.

When legacy holdings are maintained in a Client account, the Client's IAR is responsible for conducting an initial analysis of the mutual fund share class that he or she believes is in the Client's best interest to hold based on the account size, investment strategy and eligibility requirements. If it is determined to be in the Client's best interest to convert to an alternative share class and the position meets the minimum investment and eligibility criteria, NWMG will place instructions for the custodian to convert the position on its next available share class conversion date.

If not converted, the position will be re-evaluated during the next account review. All steps taken will be documented either in the Client's file or in the trading records of the firm.

### **Retirement Plan Consulting Fees**

National Wealth Management Group offers the following optional flat fee arrangement for pension consulting agreements. The determined annual fee will be increased each year with a cost-of-living adjustment of an agreed upon percentage.

- Frequency (monthly, quarterly, annually, or other)
- Timing (fees will be charged quarterly in advance, or arrears)
- Method (based on the value of plan assets in the method determined by the third-party payer or based on the value of the plan assets at the beginning of quarter, or end of quarter).

The minimum flat fee range is generally between \$2,000 and \$5,000 annually depending on the size, complexity and services offered. Fees will be paid by the investment provider or other third party, out of Plan Assets, in accordance with the third party's policies accepted by the plan sponsor, or invoiced to the plan sponsor directly.

### **Plan Participant Advisory Services Fees (PPAS)**

For Plan Participant Advisory Services services, the fee is negotiated between the IAR and Client and the amount of the fee is as stated in the client agreement. The fee is paid to NWMG, who shares up to 100% (typically between 90% and 100%) of the fee with the IAR based on the agreement between NWMG and the IAR. Client pays either on an hourly basis or flat rate basis. The hourly charge is a maximum of \$500 per hour and the flat rate fee ranges from \$0 to \$15,000. On a case-by-case basis, NWMG also may charge a higher fee depending upon the complexity of the service.

The client may elect to pay the fee upon execution of the agreement or upon delivery of the recommendation. Clients should understand that the fee that the client negotiates with the IAR may be higher than the fees charged by other investment advisors for similar services. This is the case, in particular, if the fee is at or near the maximum fees set out above. The IAR is responsible for determining the fee to charge each client based on factors such as total amount of assets involved in the relationship

and the complexity of the services. Clients should consider the level and complexity of the services to be provided when negotiating the fee with their IAR. Clients pay the fee to NWMG directly or can instruct and authorize NWMG to debit the fee from a non-retirement Client account.

The client can terminate the agreement at any time, and may request a refund of unearned fees, if any, based on the time and effort completed prior to the termination of the agreement. The agreement terminates upon delivery of the written recommendation. No refunds will be made after delivery of the written recommendation, except when the number of actual hours is less than the estimated number of hours quoted in the agreement.

### **Variable Sub-Account Management Fees**

The advisory fee will be paid in arrears based upon a percentage of the market value on the last day of the calendar quarter not to exceed 2.0% annually (0.5% quarterly). Alternatively, clients may negotiate an annual flat fee within a general range of between \$100 and \$1,000 depending on the market value and the extent of services. The insurance company issuing the variable annuities and/or variable life contracts will charge management expenses and possibly exchange and surrender fees in addition to and separate from the investment advisory fees charged by NWMG. The product prospectus contains more details about the additional fees that apply. If an IAR of NWMG sold the variable annuity and/or variable life contract in their separate capacity as a registered representative of a broker/dealer and insurance agent, they likely received separate compensation unrelated to any advisory fees charged by NWMG. In such an event NWMG will not charge separate advisory fees until after two years from the date of purchase.

## **B. Financial Planning Services**

NWMG charges an hourly fee up to \$500 an hour or a flat fee typically ranging from \$100 to \$15,000 for financial planning depending on relevant circumstances. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Depending on the complexity of a plan, fees may exceed \$15,000.

### **Hourly Consulting Services**

Consulting services are based on an hourly or flat fee basis. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our hourly fees range from \$100 - \$500.

### **Third-Party Advisors**

Each third-party advisor charges independent fees not to exceed 2% in total. The qualified custodian is authorized by the Client under separate agreement to calculate and deduct the advisory fee. The total

advisory fee is paid to the third-party advisor who makes payment to NWMG by agreement between the third-party advisor and NWMG.

This annual fee shall be pro-rated and paid quarterly, in advance, from the fees received by the Adviser pursuant to the Program Agreement and based upon the market value of the Assets on the last business day of the previous calendar quarter.

No increase in the annual fee shall be effective without prior written notification to the Advisor.

If the advisory agreement is terminated before the end of the quarterly period, client is entitled to a pro-rated refund of any pre-paid quarterly advisory fee based on the number of days remaining in the quarter after the termination date. Lower fees for comparable services may be available from other sources.

### **Friends & Family**

National Wealth Management Group may offer services to family and friends at a reduced or no fee basis.

### **C. Other Fees and Expenses**

Clients typically will incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client's account[s]. National Wealth Management Group includes securities transactions costs as part of its overall investment advisory fee through the NWMG Wrap Fee Program. Securities transaction fees for Client-directed trades will be charged back to the Client. In addition, all fees paid to NWMG for investment advisory services or part of the NWMG Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of NWMG, but would not receive the services provided by NWMG which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by NWMG to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

### **D. Advance Payment of Fees and Termination**

#### **Investment Management Services**

Either party can terminate the investment advisory agreement by providing advance written notice to the other party. The Client can terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Advisor will refund any unearned, prepaid investment advisory fees. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior approval.

## **Financial Planning Services**

Either party can terminate the financial planning agreement by providing advance written notice to the other party. The Client can terminate the financial planning agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engage, the percentage of the engagement scope completed by the NWMG. National Wealth Management Group will refund any unearned, prepaid planning fees from the effective date of termination. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior approval.

## **E. Compensation for Sales of Securities**

LPL Financial charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). LPL Financial enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The commission and transaction fees charged by LPL Financial may be higher or lower than those charged by other custodians and broker/dealers. Clients can direct their brokerage transactions at a firm other than LPL Financial. Advisory fees are generally not reduced to offset commissions or markups.

When dealing with investment advisory clients and services, NWMG and its IARs have affirmative duties of care and loyalty, an obligation to act with honesty and good faith and to act solely in the best interests of Clients. NWMG and its IARs should avoid even the appearance of a conflict of interest with advisory clients and, where certain conflicts cannot be eliminated from the fiduciary relationship, must mitigate those conflicts and fully disclose all material facts concerning all such conflicts that do remain. Please note, clients may purchase investment products recommended by our firm through other, non-affiliated broker dealers or agents.

When IARs sell an investment product on a commission basis, NWMG does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, NWMG IARs do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing mutual fund commission that may be received as previously discussed). However, a client may engage NWMG to provide investment management services for an advisory fee and also purchase an investment product from an IAR on a separate commission basis.

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

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Neither NWMG nor its IARs accept performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client. We also do not participate in side-by-side management, where an advisor manages accounts that are both charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee.

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## Item 7 – Types of Clients

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National Wealth Management Group generally provides investment advice to individuals and high net worth individuals, corporations and insurance companies.

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

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### A. Methods of Analysis

National Wealth Management Group emphasizes continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds (“ETFs”), options, mutual funds and other public and private securities. The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, it is subject to review and if necessary, rebalanced based upon the client’s individual needs, stated goals and objectives. Each client can place reasonable restrictions on the types of investments to be held in the portfolio.

The firm uses multiple forms of analysis to formulate investment advice when managing assets. Depending on the analysis the firm will implement a long or short-term trading strategy based on the particular objectives and risk tolerance of a particular client.

- **Charting Analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends
- **Cyclical Analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security. 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** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. 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.
- **Long-Term Purchases** are securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Options Trading/Writing** – is a securities transaction that involves buying or selling (writing) an option. If you write an option and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option. Our investment strategies and advice varies depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines can affect the composition of your portfolio.
- **Short-Term Purchases** are securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- **Technical Analysis** involves the analysis of past market data, primarily price and volume. 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.

As noted above, NWMG generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. NWMG will typically hold all or a portion of a security for more than a year but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, NWMG may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

## B. Risk of Loss



Investing in securities involves certain investment risks. Securities fluctuate in value and can lose value, even over the long term. Clients should be prepared to bear the potential risk of loss. NWMG will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals. While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value, resulting in negative investment performance.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that could affect this analysis. The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. The firms' methods of analysis and investment strategies all have inherent risks and performance limitations. Clients should be aware of the following types of risks that apply to investing and are encouraged to discuss the specific risks applicable to their account holdings:

- **Business Risk** – the measure of risk associated with a particular security. It is also known as unsystematic risk and refers to the risk associated with a specific issuer of a security. Generally speaking, all businesses in the same industry have similar types of business risk. More specifically, business risk refers to the possibility that the issuer of a particular company stock or a bond may go bankrupt or be unable to pay the interest or principal in the case of bonds.
- **Call Risk** – the risk specific to bond issues and refers to the possibility that a debt security will be called prior to maturity. Call risk usually goes hand in hand with reinvestment risk because the bondholder must find an investment that provides the same level of income for equal risk. Call risk is most prevalent when interest rates are falling, as companies trying to save money will usually redeem bond issues with higher coupons and replace them on the bond market with issues with lower interest rates.
- **Complex Product Risk** – Complex Products are complicated instruments that should only be used by sophisticated investors who fully understand the terms, investment strategy and risks associated with the funds. Clients should be aware of certain specific risks involved in trading Complex Products. These risks include, but are not limited to:

- **Use of Leverage and/or Derivative Instruments:** Many leveraged and inverse funds as well as volatility-linked products use leverage and derivative instruments, such as futures and options contracts, to achieve their stated investment objectives. As such, they can be extremely volatile and carry a high risk of substantial losses. Complex Products are considered speculative investments and should only be used by investors who fully understand the risks and are willing and able to absorb potentially significant losses.
- **Seeking Daily Target Returns:** Most Complex Products "reset" daily, meaning that they are designed to achieve their stated objectives daily. Because of compounding, the return for investors who invest for a period longer than one trading day may vary significantly from the stated goal as well as the target benchmark's performance. This is especially true in very volatile markets or if a Complex Product is tracking a very volatile underlying index. Investments in any Complex Product must be actively monitored daily and are typically not appropriate for a buy-and-hold strategy.
- **Higher Operating Expenses and Fees:** Investors should be aware that these Complex Products typically rebalance their portfolios frequently, often daily, to compensate for anticipated changes in overall market conditions. For example, volatility-linked ETPs will rebalance their exposure to futures of different maturities to maintain the targeted maturity. This rebalancing can result in frequent trading and increased portfolio turnover. These Complex Products will, therefore, have higher operating expenses and investment management fees than other funds or products.
- **Tax Treatment May Vary:** In many cases, Complex Products may generate their returns using derivative instruments. Because derivatives are taxed differently from equity or fixed-income securities, investors should be aware that these Complex Products may not have the same tax efficiencies as other funds or products.
- **Concentration Risk** – Concentrated portfolios are an aggressive and highly volatile approach to trading and investing and should be viewed as complementary to a stable, highly predictable investment approach. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic price swings. In addition, the rise or drop in price of any given holding in the portfolio is likely to have a larger impact on portfolio performance, than a more broadly diversified portfolio.
- **Credit Risk** – the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- **Cybersecurity Risk.** The computer systems, networks and devices used by us and our service providers employ a variety of protections designed to prevent damage or interruption

from computer viruses, network and computer failures and cyberattacks. Despite such protections, systems, networks and devices potentially can be breached. Cyberattacks include, but are not limited to, gaining unauthorized access to digital systems for purposes of corrupting data, or causing operational disruption, as well as denial-of-service attacks on websites. Cyber incidents may cause disruptions and impact business operations, potentially resulting in financial losses, the inability of us or our service providers to trade, violations of privacy and other laws, regulatory fines, reputational damage, reimbursement costs and additional compliance costs, as well as the inadvertent release of confidential information.

- **Currency/Exchange Rate Risk** – the risk of a change in the price of one currency against another.
- **Exchange Traded Fund and Mutual Fund Risk:** The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may incur additional costs associated with ETFs and mutual funds (see Item 5). ETF Shares are listed for trading and can be bought and sold on the secondary market at market prices. Although it is expected that the market price of ETF Shares typically will approximate its net asset value (NAV), there may be times when the market price and the NAV vary significantly. Thus, clients may pay more or less than NAV when the ETF Shares are purchased on the secondary market, and clients may receive more or less than NAV when selling those shares. Although ETF Shares are listed for trading in secondary markets, it is possible that an active trading market may not be maintained, and Trading of ETF Shares may be halted by the activation of individual or market wide "circuit breakers" (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of ETF Shares may also be halted if the shares are delisted.
- **Inflationary Risk** – the risk that future inflation will cause the purchasing power of cash flow from an investment to decline.
- **Interval Fund Repurchase Offers Risk.** National Wealth Management Group can recommend or purchase interval funds. Subject to applicable law, one or more of these funds may place limitations on the percentage of outstanding shares that may be repurchased in each period. If a repurchase offer is oversubscribed, the fund will repurchase the shares tendered on a pro rata basis, and shareholders will have to wait until the next repurchase offer to make another repurchase request. As a result, shareholders may be unable to liquidate all, or a given percentage, of their investment in the fund during a repurchase offer. Some shareholders, in anticipation of proration, may tender more shares than they wish to have repurchased in a quarter, thereby increasing the likelihood that proration will occur. A shareholder may be subject to market and other risks, and the net asset value of shares tendered in a repurchase offer may decline between the repurchase request deadline and the date on which the net asset value

for tendered shares is determined. In addition, the repurchase of shares by the fund may be a taxable event to shareholders.

- **Interest Rate Risk** – the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.
- **Legislative Risk** – the risk of a legislative ruling resulting in adverse consequences.
- **Liquidity Risk** – the possibility that an investor may not be able to buy or sell an investment as and when desired or in sufficient quantities because opportunities are limited.
- **Market Risk** – the risk that the value of securities may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- **Pandemic Risk** – Large-scale outbreaks of infectious disease that can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption.
  - **COVID-19:** The novel coronavirus known as COVID-19 involves significant risk of a sustained increase in the volatility of global markets, which volatility could continue for the foreseeable future. Market responses to decisions made by governments and scientists around the world, including measures to contain the spread of the virus, availability of healthcare and treatments, and rolling shutdowns of markets across the globe would negatively impact markets and pose a significant risk of loss to investment principal. The pandemic also poses a risk from a human capital and resource perspective.
- **Portfolio Inactivity Risk.** Advisor maintains procedures for reviewing client portfolios and for making changes to a client’s account holdings. There may be periods where Advisor determines that changes to a client’s portfolio are unnecessary. Clients will remain responsible for paying Advisor’s fees during all periods and are solely responsible for determining whether the Advisor’s services remain appropriate for them.
- **Real Estate Investment Trust 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 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.

- **Reinvestment Risk** – the risk that falling interest rates will lead to a decline in cash flow from an investment when its principal and interest payments are reinvested at lower rates.
- **Restrictions on Transferability of Certain Mutual Funds.** Certain mutual funds are generally only available through registered investment Advisors. If a client terminates Advisors’ services, they may be unable to transfer their securities to a retail account or to another broker/dealer, and they may be unable to purchase additional shares of those mutual funds they currently own. If they determine to sell their mutual funds, they may be subject to tax consequences.
- **Social/Political** – the possibility of nationalization, unfavorable government action or social changes resulting in a loss of value.
- **Tax Harvesting Risk** – One trading strategy employed in client accounts is tax harvesting. The intent of this trade is to sell an ETF or mutual fund at a taxable loss and replace that position with a holding whose historical performance and expected future performance are similar, thereby having little impact on the overall strategic allocation, but capturing the tax loss. Because past performance is no indication of future performance, there is potential for the future performance of the replacement position to deviate from that of the initial holding. This type of strategy may also incur an increase in the frequency of trading and amount of transaction costs.
- **Taxability Risk** – the risk that a security that was issued with tax-exempt status could potentially lose that status prior to maturity. Since municipal bonds carry a lower interest rate than fully taxable bonds, the bond holders would end up with a lower after-tax yield than originally planned.
- **Volatility-Linked Products Risk** – Volatility-linked ETPs are designed to track the Chicago Board Options Exchange Volatility Index (VIX) futures. The VIX is a measure of the expected volatility of the S&P 500 index as measured by the implied volatility of options on that index. Volatility ETPs gain exposure to market volatility through futures and/or options contracts on the VIX. Volatility-linked ETPs that seek to maintain a continuous, targeted maturity exposure to VIX futures will either track or hold VIX futures contracts on a rolling basis. They will sell shorter-term contracts or contracts about to expire with contracts that have more distant or deferred maturity dates in order to maintain the desired exposure. The performance of volatility-linked ETPs may be significantly different than the performance of the VIX and the actual realized volatility of the S&P 500 Index. VIX futures contracts are among the most volatile segments of all futures markets. Volatility-linked ETPs may be subject to extreme volatility and greater risk of loss than other traditional ETFs.

There are different types of investments that involve varying degrees of these and other risks, and it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal any specific performance level(s). Past performance is not indicative of future results.

Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.

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### **Item 9 – Disciplinary Information**

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There are no material legal, regulatory or disciplinary events to disclose.

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

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#### **Broker-Dealer Affiliation**

Investment Advisor Representatives can also be registered representatives of LPL Financial, a registered broker-dealer (CRD No. 6413), member FINRA/SIPC. Registered representatives are eligible to receive commissions for securities transactions.

#### **Insurance Agency Affiliations**

Certain Investment Advisor Representatives are also a licensed insurance professional (i.e., an insurance agent). Insurance agents earn commission compensation for selling insurance products. Commissions generated by insurance sales do not offset NWMG advisory fees. This represents a conflict of interest, as the IAR stands to increase their income by selling such products to advisory clients. Clients are under no obligation to implement any recommendations made.

#### **Accounting Firm Affiliation**

Certain NWMG personnel are also employees or owners in the accounting firm, Alpina Tax and Accounting Services, LLC, where some are individually licensed and practicing Certified Public Accountants providing accounting services for separate and typical compensation. Alpina Tax and Accounting Services, LLC typically recommends NWMG to accounting clients in need of advisory services. Conversely, NWMG typically recommends Alpina Tax and Accounting Services, LLC to advisory clients in need of accounting services. Accounting services provided by Alpina Tax and Accounting Services, LLC are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No NWMG client is obligated to use Alpina Tax and Accounting Services, LLC for any accounting services and conversely, no accounting client is obligated to use the advisory services provided by us. Alpina Tax and Accounting Services, LLC do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf.

Neither NWMG nor any of the management persons are registered or has a registration pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

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

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

NWMG has implemented a Code of Ethics (the “Code”) that defines our fiduciary commitment to each Client and addresses personal trading, insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting.. This Code applies to all persons associated with NWMG (our “Supervised Persons”). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. NWMG and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of NWMG’s Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code.

An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser’s responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code, please contact us at (800) 936-3820 or by email at [ben@nwmgadvisors.com](mailto:ben@nwmgadvisors.com).

### **B. Personal Trading with Material Interest**

It is the expressed policy of our firm that no person employed by us is permitted to purchase or sell any security prior to a transaction being implemented for an advisory account, thereby preventing an employee from benefiting from transactions placed on behalf of advisory accounts. NWMG does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund or advise an investment company. NWMG does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

NWVG allows our Supervised Persons to purchase or sell the same securities that are recommended to and purchased on behalf of Clients. Owning the same securities, we recommend to you presents a conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted the Code to address personal trading and personal securities reporting. When trading for personal accounts, Supervised Persons have a potential conflict of interest if trading in the same securities as those traded in client accounts. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by NWVG requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer (“CCO”) or delegate and by conducting a review of personal accounts and the accounts of the Clients. We have also adopted written policies and procedures to detect the misuse of material, non-public information in such a manner.

#### **D. Personal Trading at Same Time as Client**

It is the expressed policy of our firm that no person employed by us is permitted to purchase or sell any security prior to a transaction being implemented for an advisory account, thereby preventing an employee from benefiting from transactions placed on behalf of advisory accounts.

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### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian**

At no time will NWVG accept or maintain custody of a Client’s funds or securities, except for authorized deduction of NWVG fees. All Client assets will be managed within their designated brokerage account, pursuant to the Client investment advisory agreement.

NWVG will recommend that Clients establish accounts at LPL Financial and Schwab & Co., Inc. (Schwab), each a FINRA/SIPC member broker/dealer, to serve as the Client’s “qualified custodian”. An adviser has a fiduciary duty to its clients to seek best execution where the adviser has the authority to direct trades. Unless otherwise directed by the clients, NWVG executes all client trades through their selected custodian, Neither NWVG nor any related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are affected. Clients may direct their brokerage transactions at a firm other than their selected custodians. Client directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we cannot aggregate orders to reduce transaction costs, or you could receive less favorable prices. Conversely, client directed brokerage accounts could also result in more favorable prices, depending on each client’s individual situation.

- NWVG does not maintain custody of your assets, although we are deemed to have constructive custody of your assets to the extent that we have the ability to withdraw fees from your account.



- NWMG is independently owned and operated and is not affiliated with the account custodian , although individual employees may also be registered representatives of LPL Financial.
- The custodian will hold your assets in a brokerage account and buy and sell securities when instructed by NWMG.
- While NWMG recommends the custodian/broker, you will decide with whom to open your account by entering into an account agreement directly with the custodian/broker.
- NWMG does not open the custodial/brokerage account, although we may offer assistance.
- Not all advisors require their clients to use a particular broker-dealer or custodian selected by the advisor.

We seek to have selected a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other executions over the same period. We consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients

- Availability of other products and services that benefit us, as discussed below (see "Products and services available to us from Schwab")

### **Brokerage and Custody Costs**

The custodian generally does not charge you separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle in an account. Certain trades (for example, many mutual funds and ETFs) do not incur commissions or transaction fees. Custodians are also compensated by earning interest on the uninvested cash in an account.

For some accounts held at Schwab, you may be charged a percentage of the dollar amount of assets in the account in lieu of commissions (a "wrap fee"). Clients participating in such a program will also receive Appendix 1 –Wrap Fee Program Brochure, which is a supplement to this Disclosure Brochure

Schwab's commission rates and asset-based fees applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$15 million. This commitment benefits NWMG clients at Schwab because the overall commission rates and asset-based fees are lower than they would be otherwise. In addition to commissions and asset-based fees, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker/dealer. Because of this, in order to minimize client trading costs, we have Schwab execute most trades for account.

### **Custodial Services offered by LPL Financial (LPL)**

NWMG can recommend that clients establish a brokerage account with LPL to maintain custody of clients' assets and to effect trades for their accounts. LPL provides brokerage and custodial services to independent investment advisory firms, including NWMG. For accounts custodied at LPL, LPL generally is compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL Financial or that settle into LPL accounts. For IRA accounts, LPL generally charges account maintenance fees. In addition, LPL also charges clients miscellaneous fees and charges, such as account transfer fees. LPL charges NWMG an asset-based administration fee for administrative services provided by LPL. Such administration fees are not directly borne by clients but are considered by NWMG in setting its advisory fees for clients. While LPL does not participate in, or influence the formulation of, the investment advice provided, certain supervised persons are dually registered with LPL. Dually registered IARs are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker/dealer or custodian that is not approved by LPL.

Clients should also be aware that for accounts where LPL serves as the custodian, NWMG is limited to offering services and investment vehicles that are approved by LPL and is prohibited from offering services and investment vehicles that are available through other broker/dealers and custodians, some of

which may be more suitable for a client's portfolio than the services and investment vehicles offered through LPL.

Clients should understand that not all investment advisers recommend that clients custody their accounts and trade through specific broker/dealers.

Clients should also understand that LPL is responsible under FINRA rules for supervising certain business activities of NWMG and its Dually Registered Persons that are conducted through broker/dealers and custodians other than LPL Financial. Similarly, LPL is responsible under FINRA rules for supervising certain account activity of accounts held at a custodian other than LPL. LPL charges a fee for its oversight of activities conducted through these other broker/dealers and custodians. This arrangement presents a conflict of interest because NWMG has a financial incentive to recommend that you maintain your account with LPL rather than with another broker/dealer or custodian, to avoid incurring the oversight fee. The conflict is mitigated by the fiduciary duty to act in a client's best interest and by doing so.

### **Custodial Services offered by Schwab**

NWMG is deemed to have custody of client assets held at Schwab based on the authority to withdraw fee from the account. Schwab will hold client assets in a brokerage account and buy and sell securities when instructed.

Schwab generally does not charge separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into a Schwab account. Certain trades (for example, many mutual funds and ETFs) do not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program.

### **Products and Services available to us from Schwab**

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms. They provide access to institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services:

- Access to a broad range of investment products
- Execution and custody of assets.
- Investment products which might not otherwise be available
- Lower minimum initial investments

Schwab offers products and services to National Wealth Management Group that do not directly benefit clients, but these products and services assist in managing and administering accounts, such as:

- Investment research,
- Software and other technology that provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

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

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services. Schwab may also discount or waive fees for some of these services or pay all or a part of a third party's fees. Schwab also provides other benefits, such as occasional business entertainment of our personnel.

The availability of these services from Schwab benefits National Wealth Management Group because we do not have to produce or purchase them. National Wealth Management Group does not have to pay for Schwab's services. Schwab has also agreed to provide to NWMG without a cost we would otherwise incur for technology, research, marketing, and compliance consulting products and services once the value of our clients' assets in accounts at Schwab reaches \$15,000,000.00.

- These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody.
- This creates an incentive to recommend that clients maintain accounts with Schwab, based on our interest in receiving Schwab's services that benefit our business and Schwab's payment for services for which we would otherwise have to pay rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions.

This is a conflict of interest. In some cases, the services that Schwab pays for are provided by an affiliate or by another party that has some pecuniary, financial or other interests. This creates an additional conflict of interest. This conflict of interest is mitigated by the fiduciary duty to act in a best interests.

Clients should also be aware that for accounts where Broker/Dealer serves as the custodian, The firm is limited to offering services and investment vehicles that are approved by Broker/Dealer, and is prohibited from offering services and investment vehicles available through other broker/dealers and custodians, some of which may be more suitable for a client's portfolio than the services and investment vehicles offered through Broker/Dealer.

### **Soft Dollars**

Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services.

National Wealth Management Group, LLC does not receive soft dollars; however, the firm receives support services and/or products from our custodians to better monitor and service program accounts maintained on behalf of NWMG's clients. These support services and/or products are received without cost, at a discount, and/or at a negotiated rate, and can include the following:

- investment-related research
- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by Advisor in furtherance of its investment advisory business operations
- custody of securities
- trade execution
- clearance and settlement of transactions

The research products and services provided by a Custodian can include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making. These support services provided by a Custodian to NWMG are based on the overall relationship between NWMG and the Custodian. It is not the result of soft dollar arrangements or any other express arrangements with the Custodian that involves the execution of client transactions as a condition to the receipt of services.

- National Wealth Management Group, LLC will continue to receive the services regardless of the volume of client transactions executed with the Custodian.
- Clients do not pay more for services as a result of this arrangement.
- There is no corresponding commitment made by the NWMG to the Custodian or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement.

Although the non-soft dollar investment research products and services are generally used to service all of our clients, a brokerage commission paid by a specific client can be used to pay for research that is not used in managing that specific client's account. As a result of receiving the services, NWMG has an incentive to continue to use or expand the use of the Custodian's services.

### **Brokerage Referrals**

NWMG does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.

### **Transaction Fees**

The Custodians charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). The Custodians enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The commission and transaction fees charged by the Custodians may be higher or lower than those charged by other custodians and broker/dealers.

### **Best Execution**

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we do not necessarily obtain the lowest possible commission rates for specific client account transactions.

## **B. Aggregating and Allocating Trades**

For advisory services, NWMG and its related persons may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the

client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. National Wealth Management Group and its related persons may determine not to aggregate transactions, for example, based on the size of the trades, number of client accounts, the timing of trades, and the liquidity of the securities and the discretionary or non-discretionary nature of the trades. If National Wealth Management Group or its related persons do not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating can cost clients more money.

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## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

For those clients to whom NWMG provides investment advisory services, account reviews are conducted on an ongoing basis by their investment advisor representative. All investment advisory clients are advised that it remains their responsibility to advise NWMG of any changes in their investment objectives and/or financial situation. All clients are encouraged to review, in person or via telephone, financial planning issues, investment objectives and account performance with their Investment Advisor Representative on an annual basis.

### **B. Causes for Reviews**

Accounts are typically reviewed with Clients annually by the individual investment advisor representative(s) assigned to the account. Reviews may be conducted more or less frequently at the Client's request. Additionally, accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account. The Client is encouraged to notify NWMG if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from their selected Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client can also establish electronic access to the Custodian's website so that the Client can view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by NWMG**

NWMG has in place policies and procedures requiring the Firm to disclose at the time of the initial referral the nature of the relationship between NWMG and that third party; the material terms of the agreement between those parties, including the terms of the fee arrangement; and any other material conflicts of interest that arise. NWMG will then provide the prospective client with a written disclosure of their referral relationship and will seek a written acknowledgement of such disclosure from the prospective client prior to entering into an advisory agreement. NWMG will also provide its Disclosure Brochure and Form CRS.

Where appropriate and a client's interest, National Wealth Management Group will refer Clients to various non-advisory professionals (e.g., attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Certain of these services are offered by related persons of the Firm, as described in Item 10, Other Financial Industry Activities and Affiliations, but can include unaffiliated professionals. Likewise, NWMG may receive non-compensated referrals of new Clients from various third-parties.

National Wealth Management Group receives an economic benefit from LPL Financial in reimbursement for marketing related expenses. Please see detailed discussion of the categories of marketing related expenses and potential conflicts of interest in Item 12 Brokerage Practices.

National Wealth Management Group and employees receive additional compensation from product sponsors. However, such compensation will not be tied to the sales of any products. Compensation can include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings with investment advisor representatives, client workshops or events, marketing events or advertising initiatives, including services for identifying prospective clients. Product sponsors typically also pay for, or reimburse NWMG for the costs associated with, education or training events attended by NWMG employees and investment advisor representatives and for NWMG sponsored conferences and events.

- Certain investment adviser representatives may have received an economic benefit from LPL Financial in the form of a repayable or forgivable loan. Please see detailed discussion of the conditions and potential conflicts of interest in Item 12 Brokerage Practices.
- Certain investment adviser representatives receive an economic benefit from Schwab in the form of the support products and services it makes available to us as independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described in Item 12 - Brokerage Practices.



As a result of our relationship with LPL Financial, we will receive production bonuses, stock options to purchase shares of LPL Financial's parent company, and other things of value such as free or reduced-cost attendance at LPL Financial's national sales conference or top producer forums and events. Such compensation is typically based on overall business produced and/or on the amount of assets serviced through LPL Financial. Thus, there is a financial incentive for us to recommend that you establish a Program account so that we will be compensated. We take our responsibilities to clients very seriously and we will only recommend that clients hire us for management services if we believe it is appropriate and in the client's best interests.

National Wealth Management Group receives an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above in Item 12—Brokerage Practices.

#### **B. Ramsey Solutions – SmartVestor™**

Certain advisory representatives of NWMG have a relationship with Ramsey Solutions ("RS") whereby RS provides online advertising services in exchange for a flat monthly marketing fee. The services include advertising space on RS's web based SmartVestor™ lists assigned to particular geographic markets, use of the SmartVestor™ marks in advertising, and provision of other marketing materials. Potential clients using the SmartVestor™ site can select and choose to contact the advisory representative for services; potential clients are not referred to NWMG or the advisory representative.

#### **C. Client Referrals from Solicitors**

If a Client is introduced to NWMG by either an unaffiliated party or by a NWMG affiliate, NWMG may pay that promoter a referral fee. Any such referral fee shall be paid solely from the investment management fees earned by NWMG and shall not result in any additional charge to the Client. There are no other economic benefits provided by someone who is not a client for providing investment advice.

#### **D. Sponsorship of Corporate Events**

Investment companies offering mutual funds, exchange traded funds and other securities on occasion sponsor or host a National Wealth Management Group event or conference. This could include direct payment to vendors or reimbursement of expenses in connection with the event. Sponsorship or hosting provides a direct and/or indirect economic benefit that creates a conflict of interest when recommending securities offered by the sponsor/host company. This conflict of interest is mitigated by the firm's fiduciary duty to act in a client's best interest.

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## **Item 15 – Custody**

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National Wealth Management Group does not maintain custody of client assets, although we are deemed to have constructive custody of assets based on the authority to withdraw assets from account.

LPL Financial LLC (CRD No. 6413) and Charles Schwab and Co., Inc. (CRD No. 5393) serve as the primary qualified custodians for assets under management. The custodians are responsible to provide clients with trade confirmations, tax forms and at least quarterly statements listing your account balance(s). Clients are advised to carefully review the information provided by the custodian and notify their Investment Advisor Representative with any questions or if such information is not received. Additional information about these Custodians and the brokerage and other services they provide to NWMG and to Clients is described above in Item 12—Brokerage Practices.

### **Fee Deduction**

National Wealth Management Group has constructive custody of client assets held at Charles Schwab based on the ability to deduct advisory fees directly from client accounts or based on the authority to move your money to an unlike registered account. The qualified custodian maintains actual custody of your assets. Clients will receive account statements directly from qualified custodian at least quarterly. They will be sent to the email or postal mailing address you provided to the Custodian. Clients should carefully review their account statements promptly when received. For accounts held at LPL Financial, fee deduction is by separate agreement direct with the Client where NWMG is not a party.

### **Standing Letters of Instructions (SLOAs)**

While NWMG does not take actual custody or possession of client funds or securities, the firm is deemed to have constructive custody based on the ability to establish Standing Letters of Authorization (SLOA) to make payments or transfers to authorized third parties. When a SLOA is established, the following controls apply:

- The client provides instructions to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.

- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.
- NWMG has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- NWMG maintains records showing that the third party is not a related party of NWMG or located at the same address as the investment adviser.
- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Clients are encouraged to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

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#### **Item 16 – Investment Discretion**

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The client can determine to engage NWMG to provide investment advisory services on a discretionary basis. Prior to NWMG assuming discretionary authority over a client's account, the client will execute an Investment Advisory Agreement, naming NWMG as the client's attorney and agent in fact, granting NWMG full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

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#### **Item 17 – Voting Client Securities**

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National Wealth Management Group does not vote client proxies. Clients will receive their proxies or other solicitations directly from their custodian. Clients can contact NWMG at (513) 772-2592 to discuss any questions they may have with a particular solicitation.

Third party money managers selected or recommended by our firm may vote proxies for clients. Therefore, except in the event a third-party money manager votes proxies, 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. Therefore (except for proxies voted by third-party money managers), our firm and/or you shall instruct your qualified custodian to forward to you copies of all proxies and shareholder communications relating to your investment assets.

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**Item 18 – Financial Information**

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National Wealth Management Group, LLC does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. There are no financial conditions that are reasonably likely to impair the firm's ability to meet contractual commitments to clients. At no time has National Wealth Management Group, LLC been the subject of a bankruptcy petition.