

Transformative Wealth Management, LLC
March 2018

6317 Fairmount Ave
El Cerrito, CA, 94530

www.TransformativeWealthMgt.com

Firm Contact:
Sarah Green

Chief Compliance Officer

This brochure provides information about the qualifications and business practices of Transformative Wealth Management LLC. If you have any questions about the contents of this brochure, please contact us at (510) 524-5500 or by email at: sarah@transformativewealthmgt.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Transformative Wealth Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov by searching CRD #283660.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

Item 2: Material Changes

Transformative Wealth Management LLC is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure.

Since the last annual amendment filed, we have the following material changes to report:

- The fee schedule in Item 5 has been updated to more closely reflect our billing practices. Please note that existing client accounts will not be affected.
- Miller Howard Investments, Inc. is no longer used or recommended as an independent money manager by our firm.

Item 3: Table of Contents

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

Item 4: Advisory Business

Description of the Advisory Firm.

Transformative Wealth Management LLC (hereinafter “TWML”) is a Limited Liability Company organized in the State of California. The firm was formed in April 2016, and the principal owners are Sarah Green (50%) and Allan Moskowitz (50%).

The purpose of this Brochure is to disclose the conflicts of interest associated with the investment transactions, compensation and any other matters related to investment decisions made by our firm or its representatives. As a fiduciary, it is our duty to always act in the client’s best interest. This is accomplished in part by knowing our client. Our firm has established a service-oriented advisory practice with open lines of communication for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

All material conflicts of interest under CCR Section 260.238 (k) are disclosed below regarding our firm, our representatives or our employees, which could be reasonably expected to impair the rendering of unbiased and objective advice. To comply with CCR Section 260.238(j), we disclose that lower fees for comparable services may be available from other sources.

Types of Advisory Services Offered.

Portfolio Management Services.

TWML offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. TWML creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

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

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

TWML seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of TWML's economic, investment or other financial interests. To meet its fiduciary obligations, TWML attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, TWML's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is TWML's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

Soliciting for Other Advisers.

TWML maintains solicitation arrangements with third party investment advisers where TWML acts in the capacity of a solicitor. These third-party investment advisers may offer wrap fees or other managed asset programs where client accounts are managed as disclosed in the third party investment advisor's ADV or other disclosure documentation. TWML gathers information from the client about the client's financial situation, investment objectives, and any restrictions the client wants imposed on the management of the account prior to introducing the client to the third party advisor. The client then signs an advisory agreement directly with the third party adviser, which will typically manage the account on a discretionary basis. The client will pay a management fee directly to the third party adviser generally based on a percentage of the assets under management. TWML is paid a portion of this fee by the third party adviser in exchange for the client referral. The third party adviser will provide the client with a disclosure statement detailing the fees and the portion received by TWML. More details can be found in Item 5. TWML communicates information to third party advisers as warranted and assists the client upfront in understanding and evaluating the services provided by the third party advisor. Clients may also directly contact the third party adviser managing the account. Account reporting is sent directly to the client by the third party advisor TWML does not review the client's account on an ongoing basis after the initial referral, but the third-party adviser may do so.

Selection & Review of Other Advisers.

TWML may direct clients to third-party investment advisers to manage all or a portion of the client's assets. TWML gathers information from the client about the client's financial situation, investment objectives, and any restrictions the client wants imposed on the management of the account prior to recommending the third-party adviser. The client may be required to sign an additional agreement directly with the third-party adviser, which will typically manage the account on a discretionary basis.

In cases where TWML and the client have a discretionary investment advisory agreement, TWML has the authority to engage or terminate third party relationships. Where TWML and the client have a non-discretionary investment advisory agreement, the authority to engage or terminate third party advisers

remains with the client. TWML will provide the client with a disclosure statement detailing the fees and the portion attributable to the TWML and the third party advisor. More details can be found in Item 5. TWML communicates information to third party advisers as warranted and assists the client in understanding and evaluating the services provided by the third party advisor. Some, but not all, third party advisers allow clients to contact them directly regarding the management of the account. Some third party advisers will also provide clients with additional reporting including account transactions, valuations, and performance data.

Before selecting other advisers for clients, TWML will always ensure those other advisers are properly licensed or registered as an investment adviser. TWML reviews the client's account on an ongoing basis and consults with the client as needed.

Pension Consulting Services.

TWML offers ongoing consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans) based on the demographics, goals, objectives, time horizon, and/or risk tolerance of the plan's participants.

Financial Planning.

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

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

Services Limited to Specific Types of Investments.

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

Client Tailored Services and Client Imposed Restrictions.

TWML will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by TWML on behalf of the client. TWML may use "model portfolios" together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions

prevent TWML from properly servicing the client account, or if the restrictions would require TWML to deviate from its standard suite of services, TWML reserves the right to end the relationship.

Wrap Fee Programs.

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. TWML does not participate in any wrap fee programs.

Assets Under Management.

TWML has the following assets under management:

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$30,261,656	\$2,278,856	December 31, 2017

Item 5: Fees and Compensation

Fee Schedule.

Asset-Based Fees for Portfolio Management.

Total Assets Under Management	Annual Fee
Under \$1,000,000	1.00%
Over \$1,000,000	0.75%
Over \$2,000,000	Negotiated Rate

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

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of TWML's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

Soliciting for Other Advisers.

As discussed above, TWML may solicit for third-party advisers. These fees are negotiable and will not exceed any limit imposed by any regulatory agency. Use of third-party advisers may result in higher fees than if the client engaged the third-party adviser directly.

- TWML solicits for **Gemmer Asset Management** ("Gemmer"). The annual fee schedule is as follows:

Total Assets	TWML's Fee	Third Party's Fee	Total Fee
\$100,000 - and up	0.75%	0.50%	1.25%

Selection & Review of Other Advisers Fees.

As discussed above, TWML may direct clients to third-party advisers. These fees are negotiable and will not exceed any limit imposed by any regulatory agency. Use of third-party advisers may result in higher fees than if the client engaged the third-party adviser directly.

- TWML may direct clients to **First Affirmative Financial Network, LLC** ("First Affirmative"). The annual fee schedule is as follows:

Total Assets	TWML's Fee	Third Party's Fee	Total Fee
\$0 - \$199,999.99	1.00%	0.40%	1.40%
\$200,000 - \$499,999.99	0.95%	0.40%	1.35%
\$500,000 - \$999,999.99	0.80%	0.40%	1.20%
\$1,000,000 - \$199,999.99	0.61%	0.44%	1.05%
\$2,000,000 - \$2,999,999.99	0.52%	0.43%	0.95%
\$3,000,000 - \$4,999,999.99	0.50%	0.35%	0.85%
\$5,000,000 - \$9,999,999.99	0.40%	0.25%	0.65%
Over \$10,000,000	0.35%	0.20%	0.55%

- TWML may direct clients to **Envestnet Asset Management, Inc.** ("Envestnet"). The annual fee schedule is as follows:

Total Assets	TWML's Fee	Third Party's Fee	Total Fee
\$250,000 - and up	0.75%	0.64%	1.39%

Pension Consulting Services Fees.

The hourly fee for these services is between \$150 and \$250. The final fee schedule will be attached as Exhibit II of the Pension Consulting Agreement. Clients may terminate the agreement without penalty for a full refund of TWML's fees within five business days of signing the Pension Consulting Agreement. Thereafter, clients may terminate the Pension Consulting Agreement generally upon written notice.

Financial Planning Fees.

The negotiated hourly fee for these services is between \$150 and \$250. Clients may terminate the agreement without penalty for a full refund of TWML's fees within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

Payment of Fees.

Payment of Asset-Based Portfolio Management Fees.

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

Payment of Pension Consulting Services Fees.

Hourly pension consulting fees are either withdrawn directly from the account with client's written authorization or invoiced directly to the client payable by check or wire. Clients may select the method in which they are billed. Fees are paid in arrears upon completion.

Payment of Solicitor Fees.

Fees for soliciting on behalf of Gemmer as third-party adviser are withdrawn by Gemmer directly from the client's account quarterly in arrears. Gemmer then pays TWML its share of the advisory fee; TWML does not deduct the advisory fee from the client's account.

Payment of Selection & Review of Other Advisers Fees.

Fees for selection of First Affirmative as third-party adviser are withdrawn by First Affirmative directly from the client's account quarterly in arrears. First Affirmative then pays TWML its share of the advisory fee; TWML does not deduct the advisory fee from the client's account.

Fees for selection of Envestnet as third-party adviser are withdrawn by Envestnet directly from the client's account quarterly in arrears. Envestnet then pays TWML its share of the advisory fee; TWML does not deduct the advisory fee from the client's account.

Fees for selection of Miller Howard as third-party adviser are either invoiced and billed directly to the client or directly deducted by each adviser (1-TWML and 2-Miller Howard). Fees are paid quarterly in arrears.

Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses). Our firm does not receive a portion of these fees.

Payment of Financial Planning Fees.

Financial planning fees are paid via check. Hourly financial planning fees are paid in arrears upon completion.

Client Responsibility for Third Party Fees.

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

Prepayment of Fees.

TWML collects its fees in arrears. It does not collect fees in advance.

Outside Compensation for the Sale of Securities to Clients.

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

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

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

Item 7: Types of Clients

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

- Individuals
- High-Net-Worth Individuals
- Pension and Profit Sharing Plans
- Charitable Organizations

Our firm does not impose requirements for opening and maintaining accounts or otherwise engaging us, unless noted below:

- **Gemmer Asset Management** imposes an account minimum of \$100,000 in connection with its services.
- **Investnet Asset Management, Inc.** imposes an account minimum of \$250,000 in connection with its services.

- **Miller Howard Investments, Inc.** imposes an account minimum of \$100,000 in connection with its services.

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

The following methods of analysis and investment strategies may be utilized in formulating our investment advice and/or managing client assets, provided that such methods and/or strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

General Risks of Owning Securities.

The prices of securities held in client accounts and the income they generate may decline in response to certain events taking place around the world. These include events directly involving the issuers of securities held as underlying assets in a client's account, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Currency, interest rate, and commodity price fluctuations may also affect security prices and income.

The prices of, and the income generated by, most debt securities held by a client's account may be affected by changing interest rates and by changes in the effective maturities and credit ratings of these securities. For example, the prices of debt securities in the client's account generally will decline when interest rates rise and increase when interest rates fall. In addition, falling interest rates may cause an issuer to redeem, "call" or refinance a security before its stated maturity, which may result in our firm having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities generally have higher rates of interest and may be subject to greater price fluctuations than shorter maturity debt securities. Debt securities are also subject to credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default.

The guarantee of a security backed by the U.S. Treasury or the full faith and credit of the U.S. government only covers the timely payment of interest and principal when held to maturity. This means that the current market values for these securities will fluctuate with changes in interest rates.

Investments in securities issued by entities based outside the United States may be subject to increased levels of the risks described above. Currency fluctuations and controls, different accounting, auditing, financial reporting, disclosure, regulatory and legal standards and practices could also affect investments in securities of foreign issuers. Additional factors may include expropriation, changes in tax policy, greater market volatility, different securities market structures, and higher transaction costs. Various administrative difficulties, such as delays in clearing and settling portfolio transactions, or in receiving payment of dividends can increase risk. Finally, investments in securities issued by entities domiciled in the United States may also be subject to many of these risks.

Methods of Analysis.

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

- **Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.
- **Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.
- **Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.
- **Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Investment Strategies.

TWML uses long term trading.

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

Risk of Loss.

Methods of Analysis.

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.

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.

Quantitative Model Risk: Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Modern Portfolio Theory assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on

increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investment Strategies.

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

Selection of Other Advisers: TWML's selection process cannot ensure that money managers will perform as desired and TWML will have no control over the day-to-day operations of any of its selected money managers. TWML would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

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

Risks of Specific Securities Utilized.

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

- **Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.
- **Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.
- **Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually

more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

- **Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.
- **Real Estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.
- **Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.
- **Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.
- **Non-U.S. securities** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

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

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Our firm is not registered, nor does it have an application pending to register, as a broker-dealer, registered representative of a broker dealer, investment company or pooled investment vehicle, other investment adviser or financial planner, futures commission merchant, commodity pool operator, commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or a sponsor or syndicator of limited partnership, or an associated person of the foregoing entities.

Please see Item 4 above for more information about the selection of third party money managers. The compensation paid to our firm by third party managers may vary, and thus, creates a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Prior to referring clients to third party advisors, our firm will ensure that third party advisors are licensed or notice filed with the respective authorities. A potential conflict of interest for our firm in utilizing a third-party advisor is receipt of discounts or services not available to us from other similar advisers. In order to minimize this conflict our firm will make our recommendations/selections in the best interest of our clients.

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

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

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

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

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

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

Compliance with Department of Labor Fiduciary Rule.

Our firm provides investment advice to assets affected by the Department of Labor ("DOL") Fiduciary Rule for a level fee. As such, we abide by the Impartial Conduct Standards as defined by the DOL. To comply with these standards, our firm and our advisors give advice that is in our clients' best interest, charge no more than reasonable compensation (within the meaning of ERISA Section 408(b)(2) and Internal Revenue Code Section 4975(d)(2), and make no misleading statements about investment transactions, compensation, conflicts of interest, and any other matters related to investment decisions. As a level-fee fiduciary, we maintain a non-variable compensation structure that is provided on the basis of a fixed percentage of the value of assets or a set fee that does not vary with the particular investment recommended, as opposed to a commission or other transaction based fee.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker/Dealers.

Our firm does not maintain custody of client assets (although our firm may be deemed to have custody of client assets if give the authority to withdraw assets from client accounts (see Item 15 Custody, below). Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. Our firm recommends that clients use Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Our firm is independently owned and operated, and not affiliated with Schwab. Schwab will hold client assets in a brokerage account and buy and sell securities when instructed. While our firm recommends that clients use Schwab as custodian/broker, clients will decide whether to do so and open an account with Schwab by entering into an account agreement directly with them. Our firm does not open the account. Even though the account is maintained at Schwab, our firm can still use other brokers to execute trades, as described in the next paragraph.

Research and Other Soft Dollar Benefits.

While TWML has no formal soft-dollar programs in which soft dollars are used to pay for third party services, TWML may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). TWML may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will

benefit from soft dollar research, whether or not the client's transactions paid for it, and TWML does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. TWML benefits by not having to produce or pay for the research, products or services, and TWML will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that TWML's acceptance of soft dollar benefits may result in higher commissions charged to the client.

Brokerage for Client Referrals.

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

Clients Directing Which Broker/Dealer/Custodian to Use.

TWML will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

Aggregating (Block) Trading for Multiple Client Accounts.

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

Item 13: Review of Accounts

Sarah Green, Chief Compliance Officer, reviews accounts on at least a quarterly basis for our Asset Management and Third-Party Money Management clients. The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Our firm provides written or verbal reports upon request and at least annually. Third party managers provide reports to clients at least quarterly.

Our firm may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. Our firm does not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately engage our firm for a post-financial plan meeting or update to their initial written financial plan.

Pension Consulting clients receive reviews of their retirement plans for the duration of the service. Our firm also provides ongoing services where clients are met with upon their request to discuss updates to their

plans, changes in their circumstances, etc. Pension Consulting clients do not receive written or verbal updated reports regarding their plans unless they choose to engage our firm for ongoing services.

Item 14: Client Referrals and Other Compensation

Charles Schwab.

TWML may receive compensation from the selected third party advisers via a fee split, but otherwise does not receive any economic benefit from any other third party for advice rendered to TWML's clients. Charles Schwab & Co., Inc. Advisor Services provides TWML with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For TWML client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

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

services to TWML. TWML is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

Referral Fees.

Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with relevant state statutes and rules.

Item 15: Custody

State Securities Bureaus generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities. As such, our firm has adopted the following safeguarding procedures:

- Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy; and
- The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

Third Party Money Movement.

The SEC issued a no-action letter ("Letter") with respect to the Rule 206(4)-2 ("Custody Rule") under the Investment Advisers Act of 1940 ("Advisers Act"). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction ("SLOA") is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodian, Schwab:

- The client provides an instruction 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.
- The investment adviser 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.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser 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.

Item 16: Investment Discretion

TWML provides discretionary and non-discretionary investment advisory services to clients. The contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, TWML generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, TWML's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to TWML). Where TWML does not have discretionary authority to place trade orders, TWML will secure client permission prior to effecting securities transactions for the client's account.

TWML will also have discretionary authority to determine the broker dealer to be used for a purchase or sale of securities for a client's account.

Item 17: Voting Client Securities (Proxy Voting)

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

Item 18: Financial Information

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$500 in fees when services cannot be rendered within 6 months.
- Our firm does not take custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.

Item 19: Requirements for State Registered Advisers

Please see Item 10 of this Firm Brochure for any other business in which our firm is actively engaged. Our firm does not charge performance based fees. Our firm and management persons have not been involved in any arbitration awards, found liable in any civil, self-regulatory organization or administrative proceedings or have any relationships with issuers or securities apart from what is disclosed above.

Our firm does not have compensation arrangements connected with advisory services which are in addition to our advisory fees. Our management persons and representatives do not have a relationship or arrangement with any issuer of securities. As a fiduciary, our firm always put our Client's interest above our own. Information regarding participation of interest in client transactions can be found in our Code of Ethics as well as Item 11 of this Brochure. Clients may obtain a copy of our Code of Ethics by contacting Sarah Green, Chief Compliance Officer at (510) 524-5500.