

## Item 1: Cover Page



### **Toberman Becker Wealth, LLC**

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

This Brochure provides information about the qualifications and business practices of Toberman Becker Wealth, LLC. If you have any questions about the contents of this Brochure, please contact us at 314-783-9860. 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.

Toberman Becker Wealth, LLC is registered as an Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Toberman Becker Wealth, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm's identification number, 310346.

# Item 2: Material Changes

In this Item, Toberman Becker Wealth, LLC is required to identify and discuss material changes since filing its last annual amendment. Since filing its last annual amendment on January 9, 2024, the following material changes have occurred:

Effective Date	Brochure Item(s)	Description
Q3 2024	Throughout	Toberman Becker Wealth, LLC transitioned from state to SEC registration in Q3 2024.

# Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	8
Item 6: Performance-Based Fees and Side-By-Side Management	10
Item 7: Types of Clients	11
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9: Disciplinary Information	15
Item 10: Other Financial Industry Activities and Affiliations	16
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	17
Item 12: Brokerage Practices	19
Item 13: Review of Accounts	22
Item 14: Client Referrals and Other Compensation	23
Item 15: Custody	24
Item 16: Investment Discretion	25
Item 17: Voting Client Securities	26
Item 18: Financial Information	27

# Item 4: Advisory Business

## Description of Advisory Firm

Toberman Becker Wealth, LLC ("TBW" or "Advisor") is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC"). The firm's principal place of business is located in Missouri. We are a limited liability company founded in July 2020 and became registered as an Investment Advisor in September 2020. Craig A. Toberman, CFA, CPA, CFP® and Michael O. Becker, CFA, CFP® are the principal owners of TBW.

## Types of Advisory Services

### Investment Advisory & Financial Planning Services

*Investment Advisory Services.* We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a Client regarding the investment of Client funds based on the individual needs of the Client. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a Client's prior investment history, as well as family composition and background. Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations.

*Financial Planning Services.* At no additional fee and at Client's election, TBW also provides the Client with a financial plan. A Client will be taken through establishing their goals and values around money. The Client and TBW will go over the Client's financial background that may include determining the Client's net worth, cash flow, insurance coverage, credit scores/reports, employee benefit, and current investments. Once the Client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the Client. Clients will receive a detailed financial plan designed to help achieve his/her/their stated financial goals and objectives. The plan and the Client's financial situation and goals will be monitored throughout the year.

In general, the financial plan will address any or all of the following areas of concern. The Client and Advisor will work together to select specific areas to cover. These areas may include, but are not limited to, the following:

**Business Planning:** We provide financial planning services for Clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. We work with Clients to assess their current situation, identify their objectives, and develop a plan aimed at achieving their goals. We assess how their ownership of their business will affect their personal financial and retirement plan.

**Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax

ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

**College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

**Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

**Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

**Financial Goals:** We will help Clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

**Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.

**Investment Analysis:** This may involve developing an asset allocation strategy to meet Clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

**Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years

**Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

**Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with the consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

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

We offer the same suite of services to all of our Clients. However, specific Client financial plans and their implementation are dependent upon the Client Investment Plan which outlines each Client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a Client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients are able to specify, within reason, any restrictions they would like to place as it pertains to individual securities and/or sectors that will be traded in their account. All such requests must be provided to TBW in writing. TBW will notify Clients if they are unable to accommodate any requests.

### **Wrap Fee Programs**

We do not participate in wrap fee programs.

## **Retirement Plan Accounts and Individual Retirement Accounts**

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

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

## **Assets under Management**

As of December 31, 2024, TBW has \$115,094,690 in discretionary and \$0 in non-discretionary assets under management.

# Item 5: Fees and Compensation

How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

## Investment Advisory & Financial Planning Services

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

Account Value	Annual Advisory Fee
All Assets Under Management	0.75%

Clients generally pay seventy-five (75) basis points based on the market value of the assets being managed by the Firm. TBW, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as the complexity of the client's portfolio, the level of expertise required to service the account, the staff time involved in servicing the account, pre-existing client relationships, anticipated future additional assets, dollar amount of assets to be managed, account retention and pro bono activities among other factors. Related client accounts may be aggregated for purposes of calculating fees. TBW may waive its advisory fee at any time when it deems it appropriate and/or necessary.

TBW may include the value of any held away investment accounts when calculating the total advisory fee for accounts in which TBW provides ongoing advice and supervision, and that we conduct periodic reviews of. These accounts may include 529 Plans, 401(k) and other employer sponsored tax qualified accounts, as well as other brokerage accounts that the client maintains at other financial institutions.

Advisory fees are paid in arrears on a quarterly basis based on the account value as of the last business day of the quarter. We calculate period-end account values after all dividends and/or interest settle into the account. Therefore, the account value used to calculate advisory fees may differ from that of the custodial account statement.

Advisory fees are directly debited from Client accounts held at a qualified custodian, or the Client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

## Other Types of Fees and Expenses

TBW serves families in a fee-only, independent, and fiduciary capacity. We are never compensated by another party other than the Client. Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges,



odd-lot differentials, transfer taxes, wire transfer, and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other 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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and investment advisory services to individuals and high net-worth individuals. We specialize and do our best work with investors who are aged 50+ and retired or planning their next phase. We work with clients located in St. Louis, Missouri and remotely.

We do not have a minimum account size requirement to open or maintain an account under our management.

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

Our primary method of investment analysis and investment strategies are outlined below.

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that the information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Cyclical analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

## **Modern Portfolio Theory**

The underlying principles of MPT are:

- Investors are risk averse. The only acceptable risk is that which is adequately compensated by an expected return. Risk and investment return are related and an increase in risk requires an increased expected return.
- The design of the portfolio as a whole is more important than the selection of any particular security. The appropriate allocation of capital among asset classes will have far more influence on long-term portfolio performance than the selection of individual securities.
- Investing for the long-term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface.
- Increasing diversification of the portfolio with lower correlated asset class positions can decrease portfolio risk. Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another.

## **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange-traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax

efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

We may on occasion select an active investment fund manager if the outcome – net of all fees and taxes – is expected to benefit the client or if there is a certain risk mitigation strategy we wish to deploy specific to the client's unique circumstance.

## **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

## Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on factors such as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the Clients invest.

**Mutual Funds:** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

# Item 9: Disciplinary Information

TBW and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of TBW or the integrity of its management.

## **Criminal or Civil Actions**

TBW and its management have not been involved in any criminal or civil action.

## **Administrative Enforcement Proceedings**

TBW and its management have not been involved in administrative enforcement proceedings.

## **Self-Regulatory Organization Enforcement Proceedings**

TBW and its management persons have not been involved in any self-regulatory organization (SRO) proceeding.

# Item 10: Other Financial Industry Activities and Affiliations

Neither TBW or its management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither TBW or its management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

Tom Siegel, minority member of TBW, has outside business activities in addition to his minority membership interest in TBW. Mr. Siegel serves in the capacity of a venture capitalist, entrepreneur, and management consultant. He invests in various private partnerships in areas such as digital assets, technology, software and services, internet, digital media, and mobile/wireless. Mr. Siegel is also an owner of another independent and unaffiliated third-party investment adviser and an exempt reporting adviser that respectively manage private investment funds. TBW does not solicit clients to invest in any private investment funds managed by such entities and does not render advice with respect to such private fund investments. No company or outside entity is under common control with the firm.

TBW only receives compensation directly from Clients. TBW does not receive compensation from any outside source.

TBW does not recommend Clients to third-party investment advisers to manage their accounts.



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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities. Additionally, TBW requires adherence to its Insider Trading Policy, and the CFA Institute's Asset Manager Code of Professional Conduct and Code of Ethics and Standards of Professional Conduct.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to Clients.
- Competence - Associated persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matters shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

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

Neither our firm, its associates or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

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

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to Clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities At/Around the Same Time as Client’s Securities**

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of TBW 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, TBW will never engage in trading that operates to the client’s disadvantage if representatives of TBW buy or sell securities at or around the same time as clients.

# Item 12: Brokerage Practices

## Factors Used to Select Custodians and/or Broker-Dealers

In recommending broker-dealers, we have an obligation to seek the “best execution” of transactions in Client accounts. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the broker-dealer’s services. The factors we consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer’s:

- Execution capability;
- Commission rate;
- Financial responsibility;
- Responsiveness and customer service;
- Custodian capabilities;
- Research services/ancillary brokerage services provided; and
- Any other factors that we consider relevant.

With this in consideration, our firm recommends Charles Schwab & Co., Inc. (“Schwab”), an independent and unaffiliated SEC registered broker-dealer firm and member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Although clients may request us to use a broker-dealer of their choosing, we generally recommend that clients open brokerage accounts with Schwab. We are not affiliated with Schwab. The Client will ultimately make the final decision of the Custodian to be used to hold the Client’s investments by signing the selected broker-dealer’s account opening documentation.

## Research and Other Soft-Dollar Benefits

We do not have any soft-dollar arrangements with broker-dealers whereby soft-dollar credits, used to purchase products and services, are earned directly in proportion to the amount of commissions paid by a Client. However, as a result of being on their institutional platform, Schwab may provide us with certain services that may benefit us.

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide our clients and us with access to their 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:

1. **SERVICES THAT BENEFIT YOU.** Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:
  - 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
3. **SERVICES THAT GENERALLY BENEFIT ONLY US.** Schwab also 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

We do not require that you maintain your account 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 potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "Factors Used to Select Custodians and/or Broker-Dealers") and not Schwab's services that benefit only us.

### **Brokerage for Client Referrals**

We receive 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**

We do recommend a specific custodian for Clients to use, however, Clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing Clients to choose a specific custodian, we may be unable to achieve the most favorable execution of Client transactions and this may cost Clients money over using a lower-cost custodian.

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

Our firm provides discretionary investment management services to multiple clients. When appropriate, we may determine that it is in the best interest of clients to aggregate or "batch" orders for the purchase or sale of securities across multiple accounts. Aggregated trading may improve efficiency, reduce transaction costs, and support efforts to achieve best execution.

When trades are aggregated, all participating accounts generally receive the same average execution price and share transaction costs proportionally, to the extent practicable.

Our firm seeks to allocate investment opportunities in a fair and equitable manner over time. Allocation decisions are not based on account size, fee structure, or other factors that could create a conflict of interest. Considerations in trade allocation may include:

- Investment objectives, guidelines, and restrictions
- Available cash and anticipated contributions or withdrawals
- Account size and portfolio composition
- The role and suitability of the security for each account
- Regulatory or contractual limitations
- Whether allocation would result in odd-lot or immaterial positions

Our firm may depart from strict pro rata allocation when it believes doing so better serves the interests of participating clients. For example, we may avoid assigning illiquid or de minimis positions, or may allocate more to accounts for which the investment is especially suitable based on strategy or risk profile.

Our firm manages multiple accounts with similar as well as differing investment objectives and strategies. While these accounts may at times trade in the same securities, portfolio decisions and resulting performance may differ based on each client's unique circumstances. Our objective is to ensure that no client is systematically disadvantaged and that all decisions are made in good faith and consistent with fiduciary duty.

All trade execution decisions are made consistent with our fiduciary duty and obligation to seek best execution, subject to any client-imposed restrictions.

# Item 13: Review of Accounts

Client accounts with the Investment Advisory Service will be reviewed regularly on at least an annual basis by Craig A. Toberman, Founder and CCO. The account is reviewed with regards to the Client's investment policies and risk tolerance levels.

Events that may trigger a special review would be unusual performance, addition or deletions of Client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest. At the Client's request, TBW will provide performance statements on at least an annual basis. We urge you to compare any statements received by our firm with those from your account custodian.

# Item 14: Client Referrals and Other Compensation

TBW is a fee-only firm, meaning the only compensation we receive is from our Clients for our services. Except as disclosed in Item 12, we do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for Client referrals.

# Item 15: Custody

For clients that do not have their fees deducted directly from their account(s) and have not provided TBW with any standing letters of authorization (“SLOAs”) to distribute funds from their account(s) to third parties, TBW will not have any custody of client funds or securities.

For clients that have their fees deducted directly from their account(s) or that have provided TBW with discretion as to amount and timing of disbursements pursuant to an SLOA to disburse funds from their account(s) to third parties, TBW will generally be deemed to have custody over such clients’ funds pursuant to applicable custody rules and guidance thereto. At no time will TBW accept custody of client funds or securities in the capacity of a custodial broker-dealer or other qualified custodian, and at all times client accounts will be held by a third-party qualified custodian as described in Item 12, above.

With respect to custody that is triggered by third party SLOAs, TBW endeavors to comply with the following seven conditions as listed in the 2017 SEC No Action Letter to the Investment Adviser Association:

1. 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.
2. 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.
3. 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.
4. The client has the ability to terminate or change the instruction to the client’s qualified custodian.
5. 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.
6. 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.
7. The client’s qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

If a client receives account statements from both the custodial broker-dealer and TBW or a third-party report provider, client is urged to compare such account statements and advise TBW of any discrepancies between them.



# Item 16: Investment Discretion

For those Client accounts where we provide Investment Advisory Services, we maintain discretion over Client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to Clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the Client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the Client.

Alternatively, Clients may limit our discretion by requesting we manage accounts on a non-discretionary basis. This means we will require the client's direct written authorization prior to making any changes to the client's account.

# Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

# Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to Clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of Client funds or securities or require or solicit prepayment of more than \$1,200 in fees per Client six months or more in advance.