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FORM ADV PART 2A
BROCHURE

This Brochure provides information about the qualifications and business practices of Strategic Advisors LLC d/b/a Strategic Wealth Management Group ("SWMG"). If you have any questions about the contents of this Brochure, please contact us at (212) 489-0100. 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.

SWMG is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about SWMG also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for SWMG is 125882.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment, dated March 19, 2020 we have made the following change:

- Section 18 - Financial Information: On May 5, 2020, Strategic Wealth Management Group received a Paycheck Protection Program ("PPP") loan under the federal governments Coronavirus Aid, Relief, and Economic Security ("CARES") Act.

Currently, our Brochure may be requested by contacting Mr. Lawrence E. May, President, Managing Member and Chief Compliance Officer at (212) 489-0100.

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Item 4 Advisory Business

Strategic Wealth Management Group (SWMG) is owned by Mr. Lawrence E. May. SWMG has been providing advisory services since 1999. Lawrence E. May has been in the advisory business since 1994.

As of December 31, 2020, we provide continuous management services for $420,927,691 in client assets on a discretionary basis, and $0 in client assets on a non-discretionary basis. We also manage $21,683,673 in client assets on a non-continuous basis.

Additionally, as of December 31, 2020, SWMG had the following additional assets, which are not included in the amounts listed above:

- Ascensus Trust: SWMG consults on $15,231,351 of 401(k) assets
- Brinker Capital: SWMG acts as solicitors for $4,328,791 of personal assets.
- Schwab Institutional: SWMG consults on $1,495,652 of 401(k) assets.
- Discretionary Account Held Away (TD Ameritrade): $6,953,980
- Discretionary Account Held Away (Non-TD Ameritrade) $627,879

Portfolio Management Services

We offer discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms.

We will not accept accounts that limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing.

We may also offer non-discretionary portfolio management services. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

As part of our portfolio management services, in addition to other types of investments (see disclosures below in this section), we may invest your assets according to one or more model portfolios developed by our firm. These models are designed for investors with varying degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative investment approach. Clients whose assets are invested in model portfolios may not set restrictions on the specific holdings or allocations within the model, nor the types of securities that can be purchased in the model.

As part of our portfolio management services, we may use one or more sub-advisers to manage a portion of your account on a non-discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage your account. We will periodically monitor the performance of your

accounts managed by sub-adviser(s). We may pay a portion of our advisory fee to the sub-adviser(s) we use; however, you will not pay our firm a higher advisory fee as a result of any sub-advisory relationships.

In providing account management services, we do not accept client restrictions on the specific securities or the types of securities that may be held in your account.

Investment Management Services:

SWMG manages investment portfolios for individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations. SWMG provides continuous advice regarding investments based on individual needs of clients. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, SWMG creates and manages a portfolio based on that information. SWMG will manage these advisory accounts on a discretionary and non-discretionary basis. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income). Clients are actively encouraged to maintain constant contact with SWMG regarding their circumstances and any changes in financial condition, investment strategy or any other issue that may affect the way SWMG manages the client's account.

SWMG will create portfolios consisting of one or all of the following: individual common stock and preferred stock, corporate & municipal bonds, exchange-traded funds ("ETFs"), no- load/load-waived or low transaction fee mutual funds, certificates of deposit, treasuries, money market funds or any other public traded security. SWMG will allocate the client's assets among various investments based upon the advisor's knowledge of the client's needs. The ETFs or mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history, the industry sector in which the fund invests, the track record of the fund's manager, the fund's investment objectives, the fund's management style and philosophy, and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances.

Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Clients will retain individual ownership of all securities. Each investment management account is assigned to an SWMG investment adviser representative. Investment management accounts are managed on an individual client basis based on that client relationship and that investment adviser representative's investment decisions. As such, each SWMG investment adviser representative will make different investment decisions for clients (within client investment objectives) and account performance may vary among the different SWMG investment adviser representatives and client accounts. Due to the fact that each investment model is run by a separate portfolio manager in a separate master account, there will be instances in which individual clients in separate models may receive different prices on the same security traded on the same day.

I. Participation with Charles Schwab & Company, Inc. ("Schwab") Advisor Services

SWMG has custodial and brokerage relations with Schwab, a FINRA Member broker-dealer (member FINRA/SIPC) through its Schwab Advisory Services ("SAS") to financial advisors. Schwab provides on-line services for account administration and operational support, including electronic trading, account

forms and applications, trading authorization, accounting and reporting and other relevant administration and support services. The overall majority of our clients have their accounts with Schwab acting as the custodian.

II. TD Ameritrade Separate Account Exchange Program ("SAE")

SWMG has entered into a business arrangement with the Third-Party Manager Services of TD Ameritrade, a FINRA member broker/dealer (member FINRA/SIPC) under a properly executed TD Institutional Client Agreement. Access to Separate Account Exchange is provided solely as a service to financial advisors using the brokerage, execution, and custody services of TD Ameritrade Institutional.

III. Brinker Capital Management Programs:

In certain client situations SWMG acts as a solicitor with Brinker Capital Management which offers a separate account program providing clients with access to independent money management firms through the Core Asset Manager and Destinations wrap-fee programs ("the Programs") offered by Brinker Capital Management, Inc. ("BCM"), an unaffiliated investment adviser.

IV. Pension Consulting Services:

SWMG provides several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, SWMG will also offer these services, where appropriate, to individuals and trusts, estates and charitable organizations.

Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services. These pension consulting services will generally be non-discretionary and advisory in nature. The ultimate decision to act on behalf of the plan shall remain with the plan sponsor or other named fiduciary.

1. Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

SWMG will meet with the client (in person or over the telephone) to determine the client's investment needs and goals. SWMG may prepare a written IPS stating those needs and goals and discuss a target asset allocation for managing the assets.

2. Selection of Investment Vehicles:

SWMG will review various investments, to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined based upon the advisors knowledge of the client's needs reflected on the Investment Policy Statement.

3. Monitoring of Investment Performance:

Client investments will be monitored periodically based on the procedures and timing intervals delineated, in the event we have prepared an Investment Policy Statement. Although SWMG will not be involved in any way in the purchase or sale of these investments, SWMG will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

4. Employee Communications:

For pension, profit sharing and 401(k) plan clients where there are individual accounts with participants exercising control over assets in their own account ("self-directed plans"), SWMG may assist with participant enrollment meetings and also may provide educational support for the Plan participants on such topics as:

- Diversification
- Asset allocation
- Risk tolerance
- Time horizon

Our educational seminars may include other investment-related topics specific to the particular plan.

The nature of the topics to be covered will be determined by SWMG and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide Plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

We may also provide additional types of pension consulting services to plans on an individually negotiated basis.

Either party to the pension consulting agreement may terminate the agreement upon verbal or written notice to the other party in accordance with the terms of the agreement for services. The pension consulting fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client, unless the fees are billed in arrears, in which case the client will be billed a pro-rated portion of their fee.

V. Consulting Services:

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, or any other specific topic. SWMG also provides specific consultation and administrative services regarding investment and financial concerns of the client.

Item 5 Fees and Compensation

Portfolio Management Services

Our annual fee for portfolio management services varies between 0.20 to 2.00 depending upon the market value of your assets under our management, the type and complexity of the asset management services provided, as well as the level of administration requested either directly or assumed by the client. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion, including cash, cash equivalents, and money market funds.

Our annual portfolio management fee is billed and payable, quarterly in arrears, based on flows of cash and securities into and out of the accounts.

When the portfolio management agreement is executed, our fees will apply on a pro-rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the fee schedule stated above.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian call our main office number located on the cover page of this brochure.

SWMG's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to SWMG for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange-traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

We may trade client accounts on margin. Each client must sign a separate margin agreement before margin is extended to that client account. Fees for advice and execution on these securities are based on the total asset value of the account, which includes the value of the securities purchased on margin. While a negative amount may show on a client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This creates a conflict of interest where we have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days prior written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Investment Management Services with Schwab:

The specific manner in which fees are charged by SWMG is established in a client's written agreement with SWMG. For Investment Management Services, SWMG will request authority from the client to receive quarterly or monthly payments directly from the client's account held by an independent custodian unless a Client elects to be billed directly for fees. Accounts initiated or terminated during a billing quarter will be charged a prorated fee. We have the right to bill on an off calendar cycle.

The annual fee for Investment Management Services will be charged as a percentage of assets under management as agreed to with the client and typically range from 0.20% to 2.0% per annum, depending on such factors as account size and investment objectives. There may be instances in which the fee is lower for investments in certain types of securities, such as fixed income securities. This may present a conflict of interest where the investment adviser recommends certain types of securities that may have a higher fee. We normally have a minimum annual fee of $2,500. The fees are based on the ending value in the account on the last day of the quarter and are pro-rated for cash flows. Clients will be charged in arrears at the end of each three month cycle. SWMG may also charge clients an account opening fee of $250 plus $50 for each other affiliated family account. SWMG may charge a minimum annual fee of $250 for the first family account and $50 per each additional household account debited quarterly. This is in addition to the minimum asset management fee of $2,500 per year; both fees are negotiable.

Brinker Capital Management Programs:

Clients participating in one or both of the BCM programs may be charged various program fees in addition to the advisory fee charged by SWMG. Such fees may include, but are not limited to, the investment advisory fees of the independent money managers, separate brokerage transactions, separate asset allocation advice and/or separate independent reporting. Clients participating in a wrap program, however, may be charged some or all of these fees as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services.

Client's portfolio transactions are executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should consider that, depending upon the level of the wrap fee charged by the wrap-fee program sponsor, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. SWMG will review with clients any separate program fees that may be charged to clients.

SWMG's portion of the annual fee for accounts within one or both of the BCM programs will be charged as a percentage of assets under management on which SWMG advises the selection of separate account managers, ranging from 0.50% to 1.50%. SWMG's fees will be billed on a quarterly basis either in advance or arrears depending upon the billing practices of each program. Clients participating in one or more of the Brinker Capital Management Programs should review the program(s) disclosure documents for information concerning any minimum account size and/or minimum annual fee.

Advisory clients are strongly encouraged to review the relevant disclosure documents of each program to clearly understand the billing procedures, as well as the termination and fee refund policy for each program in which the client participates.

Pension Consulting Services:

SWMG offers several fee options. SWMG may be compensated based on an annual percentage of plan assets for services involving ongoing review, or it may be compensated by an hourly fee or fixed fee.

The annual fee may range from 0.20% to 2.00% of plan assets depending on the services requested and the size of the plan. Plan sponsors will be invoiced in advance or arrears at the beginning of each calendar quarter or semi-annually as agreed to at the start of the relationship. Fees will be based upon

the value of the plan at the end of the previous period. SWMG's hourly charges range from $175-$500 per hour. A fixed fee may be quoted based on an estimate of hours for the services requested. SWMG may request a retainer for hourly and fixed fee arrangements.

The amount of a requested retainer will never exceed the fee for services to be provided within the first six months of an engagement or 50% of the estimated fee.

These different types of fees may also be combined as appropriate for the different types of services requested by the client. A total minimum of $3,000 is required for 404(C) compliance. This minimum fee may prevent SWMG from providing services to very small ERISA plans.

Selection of Other Advisers

You may be required to sign an agreement directly with the recommended third party money managers ("TPMM(s)"). You may terminate your advisory relationship with the TPMM according to the terms of your agreement with the TPMM. You should review each TPMM's brochure for specific information on how you may terminate your advisory relationship with the TPMM and how you may receive a refund, if applicable. You should contact the TPMM directly for questions regarding your advisory agreement with the TPMM.

Consulting Services:

Consulting fees will be charged in one of two ways:

1. As a fixed fee, typically ranging from $500-$4,000, depending on the nature and complexity of each client's circumstances. 50% of this fee may be due upon signing the consulting agreement, with the balance due upon presentation of the financial plan or consulting work to the client.

2. On an hourly basis, ranging from $175-$500 per hour, depending on the nature and complexity of each client's circumstances, as well as the individual conducting the work. If appropriate, an estimate for total hours may be determined at the start of the advisory relationship; 50% of the estimated fee may be due upon signing the advisory agreement, with the balance (based on actual hours) due upon presentation of the plan to the client.

Compensation for the Sale of Securities or Other Investment Products

Some persons providing investment advice on behalf of our firm are registered representatives with May Capital Group, LLC, a securities broker-dealer, and members of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons may receive commission-based compensation in connection with the purchase of securities, including 12b-1 fees for the purchase of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate from our advisory fees. This practice may present a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Some persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest

because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

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

SWMG does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Nor does SWMG participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

Item 7 Types of Clients

SWMG provides investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations.

Account Minimums: See minimum fee requirements under Item 5 for each respective service description above.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

Methods of Analysis and Investment Strategy

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, SWMG relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk.

Investing in securities involves risk of loss of principal that clients should be prepared to bear. We do have the ability to purchase certificates of deposit and treasuries which do have certain FDIC insurance and/or U.S. government guarantees, respectively.

Our investment strategies include portfolios that are designed for income, income and growth, growth and aggressive growth. Our analysis to determine the purchase of securities for our clients includes our view of the markets and clients' needs based on our years of experience, research either through the Wall Street Journal, NY Times, Barons and other financial publications. This includes research that is available to us from Schwab, the internet as well as industry conferences. With regard to bonds we view all asked prices on a particular security and purchase the "lot" that has the highest yield. Individual securities are purchased either at market or with a limit order. We frequently use "block trades."

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Charting Analysis - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected performance and diversification and predict future price movements and trends.

> **Risk:** Our charting analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Technical Analysis - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

> **Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

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 and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

> **Risk:** The risk of fundamental analysis is that 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 - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions.

> **Risk:** 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 - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

> **Risk:** Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Risk: Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Risk: Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

Risk: If the value of the shares drops sufficiently, the investor will be required to either deposit more cash into the account or sell a portion of the stock in order to maintain the margin requirements of the account. This is known as a "margin call." An investor's overall risk includes the amount of money invested plus the amount that was loaned to them.

Option Writing - a securities transaction that involves selling an option. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell a particular security at a specified price on or before the expiration date of the option. When an investor sells a call option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. When an investor sells a put option, he or she must pay the strike price per share if the buyer exercises the option, and will receive the specified number of shares. The option writer/seller receives a premium (the market price of the option at a particular time) in exchange for writing the option.

Risk: Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

Proprietary ETF (electronically traded funds)

We have created a proprietary portfolio utilizing Charles Schwab's line-up of no- transaction or low transaction cost exchange-traded funds ("ETFs"). After careful research and analyzing historic returns, we have developed a few portfolios that allow us to gain exposure to the following areas: Large Cap US Equity, Mid-Cap US equity, Small-Cap US equity, Real Estate Investment Trusts, International Large-Cap, Emerging Markets, Bonds and other asset classes.

Other than the ETF portfolio strategy outlined above, our firm deploys a strategy of diversification based on the client's objectives and the market conditions that exist at the time the portfolio is constructed. As a general statement we do not frequently trade securities although we are not precluded from doing so. Frequently trading securities could result in higher trading costs than buying and holding a security. (Schwab currently charges $4.95 for trades if you are enrolled in e-delivery and $12.95 if you receive a paper confirmation).

Frequently trading securities also effects taxation; ordinary income taxation on the gain versus long term capital gain taxation if the security is held for a longer period of time. The taxation of long and short term gains is based on the tax laws at the time the trade is made. Currently it is one year for long term capital gain treatment.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Moreover, custodians and broker-dealers must report the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments present the risk of loss of principal - the risk that the value of securities, when sold or otherwise disposed of, may be less than the price paid for the securities.

We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

The securities and instruments (including securities and instruments independent managers hired by SWMG utilize) utilized by SWMG are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur. Securities markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Different parts of the market can react differently to these developments and the value of an individual security or particular type of security can be more volatile than, and can perform differently from, the market as a whole. Investing in foreign securities involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility.

Investing in equity securities and equity-related securities (collectively "equity securities") includes market risk, issue risk, price volatility risk and market trends risk. SWMG may invest in equity securities without regard to market capitalization. The securities of small- to-medium-sized (by market capitalization) companies, or financial instruments related to such securities, may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than for securities of a company with a large market capitalization and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavorable economic reports.

The mutual funds and ETFs utilized by SWMG may include funds invested in domestic and international equities, including real estate investment trusts ("REITs"), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. For certain clients, we can purchase options.

Before investing in mutual funds, clients should understand that mutual funds are not insured by the FDIC, NCUSIF, or any other federal government agency and are not deposits or obligations of, guaranteed by, or insured by, the depository institution where offered or any of its affiliates. Mutual funds involve investment risk and may lose value.

When appropriate to the needs of the client, SWMG may also recommend to advisory clients investments in private placement offerings, limited investment partnerships and/or structured notes. Investments in Private Placements and/or limited investment partnerships involve additional risk of loss, including the risk of loss of a full investment. Structured notes may be FDIC insured.

Because these types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. Clients need to be aware that these types of investments do not afford the same level of liquidity as traditional investments and may be subject to lock-ups and other liquidity restrictions. The risk of loss described herein should not be considered to be an exhaustive list of all the risks which Clients should consider. Investors in Private Funds should refer to the applicable Offering Documents for additional information on risk factors and risk of loss.

Other Risk Considerations

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential loses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

Liquidity Risk: The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

Credit Risk: Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

Inflation and Interest Rate Risk: Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and

may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

Horizon and Longevity Risk: The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

Recommendation of Particular Types of Securities

We recommend various types of securities and we do not primarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of the types of securities we may recommend to you and some of their inherent risks are provided below.

Money Market Funds: A money market fund is technically a security. The fund managers attempt to keep the share price constant at $1/share. However, there is no guarantee that the share price will stay at $1/share. If the share price goes down, you can lose some or all of your principal. The U.S. Securities and Exchange Commission ("SEC") notes that "While investor losses in money market funds have been rare, they are possible." In return for this risk, you should earn a greater return on your cash than you would expect from a Federal Deposit Insurance Corporation ("FDIC") insured savings account (money market funds are not FDIC insured). Next, money market fund rates are variable. In other words, you do not know how much you will earn on your investment next month. The rate could go up or go down. If it goes up, that may result in a positive outcome. However, if it goes down and you earn less than you expected to earn, you may end up needing more cash. A final risk you are taking with money market funds has to do with inflation. Because money market funds are considered to be safer than other investments like stocks, long-term average returns on money market funds tends to be less than long term average returns on riskier investments. Over long periods of time, inflation can eat away at your returns.

Certificates of Deposit: Certificates of deposit are generally the safest type of investment since they are insured by the federal government up to a certain amount. However, because the returns are generally very low, it is possible for inflation to outpace the return. Likewise, U.S. government securities are backed by the full faith and credit of the U.S. government but it is also possible for the rate of inflation to exceed the returns.

Municipal Securities: Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

Bonds: Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Stocks: There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual Funds and Exchange-Traded Funds: Mutual funds and exchange-traded funds ("ETFs") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

Real Estate Investment Trust: A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.

Options Contracts: Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will increase substantially before the option expires.

A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires.

Selling options is more complicated and can be even riskier.

The option trading risks pertaining to options buyers are:

- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).
- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize its value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

The option trading risks pertaining to options sellers are:

- Options sold may be exercised at any time before expiration.
- Covered Call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock.
- Writers of Naked Calls risk unlimited losses if the underlying stock rises.
- Writers of Naked Puts risk unlimited losses if the underlying stock drops.
- Writers of naked positions run margin risks if the position goes into significant losses. Such risks may include liquidation by the broker.
- Writers of call options could lose more money than a short seller of that stock could on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Writers of Naked Calls are obligated to deliver shares of the underlying stock if those call options are exercised.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.
- The value of the underlying stock may surge or ditch unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.
- Option trading exchanges or markets and option contracts themselves are open to changes at all times.
- Options markets have the right to halt the trading of any options, thus preventing investors from realizing value.
- Risk of erroneous reporting of exercise value.
- If an options brokerage firm goes insolvent, investors trading through that firm may be affected.
- Internationally traded options have special risks due to timing across borders.

Risks that are not specific to options trading include market risk, sector risk and individual stock risk. Option trading risks are closely related to stock risks, as stock options are a derivative of stocks.

Item 9 Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to any evaluation of SWMG or the integrity of SWMG's management. Currently there are no material facts regarding any legal or disciplinary events.

Item 10 Other Financial Industry Activities and Affiliations

Affiliated Insurance Agents / Registered Broker-Dealers

SWMG is affiliated through both ownership and control with May Financial Group, Ltd., a financial planning/insurance firm, and May Capital Group, LLC, a broker dealer and FINRA member and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Certain of the principal executive officers and other employees are separately licensed as registered representatives of May Capital Group, LLC and GHG. These individuals are also insurance agents/brokers for one or more insurance companies. As such, these individuals, in their separate capacities as registered representatives and/or insurance agents/brokers, may implement product transactions on behalf of advisory clients for separate and distinct commission compensation.

However, SWMG emphasizes that clients are under no obligation to utilize either of these firms in any capacity.

Furthermore, SWMG will not and cannot utilize May Capital Group, LLC for client trades resulting from SWMG advisory activities. While these individuals endeavor at all times to put the interest of the clients first a as part of SWMG's fiduciary duty, clients should be aware that the receipt of additional compensation itself may create a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Arrangements with Affiliated Entities

We are affiliated with May Capital Group, LLC through common control and ownership. The affiliate is a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Some persons providing investment advice on behalf of our firm are also registered representatives with our affiliate broker dealer. In their capacity as registered representatives, these persons may receive commission-based compensation in connection with the purchase of securities, including 12b-1 fees for the purchase of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate from our advisory fees. This practice may present a conflict of interest because persons providing

investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs.

Referral arrangements with an affiliated entity present a conflict of interest for us because we may have a direct or indirect financial incentive to recommend an affiliated firm's services. While we believe that compensation charged by an affiliated firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use the services of any firm we recommend, whether affiliated or otherwise, and may obtain comparable services and/or lower fees through other firms.

Recommendation of Other Advisers

We may recommend that you use a third party money manager ("TPMM") based on your needs and suitability. We will not receive separate compensation, directly or indirectly, from the TPMM for recommending that you use their services. Moreover, we do not have any other business relationships with the recommended TPMM(s). Refer to the *Advisory Business* section above for additional disclosures on this topic.

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

SWMG has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

SWMG's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth SWMG's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with SWMG may buy or sell securities for their personal accounts identical or different than those recommended to clients. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is the expressed policy of SWMG that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, SWMG requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the firm's Chief Compliance Officer. SWMG also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

Block Trading

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Refer to the *Brokerage Practices* section in this brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities. The Firm will utilize its best efforts to attempt to avoid this conflict and will review trade blotters to correct trades, if necessary.

SWMG's Code also includes oversight, enforcement and recordkeeping provisions. SWMG's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. SWMG requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

A copy of SWMG's Code of Ethics is available to SWMG's advisory clients or prospective client upon request to the Chief Compliance Officer at SWMG's principal office address.

Item 12 Brokerage Practices

Investment Management Services:

The Custodian and Broker We Use

SWMG ("we/our") does not maintain custody of your assets that we manage. Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. As such, SWMG recommends that our clients use Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Please note SWMG is independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when SWMG instructs them to.

We maintain relationships with several broker-dealers. While you are free to choose any broker-dealer or other service provider as your custodian, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s). We believe that the recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

While SWMG recommends that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account, as described in the next paragraph.

How SWMG Selects Brokers/Custodians to Recommend

SWMG seeks to recommend a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. SWMG considers a wide range of factors, including, among others:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds ("ETFs"), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below *(see "Products and Services Available to Us from Schwab")*

Your Custody and Brokerage Costs

For our clients' accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab's commission rates applicable to our client accounts were negotiated based on our commitment to maintain a certain amount of our clients' assets statement equity in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be if we had not made the commitment. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited or settled into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

Products and Services Available to Us from Schwab

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like SWMG. They provide SWMG and our clients with access to its institutional brokerage - 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 do not have to request them) and at no charge to us.

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.

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. SWMG may use this research to service all or some 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; and
- assist with back-office functions, recordkeeping and client reporting.

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
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

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

Our Interest in Schwab's Services

SWMG believes that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Schwab's services based on the factors discussed above - *see "How We Select Brokers/Custodians to Recommend".*

SWMG reserves the right to decline acceptance of any client account that directs the use of a broker dealer other than Schwab if SWMG believes that this would adversely affect SWMG's duty to obtain best execution.

In directing the use of Schwab it should be understood that SWMG will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.

SWMG may employ block trading where possible and when advantageous to clients. SWMG will aggregate client trades in accordance with the initial order ticket or other written statement of allocation. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple clients' accounts so long as transaction costs are shared equally and on a pro-rata basis between all accounts included in any such block. Block trading allows SWMG to execute equity

trades on a more timely and equitable manner. However, adjustments to this pro-rata allocation may be made to avoid having odd amounts or minimal number of shares held in any client account, to avoid deviations from pre-determined minimum/maximum holdings limits established for any account or to avoid a client account cash balance from being overdrawn. To the extent that SWMG determines to aggregate client orders for the purchase or sale of securities, SWMG shall generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. SWMG shall not receive any additional compensation or remuneration as a result of the aggregation.

Research and Other Soft Dollar Benefits

Currently, SWMG does not have any soft dollar arrangements. The term "soft dollars" refers to a means of paying brokerage firms or other third parties for products and services through commission revenue, based on the volume of brokerage commission revenues generated from securities transactions executed through brokers by an investment manager on behalf of advisory clients. SWMG is authorized to direct brokerage to firms which furnish or pay for research and/or brokerage services within the "safe harbor" provided by Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act"). Consequently, a conflict of interest exists as SWMG would benefit from the arrangement because it does not have to produce or pay for the research it receives and has an incentive to select a broker-dealer based on SWMG's interest in receiving research or other products or services, rather than SWMG's interest in receiving the most favorable execution.

Included within the support services that may be obtained by SWMG may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by SWMG in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist SWMG in managing and administering client accounts. Others do not directly provide such assistance, but rather assist SWMG to manage and further develop its business enterprise. SWMG's clients do not pay more for investment transactions effected and/or assets maintained at SAS as a result of this arrangement. There is no corresponding commitment made by SWMG to SAS or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

Brinker Capital Management ("BCM") Programs:

A condition of participation in BCM's Core Asset Manager and/or Destinations programs is that all clients must use NFSC for clearing.

Please refer to the applicable Wrap Fee brochure and the disclosure document(s) of the investment manager(s) used in these programs for information on brokerage practices.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

Our clients generally custody at Charles Schwab; however, if a client chooses to purchase a mutual fund through our affiliated broker-dealer, May Capital Group, LLC, this may present a conflict of interest, as there may be commissions generated by the purchase of a mutual fund. There is no requirement to use May Capital Group, LLC as your custodian or introducing broker-dealer. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use the recommended broker we may not be able to accept your account. See the Fees and Compensation section in this brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Block Trades

We combine multiple orders for shares of the same securities purchased for discretionary advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, participating accounts will pay a fixed transaction cost regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm. If a client calls to request the purchase of a security that has already been purchased as part of a block trade and allocated, this client-directed purchase may not receive the same average price as other clients who had purchased the security on a discretionary basis. In some instances, trades for separate strategies in the same security may not be part of the same block trade and may not receive the same average price as other clients in separate strategies. In these instances, the block trade and allocation will be done on a best efforts basis.

Item 13 Review of Accounts

Reviews:

Investment Management Services: While the underlying securities within Investment Management Services client accounts are continuously monitored, these accounts will be reviewed periodically by the SWMG Principal in charge of the account. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, market conditions or client request.

In addition, SWMG will conduct account reviews at least at a minimum annually, to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

The individuals conducting reviews may vary from time to time, as personnel join or leave our firm.

We will not provide you with additional or regular written reports. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s) either via e-mail or regular mail.

Brinker Capital Management Programs:

The accounts of clients participating in Brinker Capital Management, Inc.'s Core Asset Manager and/or Designations Program will be reviewed periodically by Lawrence E. May, Managing Member of SWMG.

Pension Consulting Services & Consulting Services:

Pension Consulting and consulting accounts will be reviewed as contracted for with the client at the inception of the advisory relationship.

For all accounts, more frequent reviews may be triggered by such factors as a change in the client's circumstances.

Reports:

Investment Management Services clients receive monthly statements and confirmations of transactions from their broker dealer. SWMG provides no regular reports to these clients.

Clients participating in Brinker Capital Management, Inc.'s Core Asset Manager and/or Destinations program will receive monthly or quarterly statements for their accounts directly from the custodian. For managed accounts, which have monthly activity, clients will receive monthly statements. In addition, clients will receive confirmation of all security transactions from the clearing firm either on a trade-by-trade basis, quarterly by mail or through Brinker's website as further disclosed on their ADV form. SWMG provides no regular reports to Pension Consulting and/or Consulting clients.

Item 14 Client Referrals and Other Compensation

As disclosed under the *Fees and Compensation* section in this brochure, some persons providing investment advice on behalf of our firm are licensed insurance agents, and are registered representatives with May Capital Group, LLC, both of which are securities broker-dealers, and members of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the *Fees and Compensation* section.

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

Client Referrals

SWMG may from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for client referrals. SWMG is aware of the special considerations promulgated pursuant to Rule 206(4)-3 under the Investment Advisers Act of 1940. As such, appropriate disclosure shall be made, all written instructions will be maintained by SWMG and all applicable Federal and /or State laws will be observed.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

TD Ameritrade Separate Account Exchange Program ("SAE")

TD Ameritrade has established SAE that allows Investment Managers that have discretion over investor portfolios custodied at TD Ameritrade to choose SWMG as an independent RIA. SAE accounts are dual-contract: the end client signs a service agreement with both SWMG and an Investment Manager.

TD Ameritrade does not supervise SWMG and has no responsibility for SWMG's management of client portfolios or SWMG's other advice or services. SWMG will not charge clients referred through SAE any fees or costs higher than its standard fee schedule offered to its clients.

SWMG's participation in SAE raises potential conflicts of interest. Investment Managers will most likely refer clients through SAE to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from Investment Managers, SWMG may have an incentive to maintain assets held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade.

In addition, SWMG has agreed not to solicit clients referred to it through SAE to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Advisor's participation in SAE does not diminish its duty to seek best execution of trades for client accounts.

Other Compensation

SWMG may receive access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge. These services benefit SWMG but may not benefit its clients' accounts. Many of the products and services assist SWMG in managing and administering clients' accounts.

These include software and other technology 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), provide research, pricing information and other market data, facilitate payment of SWMG's fees from its clients' accounts, and assist with back-office support, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of SWMG's accounts. SWMG may also receive other services intended to help SWMG manage and further develop its business enterprise. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. The availability to SWMG of the foregoing products and services is not contingent upon Advisor committing to any specific amount of business (assets in custody or trading). While as a fiduciary, SWMG endeavors to act in its clients' best interests, SWMG's requirement that clients maintain their assets in accounts may be based in part on the benefit to SWMG of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the brokers, which may create a potential conflict of interest.

Item 15 Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets.

SWMG urges you to carefully review such statements and compare them to any account statements that we may provide to you. SWMG statements that may be provided from time to time may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms. We will not accept accounts that limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account).

When selecting securities and determining amounts, SWMG observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to SWMG in writing.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

Proxy Voting: As a matter of firm policy and practice, SWMG does not accept the authority to and does not vote proxies on behalf of advisory client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. 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 any electronic solicitations to vote proxies. 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 any electronic solicitations to vote proxies. SWMG may provide clients with consulting assistance regarding proxy issues.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that SWMG will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct SWMG to transmit copies of class action notices to the client or a third party. Upon such direction, SWMG will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18 Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about SWMG's financial condition.

SWMG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than $500 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

On May 5, 2020, the firm received a Paycheck Protection Program ("PPP") loan in the amount of $62,600 through the U.S. Small Business Administration, which was part of the economic relief provided under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Due to the economic uncertainties surrounding the current COVID-19 pandemic, we believed it was necessary and prudent for us to apply for, and accept, the Payroll Protection Program loan offered by the Small Business Administration in order to support our ongoing operations. The firm used the PPP funds to continue payroll for the firm's employees, and make other permissible payments. The loan is forgivable provided the firm satisfies the terms of the loan program.

Item 19 Additional Information

Trade Errors
In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Class Action Lawsuits
We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

IRA Rollover Considerations
As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

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

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
    a. Employer retirement plans generally have a more limited investment menu than IRAs.
    b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have higher or lower fees than our fees.
    a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
    b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have a different level of risk than the option(s) provided to you in your plan.

4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
    a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k if you are still employed, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

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