

## Kerntke Otto McGlone Wealth Management Group, LLC

3601 E. Evergreen Drive, Suite 100  
Appleton, WI 54913-7417  
Phone: 920-733-3865

[www.kerntkeottomcglone.com](http://www.kerntkeottomcglone.com)  
[www.onekom.com](http://www.onekom.com)

Date of Brochure: March 19, 2024

---

This brochure provides information about the qualifications and business practices of Kerntke Otto McGlone Wealth Management Group (“KOM Wealth Management Group”). Any client who has not received a copy of KOM Wealth Management Group’s written disclosure brochure (this ADV Part 2 Disclosure Brochure) at least forty-eight (48) hours prior to executing the agreement for advisory services will have five (5) business days subsequent to executing the agreement to terminate KOM Wealth Management Group's services without penalty. If you have any questions about the contents of this brochure, please contact James McGlone at 920-733-3865 or at [jim.mcglone@onekom.com](mailto:jim.mcglone@onekom.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about KOM Wealth Management Group is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm’s information on this website by searching for our name KOM Wealth Management Group or by our firm CRD number **142682**.

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

## Item 2 – 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.

Generally, KOM Wealth Management Group will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

Since our last annual updating amendment dated March 28, 2023, we have amended this Brochure to disclose a change in ownership. Please see Item 4 for more information. If you have any questions about this change, please call us at (920) 733-3865.

## Item 3 – Table of Contents

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business.....	4
General Description of Primary Advisory Services .....	4
Selection of Other Advisers.....	4
Limits Advice to Certain Types of Investments .....	5
Tailor Advisory Services to Individual Needs of Clients.....	5
Client Assets Managed by KOM Wealth Management Group .....	6
Item 5 – Fees and Compensation.....	6
Financial Planning and Consulting Services.....	6
Investment Management Services.....	7
Selection of Other Advisers.....	8
Non-Discretionary Investment Management (Allocation Recommendations) .....	9
Item 6 – Performance-Based Fees and Side-By-Side Management .....	11
Item 7 – Types of Clients.....	11
Minimum Investment Amounts Required.....	11
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	11
Methods of Analysis.....	11
Investment Strategies .....	12
Risk of Loss.....	13
Additional Areas of Risk .....	14
Item 9 – Disciplinary Information.....	17
Item 10 – Other Financial Industry Activities and Affiliations .....	17
Other Business Activities.....	17
Licensed Insurance Agents .....	17
Third-Party Money Managers .....	17
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading .....	18
Code of Ethics Summary .....	18
Affiliate and Employee Personal Securities Transactions Disclosure .....	18
Item 12 – Brokerage Practices .....	18
Handling Trade Errors .....	20
Block Trading Policy .....	20
Item 13 – Review of Accounts.....	21
Account Reviews and Reviewers.....	21
Statements and Reports .....	21
Item 14 – Client Referrals and Other Compensation .....	21
Item 15 – Custody .....	22
Item 16 – Investment Discretion.....	22
Item 17 – Voting Client Securities.....	23
Item 18 – Financial Information .....	23
Item 19 – Privacy Notice .....	23

## Item 4 – Advisory Business

KOM Wealth Management Group, LLC is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) and is a Limited Liability Company (LLC) formed under the laws of the State of Wisconsin.

- James M. McGlone is Senior Partner, Managing Member, and Chief Compliance Officer of KOM Wealth Management Group.
- Kenneth J. McGlone is a Partner of KOM Wealth Management Group
- Kaley M. Klepps is a Partner of KOM Wealth Management Group
- Troy A. Sommerfeld is a Partner of KOM Wealth Management Group

KOM Wealth Management Group has been registered as an investment advisor since January 2007.

### General Description of Primary Advisory Services

The following are brief descriptions of KOM Wealth Management Group’s primary services. A more detailed description of KOM Wealth Management Group’s services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the description of services and description of fees in a side-by-side manner.

**Financial Planning Services** – KOM Wealth Management Group provides advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client’s overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

**Asset Management Services** – KOM Wealth Management Group provides advisory services in the form of asset management services, which we refer to as investment management services. Asset management services involve providing clients with continuous and on-going supervision over client accounts. This means that KOM Wealth Management Group will continuously monitor a client’s account and make trades in client accounts when necessary.

**Outside Money Managers** – In limited circumstances and when appropriate for the client, KOM Wealth Management Group provides advisory services by referring clients to outside, or unaffiliated, money managers that are registered or exempt from registration as investment advisors. Third-party money managers are responsible for continuously monitoring client accounts and making trades client accounts when necessary.

### Selection of Other Advisers

KOM Wealth Management Group may direct clients to third-party investment advisers. Before selecting other advisers for clients, KOM Wealth Management Group will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where KOM Wealth Management Group is recommending the adviser to clients.

## **Limits Advice to Certain Types of Investments**

KOM Wealth Management Group provides investment advice on the following types of investments:

- No-Load (i.e. no trading fee) and Load-Waived (i.e. trading fee waived) Mutual Fund Shares
- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)
- Fixed income securities (i.e. bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Foreign Issues
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- United States government securities
- Options contracts on securities and commodities
- Interests in partnerships investing in real estate and oil and gas interests

Additionally, KOM Wealth Management Group may advise you on any type of investment that we deem appropriate 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.

KOM Wealth Management Group does not provide advice on futures contracts on tangibles and intangibles.

KOM Wealth Management Group may recommend clients that are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, as amended, invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when such a recommendation is consistent with the client's investment objectives. When KOM Wealth Management Group recommends that the client invest in private placement securities, KOM Wealth Management Group receives no additional compensation but will continue to receive applicable investment advisory fees on the client's assets under management.

KOM Wealth Management Group allocates its client's investment management assets, on a discretionary and/or a non-discretionary basis among all types of investments that are listed above as types of investments on which we may provide investment advice. *(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

## **Tailor Advisory Services to Individual Needs of Clients**

KOM Wealth Management Group's services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions – solely upon our approval and acceptance – on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

## **Client Assets Managed by KOM Wealth Management Group**

The amount of clients' assets managed by KOM Wealth Management Group totaled approximately \$343,318,298 as of December 31, 2023. Of these assets approximately \$339,411,071 are managed on a discretionary basis and approximately \$3,907,227 of assets are managed on a non-discretionary basis.

### **Item 5 – Fees and Compensation**

In addition to the information provide in *Item 4 – Advisory Business*, this section provides additional details regarding our services along with descriptions of each service's fees and compensation arrangements.

KOM Wealth Management Group is an investment adviser providing financial planning, consulting, and investment management services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations and business entities. KOM Wealth Management Group, depending upon the engagement, offers its services on a fee basis which may include hourly and/or fixed fees as well as fees based upon the value of assets under management. Alternatively, certain of KOM Wealth Management Group's *Advisory Affiliates* (*Advisory Affiliates is defined as 1) All Kerntke Otto McGlone Wealth Management Group officers, partners, or directors; 2) all persons directly or indirectly controlling or controlled by Kerntke Otto McGlone Wealth Management Group; and 3) All current employees other than employees performing only clerical, administrative support or similar functions*) may offer insurance products under a commission arrangement. Prior to engaging KOM Wealth Management Group to provide any of the foregoing investment advisory services, the client will generally be required to enter into one or more written agreements with KOM Wealth Management Group setting forth the terms and conditions under which our firm will render its services (collectively the "*Agreement*").

#### **Financial Planning and Consulting Services**

KOM Wealth Management Group provides its clients with a broad range of comprehensive financial planning and consulting services (which may include non-investment related matters). KOM Wealth Management Group will charge a fixed fee and/or hourly fee for these services. Our financial planning and consulting fees are negotiable, but generally range from \$1,250 to \$14,000 annually on a fixed fee basis and/or from \$125 to \$400 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. Financial planning services typically are provided at no additional charge to clients who have contracted for asset management services.

Prior to engaging KOM Wealth Management Group to provide financial planning and/or consulting services, the client will generally be required to enter into a written agreement with KOM Wealth Management Group setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to our firm commencing services. Generally, KOM Wealth Management Group requires one-half of the financial planning / consulting fee (estimated hourly or fixed) to be paid upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon financial planning or consulting services. Either party may terminate the agreement by written notice to the other party. In the event the client terminates KOM Wealth Management Group's financial planning and/or consulting services, the balance of our unearned fees (if any) will be refunded to the client. If termination occurs within five business days of entering into an agreement for such services, the client will be entitled to a full refund.

In performing its services, KOM Wealth Management Group will not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. We may recommend that you implement our financial planning/consulting recommendations through our firm, our *Advisory Affiliates* in their individual capacities as insurance agents (if/as applicable), and/or other professionals. A conflict of interest exists if KOM Wealth Management Group recommends its own services. You are under no obligation to act upon any of the recommendations made by KOM Wealth Management Group under a financial planning/consulting engagement and/or to engage the services of any such recommended professional, including KOM Wealth Management Group itself. You retain absolute discretion over all such implementation decisions and are free to accept or reject any of our firm's recommendations. Moreover, each client is advised that it remains the client's responsibility to promptly notify KOM Wealth Management Group if there is ever any change in the client's financial situation or investment objectives for the purpose of reviewing, evaluating, or revising KOM Wealth Management Group's previous recommendations and/or services.

### **Investment Management Services**

In the event the client determines to engage KOM Wealth Management Group to provide investment management services, our firm will provide the investment management services on a fee basis. KOM Wealth Management Group charges an annual fee based upon a percentage of the market value of the assets being managed by our firm. KOM Wealth Management Group's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. However, our firm will not receive any portion of these commissions, fees, and costs. KOM Wealth Management Group's annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. The annual fee ranges up to 2.00% of assets under management depending upon the market value of the assets under management and the complexity of investment management services to be rendered.

The client may make additions to and withdrawals from the client's account at any time. This Agreement will continue in effect from the date set forth above and may be terminated at any time upon receipt of written notice to terminate by either party to the other, which written notice must be manually signed by the terminating party. Termination of this Agreement will not affect (i) the validity of any action previously taken by us under this Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (iii) your obligation to pay us fees that have already been earned under this Agreement. Upon the termination of this Agreement, we will not have any continuing obligation to take any action. If you terminate this Agreement after the commencement of a calendar quarter billing period, the unearned portion of the Management Fee will be promptly refunded subject to an account closing fee of up to \$250.

Additions may be in cash or securities provided that KOM Wealth Management Group reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. KOM Wealth Management Group may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

KOM Wealth Management Group, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount

of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.). Clients may incur certain charges imposed by the account custodian and other third parties, such as fees charged by *Independent Managers* (as defined below), custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which will be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

KOM Wealth Management Group's *Agreement* and/or the separate agreement with the account custodian may authorize KOM Wealth Management Group through the account custodian to debit the client's account for the amount of KOM Wealth Management Group's fee and to directly remit that management fee to KOM Wealth Management Group in accordance with applicable custody rules. The account custodian recommended by KOM Wealth Management Group has agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to KOM Wealth Management Group.

To the extent that a client authorizes the use of margin, and margin is thereafter employed by KOM Wealth Management Group in the management of the client's investment portfolio, the market value of the client's account and the corresponding fee payable by the client to KOM Wealth Management Group will be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential conflict of interest in that the client's decision to employ margin will correspondingly increase the management fee payable to KOM Wealth Management Group. Accordingly, the decision whether to employ margin is left exclusively to the discretion of the client.

### **Selection of Other Advisers**

KOM Wealth Management Group may also recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers) either directly or through a wrap fee program ("*Independent Manager(s)*") based upon the stated investment objectives of the client. The terms and conditions under which the client will engage the *Independent Manager(s)* will typically be set forth in separate written agreements between the client and KOM Wealth Management Group. KOM Wealth Management Group will continue to render advisory services to the client relative to the ongoing monitoring and review of account performance, for which KOM Wealth Management Group receives an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated *Independent Manager(s)*. Factors that KOM Wealth Management Group considers in recommending *Independent Manager(s)* include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Manager(s)* may be exclusive of, and in addition to, KOM Wealth Management Group's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by KOM Wealth Management Group, the designated *Independent Manager(s)*, and corresponding broker-dealer and custodian.

Certain *Independent Manager(s)* may impose more restrictive account requirements and varying billing practices than KOM Wealth Management Group. In such instances, KOM Wealth Management Group may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Manager(s)* or wrap fee program sponsor.

If KOM Wealth Management Group refers a client to certain Independent Manager(s) where our compensation is

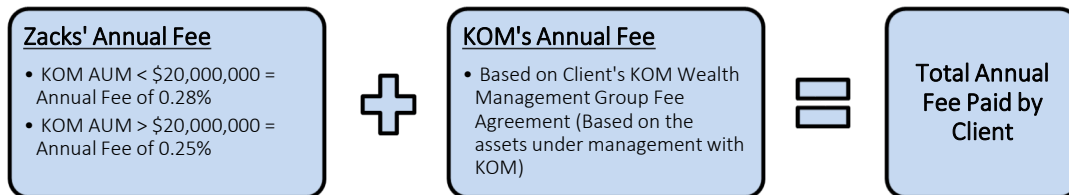


included in the advisory fee charged by such Independent Manager(s) and the client engages those Independent Manager(s), KOM Wealth Management Group will be compensated for its services by receipt of a fee paid directly to KOM Wealth Management Group by the Independent Manager(s) in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities laws, rules, regulations, or requirements. Any such fee will be paid solely from the Independent Manager(s) investment management fee or the program fee of the wrap fee program (as appropriate) and will not result in any additional charge to the client.

### Zacks Investment Management

KOM Wealth Management Group may direct clients to certain Independent Manager(s), such as Zacks Investment Management (Zack's), an unaffiliated registered investment adviser. In instances where Zack's services are utilized, KOM Wealth Management Group will be compensated via a fee share from the advisers to which it directs those clients. The fees shared are negotiable and will not exceed any limit imposed by any regulatory agency.

Where KOM Wealth Management Group specifically directs clients to Zacks Investment Management, the annual fee schedule is as follows:



- Zacks Investment Management Annual Fee
  - Annual Fee Received by Zacks: Their 0.25% or 0.28% fee on the Managed Account(s)
    - AUM Range Minimum Fee is **0.28%/Year** if KOM Wealth Management Group has **less than \$20,000,000**
    - AUM Range Maximum fee is **0.25%/Year** if KOM Wealth Management Group has **more than \$20,000,000**
- KOM Wealth Management Group Annual Fee
  - Annual Fee Received by KOM: Based on Client's KOM Wealth Management Group Fee Agreement
    - Based on the assets under management with KOM Wealth Management.
- Zacks' Annual Fee + KOM's Annual Fee = Total Annual Fee Paid by Client
  - Fees are paid quarterly in advance.

### Non-Discretionary Investment Management (Allocation Recommendations)

KOM Wealth Management Group also may render non-discretionary investment management services to clients relative to: (1) variable life/annuity products that they may own, and/or (2) their individual employer-sponsored retirement plans. In so doing, KOM Wealth Management Group's either directs or recommends the allocation of client assets among the various mutual fund sub-accounts that comprise the variable life/annuity product or the retirement plan. The client assets will be maintained at either the specific insurance company that issued the variable life/annuity product, which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan.

The client may make additions to and withdrawals from the client's account at any time. This Agreement will continue in effect from the date set forth above and may be terminated at any time upon receipt of written

notice to terminate by either party to the other, which written notice must be manually signed by the terminating party. Termination of this Agreement will not affect (i) the validity of any action previously taken by us under this Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (iii) your obligation to pay us fees that have already been earned under this Agreement. Upon the termination of this Agreement, we will not have any continuing obligation to take any action. If you terminate this Agreement after the commencement of a calendar quarter billing period, the unearned portion of the Management Fee will be promptly refunded subject to an account closing fee of up to \$250.

For the initial quarter of investment management services, the first quarter's fees will be calculated on a *pro rata* basis and charged in arrears at the time the first full quarter's fee is charged. The *Agreement* between KOM Wealth Management Group and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. KOM Wealth Management Group's annual fee will be prorated through the date of termination and any remaining balance will be charged or refunded to the client, as appropriate, in a timely manner.

Additions may be in cash or securities provided that KOM Wealth Management Group reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. KOM Wealth Management Group may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

KOM Wealth Management Group's clients are advised to promptly notify KOM Wealth Management Group if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon KOM Wealth Management Group's management services. Neither KOM Wealth Management Group nor the client may assign the *Agreement* without the consent of the other party. Transactions that do not result in a change of actual control or management of KOM Wealth Management Group will not be considered an assignment.

### **Compensation for the Sale of Investment Products**

Certain Executive officers and other Associated Persons 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 our clients. Insurance commissions earned by these persons are separate from and in addition to our advisory fees. The sale of insurance instruments and other commissionable products offered by Associated Persons are intended to complement our advisory services. However, 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. We address this conflict of interest by recommending insurance products only where we, in good faith, believe that it is appropriate for the client's particular needs and circumstances and only after a full presentation of the recommended insurance product to our client. In addition, we explain the insurance underwriting process to our clients to illustrate how the insurer also reviews the client's application and disclosures prior to the issuance of a resulting insuring agreement. Clients to whom the firm offers advisory services are informed that they are under no obligation to purchase insurance services. Clients who do choose to purchase insurance services are under no obligation to use our licensed Associated Persons and may use the insurance brokerage firm and agent of their choice.

Where fixed annuities are sold, clients should also note that the annuity sales result in substantial up-front commissions and ongoing trails based on the annuity's total value. In addition, many annuities contain surrender charges and/or restrictions on access to your funds. Payments and withdrawals can have tax consequences. Optional lifetime income benefit riders are used to calculate lifetime payments only and are not available for cash surrender or in a death benefit unless specified in the annuity contract. In some annuity products, fees can apply when using an income rider. Annuity guarantees are based on the financial strength and claims-paying ability of the issuing insurance company. We urge our clients to read all insurance contract disclosures carefully before making a purchase decision. Rates and returns mentioned on any program presented are subject to change without notice. Insurance products are subject to fees and additional expenses.

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

Item 6 is not applicable to this Disclosure Brochure because KOM Wealth Management Group does not charge or accept performance-based fees. Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

## Item 7 – Types of Clients

KOM Wealth Management Group generally provides investment advice to the following types of clients:

- Individuals
- High-Net Worth Individuals
- Pension and profit-sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

### Minimum Investment Amounts Required

There are no minimum investment amounts or conditions required for establishing an account managed by KOM Wealth Management Group. However, all clients are generally required to execute an agreement for services in order to establish a client arrangement with KOM Wealth Management Group and/or any recommended Independent Manager or sponsor of third-party money manager platforms.

Certain Independent Manager(s) or wrap fee program sponsors may impose more restrictive account requirements and varying billing practices than the KOM Wealth Management Group. In such instances, we may alter our corresponding account requirements and/or billing practices to accommodate those of the Independent Manager(s) or wrap fee program sponsors.

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

### Methods of Analysis

KOM Wealth Management Group uses the following methods of analysis in formulating investment advice:

**Cyclical** – Analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower

demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

**Fundamental** – A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

**Technical** – A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

### Investment Strategies

KOM Wealth Management Group uses the following investment strategies when managing client assets and/or providing investment advice:

- **Long-Term Purchases:** Investments held at least a year.
- **Short-Term Purchases:** Investments sold within a year.
- **Trading:** Investments sold within 30 days.
- **Margin Transactions:** When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from KOM Wealth Management Group.
- **Option Writing** (Including Covered Options, Uncovered Options, or Spreading Strategies): Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

KOM Wealth Management Group may recommend that clients authorize the active discretionary management of a portion of their assets by and/or among certain *Independent Manager(s)* based upon the stated investment objectives of the client. When recommending or selecting an *Independent Manager* for a client, KOM Wealth Management Group will review information about the *Independent Manager(s)* such as its disclosure statement and/or material supplied by the *Independent Manager(s)* or independent third parties for a description of the *Independent Manager's* investment strategies, past performance and risk results to the extent available. KOM Wealth Management Group will continue to render services to the client relative to the discretionary and/or non-discretionary selection or recommendation of *Independent Manager(s)* as well as the monitoring and review of account performance and client investment objectives.

## Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, KOM Wealth Management Group is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (Stock) Market Risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk** – When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk** – When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk** – Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk** – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- **Management Risk** – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

## Additional Areas of Risk

### IRA Rollovers

As a normal extension of financial advice, we provide education or recommendations related to the rollover of an employer-sponsored retirement plan. A plan participant leaving employment has several options. Each choice offers advantages and disadvantages, depending on desired investment options and services, fees and expenses, withdrawal options, required minimum distributions, tax treatment, and the investor's unique financial needs and retirement plans. The complexity of these choices may lead an investor to seek assistance from us.

An Associated Person who recommends an investor roll over plan assets into an Individual Retirement Account ("IRA") may earn an asset-based fee as a result, but no compensation if assets are retained in the plan. Thus, we have an economic incentive to encourage an investor to roll plan assets into an IRA. In most cases, fees and expenses will increase to the investor as a result because the above-described fees will apply to assets rolled over to an IRA and outlined ongoing services will be extended to these assets.

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. We have to act in your best interests and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests is not indicative of future results. Therefore, you should never assume that future performance.

### Environment, Social, and Governance Investment Criteria Risk

If a portfolio is subject to certain environmental, social and governance (ESG) investment criteria it may avoid purchasing certain securities for ESG reasons when it is otherwise economically advantageous to purchase those securities, or may sell certain securities for ESG reasons when it is otherwise economically advantageous to hold those securities. In general, the application of the portfolio's ESG investment criteria may affect the portfolio's exposure to certain issuers, industries, sectors and geographic areas, which may affect the financial performance of the portfolio, positively or negatively, depending on whether these issuers, industries, sectors or geographic areas are in or out of favor. An adviser can vary materially from other advisers with respect to its methodology for constructing ESG portfolios or screens, including with respect to the factors and data that it collects and evaluates as part of its process. As a result, an adviser's ESG portfolio or screen may materially differ from or contradict the conclusions reached by other ESG advisers concerning the same issuers. Further, ESG criteria are dependent on data and are subject to the risk that such data reported by issuers or received from third-party sources may be subjective, or it may be objective in principle but not verified or reliable

### Risks Associated with Investing in Buffer ETFs

Buffer ETFs are also known as defined-outcome ETFs since the ETF is designed to offer downside protection for a specified period of time. These ETFs are modeled after options-based structured notes, but are generally cheaper, and offer more liquidity. Buffer ETFs are designed to safeguard against market downturns by employing complex options strategies. Buffer ETFs typically charge higher management fees that are considerably more than the index funds whose performance they attempt to track. Additionally, because buffer funds own options, they do not receive dividends from their equity holdings. Both factors result in the underperformance of the Buffer ETF compared to the index they attempt to track. Clients should carefully read the prospectus for a buffer ETF to fully understand the

cost structures, risks, and features of these complex products.

### Structured Notes

Below are some specific risks related to the structured notes recommended by our firm:

- *Complexity*: Structured notes are complex financial instruments. Clients should understand the reference asset(s) or index(es) and determine how the note's payoff structure incorporates such reference asset(s) or index(es) in calculating the note's performance. This payoff calculation may include leverage multiplied by the performance of the reference asset or index, protection from losses should the reference asset or index produce negative returns, and/or fees. Structured notes may have complicated payoff structures that can make it difficult for clients to accurately assess their value, risk and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Payoff structures can be leveraged, inverse, or inverse-leveraged, which may result in larger returns or losses. Clients should carefully read the prospectus for a structured note to fully understand how the payoff on a note will be calculated and discuss these issues with our firm.
- *Market risk*. Some structured notes provide for the repayment of principal at maturity, which is often referred to as "principal protection." This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, and/or market volatility.
- *Issuance price and note value*: The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now generally disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer's estimated value of the note and the issuance price. The estimated value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring, and/or hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.
- *Liquidity*: The ability to trade or sell structured notes in a secondary market is often very limited, as structured notes (other than exchange-traded notes known as ETNs) are not listed for trading on securities exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution's broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date or risk selling the note at a discount to its value at the time of sale.
- *Credit risk*: Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

KOM Wealth Management Group may offer investment advisory services in Private Investments to Clients that qualify as an Accredited Investor as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended and agree that such investments are consistent with their investment objectives. Private Investments may be referred to as private placements, limited partnerships, limited liability companies, alternative

investments, private funds, or otherwise. Prior to investing in Private Investments, the Client will be provided the required legal investment documentation and must sign additional documents that are outside the scope of our investment advisory agreement. These documents may include, but are not limited to, a Private Placement Memorandum, Subscription Agreement, Operating Agreement, Limited Partnership Agreement, and Investor Questionnaire.

**Cryptocurrency Risk\*:** Cryptocurrency (e.g., bitcoin and ether), often referred to as “virtual currency,” “digital currency,” or “digital assets,” is designed to act as a medium of exchange. Cryptocurrency is an emerging asset class. There are thousands of cryptocurrencies, the most well-known of which is bitcoin. Certain of the firm’s clients may have exposure to bitcoin or another cryptocurrency, directly or indirectly through an investment such as an ETF or other investment vehicles. Cryptocurrency operates without central authority or banks and is not backed by any government. Cryptocurrencies may experience very high volatility and related investment vehicles may be affected by such volatility. As a result of holding cryptocurrency, certain of the firm’s clients may also trade at a significant premium or discount to NAV. Cryptocurrency is also not legal tender. Federal, state, or foreign governments may restrict the use and exchange of cryptocurrency, and regulation in the U.S. is still developing. The market price of many cryptocurrencies, including bitcoin, has been subject to extreme fluctuations. If cryptocurrency markets continue to be subject to sharp fluctuations, investors may experience losses if the value of the client’s investments declines. Similar to fiat currencies (i.e., a currency that is backed by a central bank or a national, supra-national, or quasi-national organization), cryptocurrencies are susceptible to theft, loss, and destruction. Cryptocurrency exchanges and other trading venues on which cryptocurrencies trade are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure than established, regulated exchanges for securities, derivatives, and other currencies. The SEC has issued a public report stating U.S. federal securities laws require treating some digital assets as securities.

Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers, or malware. Due to relatively recent launches, most cryptocurrencies have a limited trading history, making it difficult for investors to evaluate investments. Generally, cryptocurrency transactions are irreversible such that an improper transfer can only be undone by the receiver of the cryptocurrency agreeing to return the cryptocurrency to the original sender. Digital assets are highly dependent on their developers and there is no guarantee that development will continue or that developers will not abandon a project with little or no notice. Third parties may assert intellectual property claims relating to the holding and transfer of digital assets, including cryptocurrencies, and their source code. Any threatened action that reduces confidence in a network’s long-term ability to hold and transfer cryptocurrency may affect investments in cryptocurrencies.

Many significant aspects of the U.S. federal income tax treatment of investments in cryptocurrency are uncertain and investments in cryptocurrency may produce income that is not treated as qualifying income for purposes of the income test applicable to regulated investment companies. Certain cryptocurrency investments may be treated as a grantor trust for U.S. federal income tax purposes, and an investment by the firm’s clients in such a vehicle will generally be treated as a direct investment in cryptocurrency for tax purposes and “flow-through” to the underlying investors.

\* KOM Wealth Management Group does not recommend or invest in cryptocurrencies. This disclosure is provided



to assist clients with understanding some of the risks associated with these types of investments should clients make such investments on their own accord.

## Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

## Item 10 – Other Financial Industry Activities and Affiliations

KOM Wealth Management Group is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, or (11) sponsor or syndicator of limited partnerships.

### Other Business Activities

#### Licensed Insurance Agents

Certain of KOM Wealth Management Group's *Advisory Affiliates*; in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. While KOM Wealth Management Group does not sell such insurance products to its investment advisory clients, we do permit our *Advisory Affiliates*, in their individual capacities as licensed insurance agents, to sell insurance products to our firm's investment advisory clients. A conflict of interest exists to the extent that KOM Wealth Management Group recommends the purchase of insurance products where KOM Wealth Management Group's *Advisory Affiliates* receive insurance commissions or other additional compensation. Please refer to Item 5 of this Brochure for more information.

### Third-Party Money Managers

As described in *Item 4 – Advisory Business* and *Item 5 – Fees and Compensation*, KOM Wealth Management Group has formed relationships with independent, third-party money managers.

KOM Wealth Management Group may recommend clients work directly with third-party money managers. When we refer clients to a third-party money manager, we will receive a portion of the fee charged by the third-party money manager. Therefore, we have a conflict of interest in that we will only recommend third party money managers that will agree to compensate KOM Wealth Management Group by paying us a portion of the fees billed to your account managed by the third-party money manager.

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

### Code of Ethics Summary

KOM Wealth Management Group has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Advisers Act, our *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by KOM Wealth Management Group or any of our associated persons. The *Code of Ethics* also requires that certain of our personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Clients may contact the KOM Wealth Management Group to request a copy of our *Code of Ethics*. Unless specifically permitted in our *Code of Ethics*, none of our *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as *the Access Person*) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of KOM Wealth Management Group's clients.

When the KOM Wealth Management Group is purchasing or considering for purchase any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when KOM Wealth Management Group is selling or considering the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds; and (v) shares in publicly traded companies that are highly liquid. We consider stocks with average daily trading volume of 10,000 shares or more as being highly liquid.

### Affiliate and Employee Personal Securities Transactions Disclosure

KOM Wealth Management Group or its associated persons may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of KOM Wealth Management Group that all persons associated in any manner with our firm must place the interests of our firm's clients ahead of their own when implementing personal investments. KOM Wealth Management Group and our associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with KOM Wealth Management Group unless the information is also available to the investing public upon reasonable inquiry. In order to minimize this conflict of interest, securities recommended by KOM Wealth Management Group are widely held and publicly traded.

## Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of KOM Wealth Management Group. If we assist in the implementation of any recommendations, we are responsible to ensure that the client

receives the best execution possible.

As further discussed in response to Item 12 (below), KOM Wealth Management Group will generally recommend that clients utilize the brokerage and clearing services of Fidelity Investments and its affiliates (collectively referred to as "*Fidelity*") for investment management accounts.

KOM Wealth Management Group may only implement its investment management recommendations after the client has arranged for and furnished KOM Wealth Management Group with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions will include, but are not limited to, *Fidelity*, any other broker-dealer recommended by KOM Wealth Management Group, any broker-dealer directed by the client, trust companies, banks etc. Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by *Fidelity*, or any other designated broker-dealer are exclusive of and in addition to KOM Wealth Management Group's fee.

Factors that KOM Wealth Management Group considers in recommending *Fidelity* or any other custodian/broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research, and service. *Fidelity* enables our firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. In addition, *Fidelity* has agreed to pay transfer costs for certain clients that transfer their accounts to *Fidelity*. The commissions and/or transaction fees charged by *Fidelity* or other custodian/broker-dealers utilized may be higher or lower than those charged by other custodian/broker-dealers available. The commissions paid by our firm's clients will comply with our duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while KOM Wealth Management Group will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

If the client requests KOM Wealth Management Group to arrange for the execution of securities brokerage transactions for the client's account, we will direct such transactions through broker-dealers that we reasonably believe will provide best execution. KOM Wealth Management Group periodically and systematically reviews its policies and procedures regarding recommending broker-dealers to client in light of our duty to obtain best execution.

The client may direct KOM Wealth Management Group in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and KOM Wealth Management Group will not seek better execution services or prices from other broker-dealers or be able to "batch" client transactions for execution through other broker-dealers with orders for other accounts managed by KOM Wealth Management Group. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, KOM Wealth Management Group may decline a client's request to direct brokerage if, in our sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Consistent with seeking best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist KOM Wealth Management Group in its investment decision-making process. Such research generally will be used to service all of our firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest.

KOM Wealth Management Group may receive from *Fidelity*, without cost to KOM Wealth Management Group, computer software and related systems support, which allow us to better monitor client accounts maintained at *Fidelity*. KOM Wealth Management Group may receive the software and related support without cost because we render investment management services to clients that maintain assets at *Fidelity*. The software and related systems support may benefit KOM Wealth Management Group, but not its clients directly. In fulfilling its duties to its clients, KOM Wealth Management Group endeavors at all times to put the interests of clients first. Clients should be aware, however, that our receipt of economic benefits from a custodian/broker-dealer creates a conflict of interest since these benefits may influence our choice of one custodian/broker-dealer over another custodian/broker-dealer that does not furnish similar software, systems support, or services.

Additionally, KOM Wealth Management Group may receive the following benefits from *Fidelity* through the Fidelity Registered Investment Advisor Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Registered Investment Advisor Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

### **Handling Trade Errors**

KOM Wealth Management Group has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is the policy of KOM Wealth Management Group to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by KOM Wealth Management Group if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for handling the trade error. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. KOM Wealth Management Group may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons). KOM Wealth Management Group will never benefit or profit from trade errors.

### **Block Trading Policy**

Transactions implemented by KOM Wealth Management Group for client accounts are generally affected independently, unless the firm decides to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by the firm when KOM Wealth Management Group believes such action may prove advantageous to clients. When KOM Wealth Management Group aggregates client orders, the allocation of securities among client accounts will be

done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among our firm's clients in proportion to the purchase and sale orders placed for each client account on any given day. When KOM Wealth Management Group determines to aggregate client orders for the purchase or sale of securities, including securities in which KOM Wealth Management Group may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* It should be noted, KOM Wealth Management Group does not receive any additional compensation or remuneration as a result of aggregation.

## Item 13 – Review of Accounts

### Account Reviews and Reviewers

For those clients to whom KOM Wealth Management Group provides investment management services, KOM Wealth Management Group monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least an annual basis. For those clients to whom KOM Wealth Management Group provides financial planning and/or consulting services, reviews are conducted on an “as needed” basis. Such reviews are conducted by one of the investment adviser representatives of our firm. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with KOM Wealth Management Group and to keep us informed of any changes thereto. KOM Wealth Management Group will contact ongoing investment advisory clients at least annually to review our previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situations and/or investment objectives.

### Statements and Reports

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for their accounts. Those clients to whom KOM Wealth Management Group provides investment advisory services will also receive a report from KOM Wealth Management Group that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance from time to time.

Those clients to whom KOM Wealth Management Group provides financial planning and/or consulting services will receive reports from KOM Wealth Management Group summarizing our analysis and conclusions, as requested by the client or otherwise agreed to in writing by KOM Wealth Management Group.

## Item 14 – Client Referrals and Other Compensation

KOM Wealth Management Group does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in Item 5 of this brochure. KOM Wealth Management Group receives no other forms of compensation in connection with providing investment advice.

As described in Item 12 above, we receive economic benefits from our custodial broker dealer in the form of support products and services they make available to us and other independent investment advisors whose clients maintain their accounts at these custodial broker dealers. The availability of custodial products and services is not dependent upon or based on the specific investment advice we provide our clients, such as buying or selling specific securities or specific types of securities for our clients. The products and services provided by the custodial broker dealer, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

## Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

KOM Wealth Management Group is deemed to have custody of client funds and securities whenever KOM Wealth Management Group is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody KOM Wealth Management Group will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which KOM Wealth Management Group is deemed to have custody, our firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client’s name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian’s name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client’s independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from KOM Wealth Management Group. When clients have questions about their account statements, they should contact KOM Wealth Management Group or the qualified custodian preparing the statement.

With respect to third party standing letters of authorization (“SLOA”) where a client grants us authority to direct custodians to disburse funds to one or more third party accounts, we are deemed to have custody pursuant to Rule 206(4)-2 (the “Custody Rule”). We have taken steps to have controls and oversight in place to comply with the no-action letter issued by the SEC on February 21, 2017 (the “SEC no-action letter”). We are not required to comply with the surprise examination requirements of the Custody Rule if we comply with the representations noted in the SEC no-action letter. Where our firm acts pursuant to a SLOA, we believe we are making a good faith effort to comply with the representations noted in the SEC no-action letter. Additionally, since many of the representations noted in the SEC no-action letter involve the qualified custodian’s operations, we will collaborate closely with our custodian(s) to ensure that the representations are met.

## Item 16 – Investment Discretion

Through its asset management services and upon receiving written authorization from a client, KOM Wealth Management Group will maintain trading authorization over client accounts. Upon receiving written authorization from the client, KOM Wealth Management Group may implement trades on a **discretionary** basis. When discretionary authority is granted, KOM Wealth Management Group will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client’s portfolio without

obtaining the client's consent for each transaction. However, it is the policy of KOM Wealth Management Group to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client.

In limited circumstances where we accept requests for you to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, KOM Wealth Management Group will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations, and we may not achieve the optimal trading price.

In our sole discretion, all clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account.

#### Item 17 – Voting Client Securities

KOM Wealth Management Group will not vote proxies on behalf of your account. It is your responsibility to vote all proxies for securities held in accounts managed by our firm. You will receive proxies directly from your account custodian or transfer agent and such documents will not be delivered by our firm.

#### Item 18 – Financial Information

Item 18 is not applicable to this Disclosure Brochure. KOM Wealth Management Group does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, KOM Wealth Management Group has not been the subject of a bankruptcy petition at any time.

#### Item 19 – Privacy Notice

A copy of KOM Wealth Management Group's privacy policy notice and a written disclosure statement that meets the requirements of Rule 204-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act"), will be provided to each client prior to or contemporaneously with the execution of the *Agreement*.

KOM Wealth Management Group will provide a copy of their current privacy policy to existing clients on an annual basis.