



ADAMS WEALTH MANAGEMENT, LLC

FORM ADV PART 2A FIRM BROCHURE

April 17, 2020

This brochure provides information about the qualifications and business practices of Adams Wealth Management, LLC and its registered investment adviser representatives. Any questions about the contents of this brochure may be directed to Adams Wealth Management, LLC by calling (435) 752-1702 or by emailing Dylan Nielson, Chief Compliance Officer, at dylan@adams-wealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration does not imply a certain level of skill or training. Additional information about Adams Wealth Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. The site may be searched by a unique identifying number known as a CRD number. Adams Wealth Management, LLC's CRD number is **286087**.

ITEM 2 MATERIAL CHANGES

This version of Part 2A of Form ADV (“Firm Brochure”), dated **April 17, 2020**, is an Annual Update brochure document. It contains information about our business practices as well as a description of potential conflicts of interest relating to our advisory business that could affect a client’s account with us. We are providing this material in accordance with Rule 204-3 of the Investment Advisers Act of 1940, which requires a registered investment adviser to provide a written disclosure statement upon entering an advisory relationship.

Full Brochure Available

We will provide a latest version of the Firm Brochure as necessary when updates or new information are added, at any time, without charge. To request a complete copy of our Firm Brochure, contact us by telephone at (435) 752-1702 or by email to Dylan Nielson, Chief Compliance Officer, at dylan@adams-wealth.com.

We may, at any time, update this brochure. We expect to update this brochure no less than annually.

- Updated Item 5 Fees and Compensation
- Updated Item 8 Methods of Analysis Investment Strategies and Risk of Loss.
- Updated Item 10 Other Financial Industry Activities and Affiliations

ITEM 3 TABLE OF CONTENTS

| | | |
|---------|---|----|
| Item 1 | Cover Page..... | 0 |
| Item 2 | Material Changes..... | i |
| Item 3 | Table of Contents | ii |
| Item 4 | Advisory Business..... | 1 |
| Item 5 | Fees and Compensation | 2 |
| Item 6 | Performance-Based Fees | 4 |
| Item 7 | Types of Clients..... | 5 |
| Item 8 | Methods of Analysis, Investment Strategies and Risk of Loss..... | 5 |
| Item 9 | Disciplinary Information..... | 11 |
| Item 10 | Other Financial Industry Activities and Affiliations | 11 |
| Item 11 | Code of Ethics, Participation or Interest in Client Transactions and Personal Trading..... | 11 |
| Item 12 | Brokerage Practices | 12 |
| Item 13 | Review of Accounts..... | 13 |
| Item 14 | Client Referrals and Other Compensation | 14 |
| Item 15 | Custody..... | 14 |
| Item 16 | Investment Discretion | 15 |
| Item 17 | Voting Client Securities | 15 |
| Item 18 | Financial Information..... | 15 |
| Item 19 | Requirements for State-Registered Advisers..... | 15 |

ITEM 4 ADVISORY BUSINESS

A. FIRM DESCRIPTION

Adams Wealth Management, LLC (“AWM” or the “Firm”) is organized as a Delaware limited liability company that was founded in November 2016.

Principal Owner: The owner of AWM is S. Craig Adams. The Chief Compliance Officer is Dylan Nielson. Mr. Adams also serves as an investment adviser representative of AWM.

B. TYPES OF ADVISORY SERVICES

Investment Advisory Services

AWM offers a large variety of services, including portfolio management and financial planning for individuals and high net worth individuals, investment analysis, advisory and sub- advisory services for pooled investment vehicles. AWM specializes in quantitative, fundamental, technical, and economic analysis to determine what investments are in or out of favor for AWM’s investment models. AWM assesses clients’ current holdings and make sure they are aligned with their short- and long-term goals. AWM designs investment strategies to help clients retire comfortably and pass their wealth off to their next generation. The Firm performs ongoing reviews of investment performance and portfolio exposure to the market. Accordingly, AWM is authorized to perform various functions without further approval from the client, such as the determination of securities to be purchased or to be sold without permission from the client prior to each transaction. Prior to engaging AWM to provide any of the investment advisory or sub- advisory services, AWM requires a written financial service agreement (“FSA”) signed by the client prior to the engagement of services. The FSA outlines the services and fees the clients will incur pursuant to the FSA with AWM.

AWM serves as the Managing Member and investment manager for AIM Ventura Capital Fund, AIM Real Asset Opportunities Fund, and AIM Defined Investment Fund(s). AWM is a sub adviser for Certeza Tactical Fund (“CTF”). AWM may allocate a portion of client’s funds to CTF if it is a suitable investment for the client and the client qualifies as an “Accredited Investor” as defined by the SEC. Because AWM is a sub adviser for CTF and receives a portion of the management and performance fees charged to clients, there is a material conflict of interest. But, AWM is guided by fiduciary principles in the management of conflicts of interest. AWM is expected to and does always act in the best interests of its clients.

AWM also acts as a subadviser to advisers unaffiliated with AWM. These third-party advisers would outsource portfolio management services to AWM. This relationship will be memorialized in each contract between AWM and the third-party advisor.

AWM’s asset management services are designed to offer portfolio construction and ongoing management of accounts with defined investment strategies to meet the client’s personal investment goals and objectives. AWM evaluates the current investments of each client with respect to risk tolerance levels and time horizon. Clients may also impose restrictions on investing in certain securities or certain types of securities. A list of these restricted securities should be provided to AWM in writing upon delivery of an executed FSA. AWM is responsible

for providing ongoing re-balancing and continuous monitoring of our clients' securities holdings.

AWM generally limits its money management to equities, bonds, options, fixed income and debt securities, ETFs, structured notes, managed futures, alternative investments, private placements, and open and closed end mutual funds. AWM may use other securities as well to help diversify a portfolio when applicable. AWM may concentrate portfolios in what we deem to be the most appropriate places to allocate money into. This is based on our strategies, indicators, and proprietary analysis.

Subadviser Services

AWM is a sub adviser for Certeza Tactical Fund ("CTF"). AWM may allocate a portion of client's funds to CTF if it is a suitable investment for the client and the client qualifies as an "Accredited Investor" as defined by the SEC. Because AWM is a sub adviser for CTF and receives a portion of the management and performance fees charged to clients, there is a material conflict of interest. But, AWM is guided by fiduciary principles in the management of conflicts of interest. AWM is expected to and does always act in the best interests of its clients.

AWM also acts as a subadviser to advisers unaffiliated with AWM. These third-party advisers would outsource portfolio management services to AWM. This relationship will be memorialized in each contract between AWM and the third-party advisor.

Financial Planning

Adams Wealth Management provides comprehensive personal financial planning research and solutions for clients. Upon requesting a financial plan, a client may select for a fully comprehensive plan or selective solutions, covering retirement, retirement distribution, social security maximization, savings plans, risk and investment allocation, insurance, tax planning, debt management, and business succession. Fees may be charged at a flat rate, hourly rate, or a base fee with hourly additions.

Plans are built through a series of meetings with the client discussing visions and values. A satisfaction guarantee will refund the client their entire planning fee if they are not entirely satisfied upon plan deliverance. Prior to engaging AWM to provide a financial plan, AWM requires a written financial planning agreement ("FPA") signed by the client prior to the engagement of services. The FPA outlines the services and fees the clients will incur pursuant to the FPA with AWM.

Business Succession Planning

Transfer of ownership of a business can be a very emotional, complex, and confusing process. For this reason, AWM offers clients a business succession plan where it will assist clients with tax strategies, investment allocations, and other services. For non-advisory services AWM may refer clients to lawyers, accountants, and other industry professionals.

Prior to engaging AWM to provide a business succession plan, AWM requires a written

business succession planning agreement (“BSPA”) signed by the client prior to the engagement of services. The BSPA outlines the services and fees the clients will incur pursuant to the BSPA with AWM.

Alternative Tax Alpha Optimization Plan

AWM will review your current income and financial goals. AWM will then run multiple projections based on current and future income to determine types of applicable investments that could reduce a clients current or future taxable income. We will consult with your CPA if necessary.

Plans are built through a series of meetings with the client discussing visions and values. A satisfaction guarantee will refund the client their entire planning fee if they are not entirely satisfied upon plan deliverance. Prior to engaging AWM to provide a plan, AWM requires a written alternative tax alpha optimization plan agreement (“TOPA”) signed by the client prior to the engagement of services. The TOPA outlines the services and fees the clients will incur pursuant to the TOPA with AWM.

C. TAILORED RELATIONSHIPS

AWM offers the same suite of services to all its clients. The management services and recommendations offered by AWM are based on the individual needs of our clients and may be tailored to meet their specific requirements.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. WRAP FEE PROGRAMS

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks and other financial institutions and affiliated and unaffiliated investment advisers through which the clients of such firms receive discretionary investment advisory, execution, clearing and custodial services in a “bundled” form. In exchange for these “bundled” services, the clients pay an all-inclusive (or “wrap”) fee determined as a percentage of the assets held in the wrap account. AWM is the sponsor of a Wrap Fee Program. Fees for this program can be found in the Wrap Program brochure.

E. ASSETS UNDER MANAGEMENT & ASSETS UNDER ADVISEMENT

As of December 31, 2019 AWM had \$ 280,090,662 of Assets Under Management on a discretionary basis.

ITEM 5 FEES AND COMPENSATION

A. DESCRIPTION AND BILLING

Lower fees for comparable services may be available from other sources.

Clients have the option to purchase investment products that AWM recommends through

other brokers or agents that are not affiliated with the Firm.

Investment Advisory Services

AWM will charge clients- individuals and institutions- an investment management fee for its investment advisory and sub-advisory services. The investment management fee is an annual fee based on a percentage of the value of the client's assets under management, including all cash and other assets in the account (valued at liquidation value).

AWM may charge private clients a management fee of 2.5% per annum, depending upon the services provided. This fee will be collected quarterly in advance based on the ending day balance of each calendar quarter based on the fair market value of the assets in the Account. The initial quarterly payment will be due at the time assets are allocated to the Account and will be based on the amount of such assets. All fees are open to negotiation on a client-by-client basis.

The investment management fee charged is subject to negotiation with each client based on the client's characteristics and may differ from client to client. The FSA is valid for terms of one year with automatic one-year renewals. Any changes, such as an increase or decrease to the investment management fee, may be made to the FSA in writing upon agreement of the parties.

Any management fees due to AWM shall be deducted by AWM directly from the client's account and will be paid to AWM from the amount on deposit in the client account. The client will provide written authorization permitting the fees to be paid directly from the account. Both AWM's advisory agreement and the custodial/ clearing agreement may authorize the custodian to debit the account for AWM's management fees and to directly remit that fee to AWM in compliance with regulatory procedures. In the limited event that AWM bills the client directly, payment in full is expected upon invoice presentation. AWM reserves the right to negotiate, waive or reduce fees at its discretion.

Subadviser Services

AWM receives between .40% - 1% depending upon the level of service.

B. OTHER FEES AND PAYMENTS

There may be additional fees or charges that result from the maintenance of or trading within a client's account. These are fees that are imposed by third parties in connection with investments made through a client's account, including but not limited to, no-load mutual fund 12(b)-1 distribution fees, certain deferred sales charges on previously purchased mutual funds, and IRA and Qualified Retirement Plan fees.

F. REFUND AND TERMINATION POLICY

Clients may terminate their account without penalty and full refund, within five (5) business days of signing their advisory agreement, and thereafter at any time with thirty (30) days prior written notice to AWM. Upon termination, the management fee for any partial period shall be prorated and any unearned amount shall be refunded to the client as of the effective date of the termination when requested in a written communication to AWM.

C. OTHER COMPENSATION

Neither AWM nor do its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

Financial Planning Fees

Clients may terminate the agreement without penalty, for full refund of AWM's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement with upon written notice.

A. Fixed Fees

The rate for a compressive client financial plan is between \$3,500 and \$10,000. The fees are **negotiable** and the final fee schedule will be stated in part 1.B of the Financial Planning Agreement. Clients who do not wish to pay for a fully comprehensive plan may pay for select pieces of a Financial Plan. Some of these select pieces include but are not limited to: Retirement Zoomer, Retirement Distribution Plan, Social Security Maximization, Savings Plan, Investment Allocation Review, Insurance Policy Review, Roth Conversion Analysis, Tax Minimization Strategizes, Education Planning, and Debt Management (Pay off). The rate for these individuals services are between \$300 and \$1,500. The fees are **negotiable** and the final fee schedule will be stated in part 1.B of the Financial Planning Agreement.

B. Hourly Fees

For more complex plans we may charge an hourly fee. The hourly fee is between \$300 and \$500. The fees are **negotiable** and the final fee schedule will be stated in part 1.B of the Financial Planning Agreement.

C. Planning Guarantee

If a client is not fully satisfied upon completion of their Financial Plan they will be granted a full refund.

Business Succession Planning

Because of the complexity and length of business succession plans AWM will charge clients a monthly retainer. But the monthly retainer is negotiable on a client by client basis. This monthly retainer will include all of AWM's out of pocket expenses. This may include legal fees, accounting fees, etc. Clients will be given a bill at the end of each month which they can pay via cash, check, credit card, or from their investment accounts. The total estimated fee for a business succession plan is \$200,000.

Alternative Tax Alpha Optimization Plan

Alternative Tax Alpha Optimization Plan services are billed under a fixed fee arrangement. The minimum fixed fee is \$1,500 but can go all the way up to \$12,000. The fee amount will be based upon the amount that a client contributes to a conservation easement, captive reinsurance, or oil and gas investment. Please refer to the table below for the fee amounts. However, the fee is negotiable and way be waived by AWM at their discretion. The final fee will be stated in part 1.B of the Alternative Tax Alpha Optimization Plan.

| Range | | Fee Amount |
|------------|------------|------------|
| \$ - | \$ 50,000 | \$ 1,500 |
| \$ 50,000 | \$ 100,000 | \$ 3,000 |
| \$ 100,000 | \$ 150,000 | \$ 4,500 |
| \$ 150,000 | \$ 200,000 | \$ 6,000 |
| \$ 200,000 | \$ 250,000 | \$ 7,500 |
| \$ 250,000 | \$ 300,000 | \$ 9,000 |
| \$ 300,000 | \$ 350,000 | \$ 10,500 |
| \$ 350,000 | \$ 400,000 | \$ 12,000 |

Fees are negotiable on a client by client basis

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

A. PERFORMANCE-BASED COMPENSATION

Performance-based fees are based on a share of the capital gains or capital appreciation of the assets of a client. **Performance based compensation may create an incentive for the adviser to recommend an investment that may carry more risk to the client.** AWM may receive performance fees from AIM Ventura Capital Fund, AIM Real Asset Opportunities Fund, and AIM Defined Investment Fund(s). AWM receives performance fees from Certeza Tactical Fund who AWM is a Sub Advisor for. Performance based fees are only for qualified clients, a qualified client is;

- (i) a natural person who, or a company that, immediately after entering into the contract has at least \$1,000,000 under the management of the investment adviser;
- (ii) a natural person who, or a company that, the investment adviser entering in the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract either
 - a. has a net worth (together, in the case of a natural person, with assets jointly held with a spouse) of more than \$2,100,000.
 - b. Is a qualified purchaser as defined by the Investment Act of 1940 or
- (iii) a natural person who immediately prior to entering into the Agreement is
 - a. an executive officer, director, trustee, general partner, or person serving in a similar capacity, of the investment adviser; or
 - an employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions

or duties for or on behalf of another company for at least 12 months.

B. SIDE-BY-SIDE MANAGEMENT

“Side-by-Side Management” refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based.

AWM’s investment adviser representatives manage accounts that provide for a performance allocation alongside accounts that do not. Accounts that pay performance-based fees reward the adviser based on the performance in those accounts. As a result, performance-based fee arrangements likely provide a heightened incentive for the adviser to make investments that present a greater potential for return but also a greater risk of loss and that may be more speculative than if only asset-based fees were applied. On the other hand, an adviser will likely have an interest in engaging in relatively safe investments when managing accounts that pay a fee based on a percentage of assets under management.

AWM is guided by fiduciary principles in the management of conflicts of interest. AWM is expected to and does always act in the best interests of its clients. While AWM does not engage in side-by-side management in its RIA business, it does accept performance-based fees from its clients through affiliated registered investment advisers. Any potential conflicts of interest are mitigated by the distinction in the types of investments made. See Item 10B. for further detail on AWM’s financial industry affiliations.

ITEM 7 TYPES OF CLIENTS

AWM generally provides investment advisory services to individuals and high net worth individuals, and advisory and sub-advisory services to other investment advisers and pooled investment vehicles.

AWM requires a minimum account size of \$100,000 for its separately managed accounts. AWM may at its discretion waive the account minimum.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. METHODS OF ANALYSIS

AWM may utilize one or more of the following methods of analysis when providing investment advice to its clients:

Fundamental analysis concentrates on factors that determine a company’s value and expected future earnings. It involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives: to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will

fail to reach expectations of perceived value.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. It attempts to predict a future stock price or direction based on market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. Technical analysis methods employ software and other financial data management tools to assess various aspects of the marketplace. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that markets react in cyclical patterns which, once identified, can be leveraged to provide performance. Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical analysis is a time-based assessment which incorporates past and present performance to determine future value. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. The risks of this strategy are two-fold: (1) the markets do not always repeat cyclical patterns; and (2) if too many investors begin to implement this strategy, it changes the very cycles of which they are trying to take advantage.

Economic analysis is used to determine the economic environment over a certain time horizon. This involves following and updating historic economic data such as U.S. gross domestic product and consumer price index as well as monitoring key economic drivers such as employment, inflation and money supply for all the world's major economies.

B. INVESTMENT STRATEGIES

AWM may utilize the following investment strategies when implementing investment advice given to clients:

Long Term Purchases – Securities are purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen long-term changes in the company in which a client is invested or in the overall market. Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Due to its nature, the long-term strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include, but are not limited to, inflation (purchasing power) risk, interest rate risk, economic risk, and political/regulatory risk.

Short Term Purchases – Securities are 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. Short term trading generally holds greater risk. Frequent trading can affect investment performance due to increased brokerage and other transaction costs and taxes.

The investment strategies summarized above represent AWM's current intentions. Depending on conditions and trends in the securities markets and the economy in general, AWM may pursue any objectives, employ any investment techniques or strategies, or purchase any type of security that it considers appropriate and in the best interests of the client, whether described herein.

Capital Preservation - Capital Preservation seeks to preserve capital and provide income as an alternative to traditional bond portfolios. The portfolio attempts to mitigate some of the inherent risks associated with fixed income (i.e. interest rate, credit risk, and currency). It can also invest a small percentage into commodity ETFs and equity ETFs to help mitigate the risks associated with fixed income. The portfolio can invest in more traditional bonds which typically do well when interest rates fall, and less traditional bonds which can do well when rates rise. Capital Preservation will attempt to outperform a 20/80 blend of the S&P 500 and Aggregate Bond Index. Some but not all of the risks associated with this strategy include: market risk, interest rate risk, inflation risk and currency risk.

Dynamic Balanced - The Balanced portfolio seeks to invest in broad asset classes including equity, fixed-income, commodity, and inverse-related ETFs, depending on our proprietary relative strength and quantitative algorithms. If our indicators predict a downtrend in the equity or fixed-income space, the portfolio can be moved partially or entirely to cash in order to preserve the principal investment. The Balanced portfolio will attempt to outperform a 60/40 blend of the S&P 500 and Aggregate Bond Index. Some but not all of the risks associated with this strategy include: market risk, interest rate risk, inflation risk and currency risk.

Dynamic Protected Growth - This is our hedged growth portfolio, which selects assets based on proprietary relative strength and quantitative algorithms. In addition to traditional equity sectors, this portfolio can be invested in fixed-income, commodity, inverse-related, domestic and international sector specific ETFs, in order to try and achieve the best possible return. If our indicators predict a downtrend, the portfolio can be moved partially or entirely to cash in order to preserve your principal investment. Protected Growth will attempt to outperform an 80/20 blend of the S&P 500 and Aggregate Bond Index each year. Some but not all of the risks associated with this strategy include: market risk, interest rate risk, inflation risk and currency risk.

Aggressive Growth - Selects specific market sectors with high growth potential in the current market environment by using a rules-based, qualitative and quantitative investment methodology with the objective of maximizing returns. If our indicators signal a downtrend, a portion of the portfolio can be moved to cash in order to preserve your principal investment. Attempts to outperform the S&P 500 index. Some but not all of the risks associated with this strategy include: market risk, interest rate risk, inflation risk and currency risk.

Closed Ends - Employing a multi-sector approach, the fund seeks high current income through investing in Closed-End Funds that are trading at a significant discounted price relative to their NAVs. The strategy is primarily focused on providing high current income, while striving to generate capital appreciation by mismatches in funds' prices and NAVs and preserving principal through extensive fundamental, macroeconomic, and sector research. Some but not all of the risks associated with this strategy include: market risk, interest rate risk, inflation risk, currency risk, and business risk.

Dividend Equity - Dividend Equity is an individual stock portfolio seeking to provide a high, growing monthly dividend income stream through dividend distributions. The strategy invests in high-quality, fundamentally sound public companies with a steady history of dividend payouts and high annual dividend growth. The portfolio targets a 5% dividend yield and 5% year over year dividend growth. It secondarily emphasizes capital appreciation. Some but not all of the risks associated with this strategy include: market risk, interest rate risk, inflation risk, currency risk, and business risk.

Focused Growth - Our Focused Growth strategy seeks to achieve capital appreciation by building a concentrated portfolio of quality companies with competitive advantages and the potential for sustainable long-term growth. We employ a combination of quantitative screening followed by bottom up fundamental and technical analysis, unconstrained by market cap, size, or industry, that results in a high conviction, go anywhere strategy. As part of our process, we utilize risk management methods in attempt to lower correlation to the broad market and increase risk adjusted returns. The strategy is unconstrained and opportunistic, providing us with the flexibility to focus on securities and industries, both domestic and international, that are poised to experience greater earnings growth and price appreciation. Some but not all of the risks associated with this strategy include: market risk, interest rate risk, inflation risk, currency risk, and business risk.

C. RISK OF LOSS

Clients need to be aware that investing in securities involves risk of loss of the principal.

Every method of analysis has its own inherent risks. To perform an accurate market analysis AWM must have access to current/new market information. AWM has no control over the dissemination rate of market information; therefore, unbeknownst to AWM, certain analyses may be compiled with outdated market information, severely limiting the value of AWM's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by AWM) will be profitable or equal any specific performance level(s). AWM does not represent, warrant, or imply that its 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. Notwithstanding AWM's method of analysis or investment strategy, the assets within the client's portfolio are subject to risk of devaluation or loss. The client should be aware that there are many different events that can affect the value of the client's assets or portfolio including, but not limited to, changes in financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters.

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar will be worth more today than a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Prepayment Risk:** The returns on the collateral for the deal can change dramatically at times if the debtors prepay the loans earlier than scheduled.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Risk Factors relevant to specific securities utilized include:

- **Equity Securities.** The value of the equity securities are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and more risky than some other forms of investment.
- **Exchange Traded Funds ("ETF").** ETFs represent an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETF's performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a

proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

- **Mutual Fund Shares.** Some of the risks of investing in mutual fund shares include: (i) the price to invest in mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads), (ii) investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs, and (iii) investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- **Fixed Income Securities Risk.** Prices of fixed income securities tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect fixed income security prices. The longer the effective maturity and duration of the client's portfolio, the more the portfolio's value is likely to react to interest rates. For example, securities with longer maturities sometimes offer higher yields, but are subject to greater price shifts as a result of interest rate changes than debt securities with shorter maturities. Some fixed income securities give the issuer the option to call, or redeem, the securities before their maturity dates. If an issuer calls its security during a time of declining interest rates, we might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of callable issues are subject to increased price fluctuation.
- **Real Estate Related Securities Risk.** Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from cleanup of, and liability to third parties for damages resulting from environmental problems; casualty or condemnation losses; uninsured damages from floods, earth quakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Investing in Real Estate Investment Trusts ("REITs") involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not diversified, and are subject to heavy cash flow dependency, default by borrowers and self-liquidation.
- **Alternative Investments Risks.** Alternative investments, including (but not limited to) investment partnerships, alternative mutual funds, non-traditional ETFs, managed futures, and/or real estate (related) investments may also present unique risks, such as decreased liquidity and transparency and increased complexity. Alternative investments typically use derivative instruments (such as options, futures, or index-based instruments) and/or leveraging strategies. The use of derivative instruments involves multiple risks, as discussed in more detail above. In addition, to the extent that the

alternative investment uses commodities (or commodity-based derivatives) as part of its investment strategy, the investment return may also vary as a result of fluctuations in the supply and demand of the underlying commodities. Certain alternative investments may be less tax efficient than others. Additional risks may include style-specific risk, speculative investment risk, concentration risk, correlation risk, credit risk and lower-quality debt securities risk, equity securities risk, financial services companies' risk, interest rate risk, non-diversification risk, small- and mid-cap company risk, and special risks of mutual funds and/or ETFs, among others.

- **Municipal Bond Risk.** Municipal securities issuers may face local economic or business conditions (including bankruptcy) and litigation, legislation or other political events that could have a significant effect on the ability of the municipality to make payments on the interest or principal of its municipal bonds. In addition, because municipalities issue municipal securities to finance similar types of projects, such as education, healthcare, transportation, infrastructure and utility projects, conditions in those sectors can affect the overall municipal bond market. Furthermore, changes in the financial condition of one municipality may affect the overall municipal bond market. The municipal obligations in which clients invest will be subject to credit risk, market risk, interest rate risk, credit spread risk, selection risk, call and redemption risk and tax risk, and the occurrence of any one of these risks may materially and adversely affect the value of the Client's assets or profits.
- **Structured Note Risk** - Structured products are designed to facilitate highly customized risk-return objectives. This is accomplished by taking a traditional security, such as a conventional investment grade bond, and replacing the usual payment features (e.g. periodic coupons and final principal) with non-traditional payoffs derived not from the issuer's own cash flow, but from the performance of one or more underlying assets. The payoffs from these performance outcomes are contingent in the sense that if the underlying assets return "x", then the structured product pays out "y". This means that structured products closely relate to traditional models of option pricing, though they may also contain other derivative types such as swaps, forwards and futures, as well as embedded features such as leveraged upside participation or downside buffers. Structured products include all risks from options, plus additional risks: counterparty and credit risk of the issuer.
- **Conservation Easement Risk** – Conservation easements are a type of real estate investment that may allow clients to receive a substantial taxable income deduction. The deduction is dependent upon the hypothetical developed valuation of the real estate investment. Because the valuations can differ there is a possibility that the IRS will say the hypothetical valuation is not valid. As a result, the IRS may reduce the amount of the hypothetical valuation, simultaneously lowering the allowable charitable deduction. If this takes place, the client is at risk for paying back taxes with interest to the IRS.

While this information provides a synopsis of the events that may affect a client's investments, this listing is not exhaustive. Although AWM's methods of analysis and

investment strategies do not present any significant or unusual risks, all investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Clients should understand that there are inherent risks associated with investing and depending on the risk occurrence; clients may suffer LOSS OF ALL OR PART OF THE CLIENT'S PRINCIPAL INVESTMENT.

D. RECOMMENDATION OF SPECIFIC TYPES OF SECURITIES

AWM does not primarily recommend a type of security. Investments may include, but are not limited to, exchange listed securities, fixed-income securities, structured notes, over-the-counter securities, foreign securities, options, derivatives, money market funds, real estate investment funds ("REITs") and other pooled investment vehicles, such as open and closed end mutual funds or ETF's.

ITEM 9 DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Neither A W M nor have any of its management persons been involved in legal or disciplinary events that are related to past or present investment clients.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. FINANCIAL INDUSTRY ACTIVITIES

AWM is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of AWM's management or supervised persons is a registered representative of, nor has an application pending to register as a representative of, a broker-dealer.

Clients of the affiliated investment advisers will not also be clients of AWM. While investment strategies may be similar across investment advisers, they are subject to individual client restrictions.

B. FINANCIAL INDUSTRY AFFILIATIONS

AWM is not a registered Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor and does not have an application pending to register as such.

C. OTHER MATERIAL RELATIONSHIPS

AWM serves as the Managing Member and investment manager for AIM Ventura Capital Fund, AIM Real Asset Opportunities Fund, and AIM Defined Investment Fund(s). AWM is a sub adviser for Certeza Tactical Fund ("CTF"). AWM may allocate a portion of client's funds to CTF if it is a suitable investment for the client and the client qualifies as an "Accredited Investor" as defined by the SEC. Because AWM is a sub adviser for CTF and receives a portion of the management and performance fees charged to clients, there is a material conflict of interest. But, AWM is guided by fiduciary principles in the management of conflicts of interest. AWM is expected to and does always act in the best interests of its

clients.

Riley S. Crosbie, Brendan Dennis, Erin Reed, and S. Craig Adams are licensed insurance agents. From time to time, they will offer clients advice or products from this activity. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. Adams Wealth Management LLC always acts in the best interest of the client; including in the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Adams Wealth Management LLC in their capacity as a licensed insurance agent.

D. OTHER INVESTMENT ADVISERS

AWM may act as a sub-advisor to other registered investment advisers. However, at this time, AWM does not have any material arrangements with other investment advisers that would be material to its advisory clients.

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. DESCRIPTION OF CODE OF ETHICS

In view of the foregoing and applicable provisions of relevant law, AWM has adopted a Code of Ethics in its Employee Policies and Procedures Manual to specify and prohibit certain types of transactions deemed to create conflicts of interest (or the potential for or the appearance of such conflicts), and to establish reporting requirements and enforcement procedures relating to personal trading by AWM personnel. **We will provide a copy of our Code of Ethics to any client or prospective client upon request.**

B. PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

AWM can recommend to clients, or buy or sell for client accounts, securities in which the firm or a related person has a material financial interest when: it has disclosed to the client the conflict of interest, documented research that provides evidence that this security is most suitable for the client and been approved by the CCO. Examples of a material financial interest would include: acting as a principal, general partner of a partnership/fund where clients are solicited to invest or acting as an investment adviser to an investment company that the firm recommends to clients.

C. PROPRIETARY /SIMULTANEOUS TRADING

At times, AWM or its affiliated persons may buy or sell securities for its own accounts that it has also recommended to clients. However, any purchase or sale of a security by AWM or a related person will be subject to AWM's fiduciary duty to client accounts. From time to time, representatives of AWM may buy or sell securities for themselves at or around the same time as AWM's client accounts. In any instance where similar securities are bought or sold, AWM will uphold its fiduciary duty by always transacting on behalf of the client before transacting for its own benefit. AWM will always document any transactions that could be construed as conflicts of interest. To mitigate or remedy any conflicts of interest or perceived conflicts of interest, AWM will monitor its proprietary and personal trading reports for adherence to its

Code of Ethics.

ITEM 12 BROKERAGE PRACTICES

A. SELECTION AND RECOMMENDATION

AWM has a duty to select brokers, dealers and other trading venues that provide best execution for our clients. The duty of best execution requires an investment adviser to seek to execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The lowest possible commission, while very important, is not the only consideration. The brokers dealers that AWM has selected are Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), Fidelity Investments, Inc. (Fidelity), and TD Ameritrade, Inc. (TD).

It is our policy to seek best execution in all portfolio trading activities for all investment disciplines and products, regardless of whether commissions are charged. This applies to trading in any instrument, security or contract including equities, bonds, and forward or derivative contracts.

Our standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, we consider the following factors, without limitation, in selecting brokers and intermediaries: (1) execution capability; (2) order size and market depth; (3) availability of competing markets and liquidity; (4) trading characteristics of the security; (5) availability of accurate information comparing markets; (6) quantity and quality of research received from the broker dealer; (7) financial responsibility of the broker-dealer; (8) confidentiality; (9) reputation and integrity; (10) responsiveness; (11) recordkeeping; (12) ability and willingness to commit capital; (13) available technology; and (14) ability to address current market conditions. GSA regularly evaluates the execution, performance and risk profile of the broker-dealers it uses.

B. RESEARCH AND OTHER SOFT DOLLAR BENEFITS

Soft dollar practices are arrangements whereby an investment adviser directs transactions to a broker-dealer in exchange for certain products and services that are allowable under SEC rules. Client commissions may be used to pay for brokerage and research services and products as long as they are eligible under Section 28(e) of the Exchange Act of 1934. Section 28(e) sets forth a "safe harbor," which provides that an investment adviser that has discretion over a client account is not in breach of its fiduciary duty when paying more than the lowest commission rate available if the adviser determines in good faith that the rate paid is commensurate with the value of brokerage and research services provided by the broker-dealer.

AWM permits soft dollar arrangements for certain products and services after making such good faith determinations. Brokerage services and products that we use must relate to enhance our ability service our clients. Examples include; client reporting, portfolio management or trade execution from the point when the Firm communicates with the

broker-dealer for the purpose of transmitting a trade order through the point when funds or securities are credited to the client account. Eligible services and products include functions incidental to effecting securities transactions, such as clearance, settlement, custody, and related communications. Trading software used to route orders and algorithmic trading software are also considered to be eligible brokerage services. As are software applications that enable AWM to provide meaningful client reporting of assets, funds and performance to clients via the Orion platform.

We may only use soft dollars for research services and products if they provide advice, either directly or through publications or writings. Advice, analyses, and reports must provide substantive content in order to be eligible for use. Our investment committee meets regularly to research current and future investments. We use a wide array of technology and software to make investment decisions. We also conduct due diligence meetings with investment banks and ETF providers. All of our economic analysis is proprietary and monitored on a daily basis. We may also use soft dollars to obtain traditional company research reports, market research, advice on market color, and execution strategies, market data, and trade analytics. Depending on the subject matter, financial newsletters and trade journals, computer software that provides securities or quantitative analysis, and seminars or conferences may be eligible for use.

We may also receive services that are used for both research and "non-research purposes," such as for Firm administration or marketing. In such cases, we will make a good faith allocation of the relative proportion of the cost of non-research services and will pay for it from our own funds. We acknowledge that conflicts of interest exist in soft dollar arrangements. Our use of soft dollars may influence our decision to use one broker-dealer over another. Your portfolio transactions may be directed to certain broker-dealers in recognition of research services furnished by them, as well as for the services rendered in the execution of their orders.

While AWM uses research to benefit all clients in its investment decision-making process, some clients may be paying for research and brokerage services while not necessarily receiving the direct benefit of these services whereas other clients may be receiving a direct benefit while not paying for these services. AWM is not required to weigh any of these factors equally. We believe that receipt of research and brokerage services provides a benefit to you, regardless of whether it is direct or indirect, by assisting the Firm in its overall investment decision-making process. Research services received through soft dollar arrangements are in addition to and not in lieu of services required to be performed by AWM. The investment management fee that you pay us is not reduced as a consequence of the receipt of such supplemental research information.

C. BROKERAGE FOR CLIENT REFERRALS

AWM does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services.

D. DIRECTED BROKERAGE

Securities transactions are executed by brokers selected by AWM in its discretion and without the consent of clients. AWM generally will not recommend, request, or require clients to direct the Firm to execute transactions through a specified broker-dealer. Not all investment advisers require their clients to direct brokerage.

E. ORDER AGGREGATION

AWM may, at times, aggregate sale and purchase orders of securities (“block trading”) for advisory accounts with similar orders in order to obtain the best pricing averages and minimize trading costs. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to the client. Clients also benefit relatively from better purchase or sale execution prices, lower commission expenses or beneficial timing of transactions or a combination of these and other factors. Aggregate orders will be allocated to client accounts in a systematic non-preferential manner. AWM may aggregate or “bunch” transactions for a client’s account with those of other clients in an effort to obtain the best execution under the circumstances.

Trade Error Policy: AWM maintains a record of any trading errors that occur in connection with investment activities of its clients. Both gains and losses that result from a trading error made by AWM will be borne or realized by AWM.

ITEM 13 REVIEW OF ACCOUNTS

A. PERIODIC REVIEWS

AWM regularly reviews and evaluates client accounts for compliance with each client’s investment objectives, policies and restrictions. The Firm analyzes rates of return and allocation of assets to determine model strategy effectiveness. Such reviews are conducted by the Chief Compliance Officer of AWM and shall occur at least once per calendar year.

B. INTERMITTENT REVIEW FACTORS

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or changes in the client’s financial status (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify AWM promptly if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

C. REPORTS

Clients may receive confirmations of purchases and sales in their accounts and will receive, at least quarterly, statements containing account information such as account value, transactions, and other relevant information. Confirmations and statements are prepared and delivered by the custodian.

D. Financial Plans

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Brendan Dennis, Director of Financial Planning. There is only one level of review for financial plans, and that is the total review conducted to create the financial plan.

Each financial planning client will receive the financial plan upon completion.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

A. ECONOMIC BENEFITS FROM OTHERS

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

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

Advisor Services.

AWM participates in the institutional advisor program (the “Program”) offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. AWM receives some benefits from TD Ameritrade through its participation in the Program.

As part of the Program, AWM may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between AWM’s participation in the Program and the investment advice it gives to its clients, although AWM receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving AWM participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have AWM’s fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to AWM by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by AWM’s related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit AWM but may not benefit its client accounts. These products or services may assist AWM in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help AWM manage and further develop its business enterprise. The benefits received by AWM or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, AWM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by AWM or its related persons in and of itself creates a conflict of interest and may indirectly influence the AWM’s choice of TD Ameritrade for custody and brokerage services.

B. COMPENSATION TO UNAFFILIATED THIRD PARTIES

As of the date of this Brochure document AWM and its related persons have no arrangements with unaffiliated third parties in order to market the firm or its investment strategies.

ITEM 15 CUSTODY

A. CUSTODIAN OF ASSETS

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.

AWM does not have direct custody of any client funds and/or securities. AWM will not maintain physical possession of client funds and securities. Instead, client’s funds and securities are held by a qualified custodian.

Custody is also disclosed in Form ADV because AWM has authority to transfer money from client account(s), which constitutes a standing letter of authorization (SLOA). Accordingly, AWM will follow the safeguards specified by the SEC rather than undergo an annual audit.

AWM is also deemed to have custody of assets in the private fund(s) it serves as the Managing Member and investment manager for AIM Ventura Capital Fund, AIM Real Asset Opportunities Fund, and AIM Defined Investment Fund(s). While AWM does not have physical custody of client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds client funds pursuant to the client's account application. In certain jurisdictions, the ability of AWM to withdraw its management fees from the client's account may be deemed custody. Prior to permitting direct debit of fees, each client provides written authorization permitting fees to be paid directly from the custodian.

As part of the billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. The custodian does not calculate the amount of the fee to be deducted and does not verify the accuracy of AWM's advisory calculation. Therefore, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact A W M directly if they believe that there may be an error in their statement.

B. ACCOUNT STATEMENTS

Although AWM is the client's adviser, the client's statements will be mailed or made available electronically by the broker-dealer or custodian. When the client receives these statements, they should be reviewed carefully. Clients should compare asset values, holdings, and fees on the statement to that in the account statement issued the previous period.

ITEM 16 INVESTMENT DISCRETION

AWM has full discretionary authority to supervise and direct the investments of a client's account. Clients grant this authority upon execution of AWM's FSA. This authority is for the purpose of making and implementing investment decisions, without the client's prior consultation. All investment decisions are made in accordance with the client's stated investment objectives. Other than management fees and performance fees, where applicable, due to AWM, which AWM will receive directly from the custodian, AWM's discretionary authority does not give authority to take or have possession of any assets in the client's account or to direct delivery of any securities or payment of any funds held in the account to AWM. Furthermore, AWM's discretionary authority by agreement does not allow it to direct the disposition of such securities or funds to anyone except the account owner.

ITEM 17 VOTING CLIENT SECURITIES

AWM will not vote proxies which are solicited for securities held in client accounts. AWM

will not be required to render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the client's account may be invested in occasionally. Furthermore, AWM will not take any action or render any advice with respect to any securities held in any client's accounts that are named in or subject to class action lawsuits. AWM will however, forward to the client any information received by AWM regarding class action legal matters involving any security held in the client's account.

ITEM 18 FINANCIAL INFORMATION

A. BALANCE SHEET REQUIREMENT

AWM is not the qualified custodian for client funds or securities and does not require prepayment of fees of more than \$500 per client, six (6) months or more in advance.

B. FINANCIAL CONDITION

AWM does not have any financial impairment that would preclude the Firm from meeting contractual commitments to clients.

C. BANKRUPTCY PETITION

AWM has not been the subject of a bankruptcy petition at any time during the last 10 years.