

**ITEM 1 - COVER PAGE**

**Litman Gregory Wealth Management, LLC**

Form ADV Part 2A Brochure

[www.lgam.com](http://www.lgam.com)

Updated: April 11, 2025

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This brochure provides information about the qualifications and business practices of Litman Gregory Wealth Management, LLC (“LGWM”). If you have any questions about the contents of this brochure, please contact us at (415) 461-8999 or [compliance@lgam.com](mailto:compliance@lgam.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 with the SEC does not imply a certain level of skill or training.

Additional information about LGWM is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 2 - MATERIAL CHANGES

This section discusses only the material changes to this Brochure since the last annual update on March 31, 2025.

### Summary of Material Changes

This brochure includes clarifying updates to Items 5 and 10. LGWM will continue to provide clients with an updated Brochure (Form ADV Part 2A) whenever material changes occur.

There have been no material changes in this filing dated April 11, 2025.

### Obtaining the Most Recent Brochure

Clients can obtain the latest version of this Brochure at any time by:

- Visiting the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)
- Requesting a copy from LGWM by emailing [compliance@lgam.com](mailto:compliance@lgam.com)
- On our website [www.lgam.com](http://www.lgam.com)

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## ITEM 4 - ADVISORY BUSINESS

### A. Introduction - General Description

Litman Gregory Wealth Management, LLC ("LGWM"), a limited liability company organized under California law, is an investment adviser registered with the U.S. Securities & Exchange Commission. LGWM is committed to providing comprehensive and customized investment management services that align with our clients' financial goals. Since our founding in 1987, we have developed a disciplined, research-driven approach to portfolio management, ensuring that each client receives tailored investment advice rooted in thorough analysis and prudent risk management.

We serve a diverse range of clients, including:

- Individuals (including High Net Worth) and families (including trusts, estates, and IRAs).
- Pension and profit-sharing plans.
- Charitable organizations (non-profits and foundations).
- Corporations and business entities.

Our services are delivered through discretionary and non-discretionary investment management agreements, guided by each client's Investment Policy Statement (IPS). This document establishes the framework for managing investments in accordance with a client's specific goals, risk tolerance, time horizon, and preferences.

As of **December 31, 2024**, LGWM managed approximately **\$2.678 billion in client assets**, including:

- **Discretionary AUM:** \$2.318 billion
- **Non-Discretionary AUM:** \$360.6 million

### Firm History & Ownership

LGWM is a wholly owned subsidiary of iM Square Holding 9 LLC, which in turn is owned indirectly by iM Square SAS, the ultimate parent company of iM Global Partner Group, a Paris-based global asset management firm. iM Global Partner maintains strategic partnerships and equity interests in multiple investment management firms worldwide.

*For additional ownership details, please refer to item 10. of this Brochure.*

*For complete ownership details, please refer to Form ADV Part 1, Schedule A.*

<https://adviserinfo.sec.gov/>

### Leadership and Governance

Litman Gregory Wealth Management is led by a team of experienced executives responsible for overseeing the firm's strategic direction and operational execution. Our principal executive officers include Jeffrey Seeley – Chief Executive Officer, Jennifer Ceccarelli, Managing Director – Chief Operating Officer, and Kathlyne Kiaie, Managing Director – Chief Compliance Officer.

In addition, our Investment Committee plays a critical role in shaping the firm's investment approach and maintaining the integrity of our portfolio management process for our Active Core and Static Core ("Core") model portfolios. This committee is responsible for:

- Portfolio construction and asset allocation.
- Broad investment selection and due diligence oversight.
- Ongoing risk management and research integration.

This committee ensures that our Core investment strategies remain aligned with client objectives and reflect our best research insights and risk management practices.

### **Investment Philosophy and Approach - Core Model Portfolios**

LGWM believes that successful investing requires a long-term perspective, rigorous research, and disciplined execution. Our approach to portfolio management is grounded in the following core principles:

1. **Strategic Asset Allocation** – We implement globally diversified portfolios designed to optimize risk-adjusted returns over the long term.
2. **Institutional Grade Investment Selection** – We leverage our long-term research partners' due diligence and research capabilities to access a curated selection of investment opportunities, including mutual funds, ETFs, private investments, and select individual securities.
3. **Balanced Active and Passive Strategies** – We employ a flexible investment approach, utilizing alpha-seeking active managers alongside cost-efficient index funds and ETFs.
4. **Risk Management and Downside Protection** – We focus on managing portfolio risks to help safeguard assets from market volatility and unexpected disruptions.
5. **Customized Client Solutions** – We tailor portfolios to reflect each client's investment objectives, tax considerations, and personal preferences.

## **B. Types of Advisory Services Offered**

LGWM provides investment management services through separately managed accounts, available on both a discretionary and non-discretionary basis. These services are delivered primarily through investment models and third-party research, with access to both traditional and alternative investments. We work closely with each client to determine the most suitable investment strategy based on their financial objectives, risk tolerance, time horizon, and tax considerations. Our approach is deeply personalized, leveraging insights gained from detailed client discussions, financial records, and responses to our proprietary investment questionnaires.

### **1. Core Model Portfolios**

Our Core strategies serve as the foundation for portfolio management, offering five variations based on client risk tolerance:

- Defensive – Capital preservation with minimal equity exposure.

- Conservative - Low-risk allocation with modest growth potential.
- Balanced - A mix of growth and income-oriented investments.
- Growth - Capital appreciation with increased equity exposure.
- Aggressive - Maximized equity exposure for long-term capital growth.

iMGP FM provides investment models and fundamental research for Core Models.

## **2. Large Cap Focused Growth (LCFG) Strategy**

- The LCFG strategy is a concentrated large-cap equity portfolio designed for high-growth potential.
- LCFG investments are selected based on profitability, valuation, and sustainable competitive advantages.

Wedgewood Partners Inc. (WPI) provides the investment model and fundamental research for LCFG.

## **3. Alternative Investments & Private Funds**

LGWM provides access to alternative investments, including:

- Private equity funds
- Private credit
- Hedge funds
- Non-traded / non-public REITs

## **4. Assets in Transition (AIT) Services**

Clients may transition into LGWM's advisory services with existing investments that fall outside our core strategy. LGWM provides Assets in Transition (AIT) services, evaluating these holdings with a focus on:

- Tax Considerations - Analyzing capital gains implications.
- Portfolio Diversification - Assessing how these assets impact overall portfolio balance and risk exposure.

## **C. Availability of Tailored Services for Individual Clients - Investment Policy Statement**

LGWM takes a personalized approach to portfolio management by working with each client to develop an Investment Policy Statement (IPS) or a customized asset allocation plan.

Clients may exclude specific securities, industries, or asset classes based on personal values or financial planning considerations.

## Independent Investment Managers & Separately Managed Accounts (SMAs)

For specialized strategies, LGWM may recommend Independent Investment Managers (“Independent Managers”) to oversee portions of a client’s portfolio.

Before engaging an Independent Manager, LGWM obtains client consent and ensures that the manager:

- Operates within the asset allocation guidelines outlined in the client’s Investment Policy Statement (IPS).
- Undergoes ongoing due diligence and performance monitoring.
- Aligns with the client’s broader financial strategy.
- Maintains transparent fee structures to ensure cost efficiency.

Additionally, LGWM offers access to Independent Managers’ Separately Managed Accounts (SMAs) for clients who:

- Desire greater customization in their investment holdings.
- Prefer direct ownership of individual securities rather than pooled investment vehicles.
- Wish to exclude specific securities or sectors from their portfolio (e.g., for ESG considerations).

LGWM collaborates with the chosen Independent Manager to:

- Review available customization options and define client investment priorities.
- Assess the trade-offs of SMA implementation (costs, tax implications, diversification).
- Monitor SMA performance and alignment with client objectives.

### D. Wrap Fee Programs

LGWM does not participate in or offer wrap fee programs.

### E. Client Assets Under Management

As of **December 31, 2024**, LGWM managed approximately **\$2,678,342,739** in client assets. Of this total:

- **\$2,317,714,445** was managed on a **discretionary basis**
- **\$360,628,294** was managed on a **non-discretionary basis**

## ITEM 5 - FEES AND COMPENSATION

### A. Advisory Fees and Compensation

LGWM applies an asset-based fee structure, with fees typically ranging from 0.25% to 1.50% of a client's assets under management. Fees may be structured as tiered or flat, depending on portfolio size, complexity, and service needs.

#### Fee Schedules:

**Tiered Fee Structure:** Fees are applied progressively by asset level, meaning different portions of a client's portfolio may be charged at different rates.

**Flat Fee Structure:** Some clients, based on specific arrangements, may be charged a fixed percentage fee across all assets under management (AUM).

#### LGWM provides flexibility in fee arrangements, taking into account individual circumstances:

**Legacy Clients:** Certain legacy clients from acquired firms may have grandfathered fee schedules, resulting in variations across client accounts.

**Self-Directed Assets:** LGWM may charge a separate fee for unmanaged, self-directed assets that we advise on or include in consolidated performance reporting.

**Project-Based & Hourly Fees:** For financial planning, investment consulting, or other advisory services, LGWM may charge a fixed fee, an hourly rate, or a project-based fee based on the scope and complexity of the engagement.

#### Fee Discounts & Adjustments:

To promote fairness and transparency, LGWM:

- Offers reduced fees for charitable organizations, employee family members, and close personal relationships.
- May waive fees on proprietary accounts belonging to LGWM employees and their family members.

### B. Payment of Fees

#### Billing Structure

LGWM typically bills clients quarterly in advance, based on the total assets under management (AUM) at the beginning of the billing period. Fees may also be adjusted for:

- Mid-period account deposits or withdrawals.
- Clients engage in financial planning or project-based advisory services.

#### Payment Methods

Clients may pay fees through:



1. Direct deduction from custodial accounts, facilitated by LGWM.
2. Invoice billing, allowing clients to remit payments directly.

Clients receive an invoice detailing:

- The total fee charged.
- The net asset value used for fee calculation.

While our standard fee schedule applies to most clients, fees may be negotiable based on account size, investment complexity, and other factors.

### **C. Other Fees and Expenses**

In addition to LGWM's advisory fees, clients may incur **additional costs** for custodial, brokerage, fund, and third-party management services.

#### **1. Custodian, Brokerage, and Transaction Costs**

##### **Core Strategies**

- Clients are responsible for custodial fees, commissions and transaction-related costs, which are charged separately by custodians and brokerage firms.
- LGWM does not control or receive compensation from these costs.
- For details on brokerage selection and trading practices, please refer to Item 12 (Brokerage Practices).

##### **LCFG Strategy**

- Clients are responsible for custodial fees and transaction-related costs, which are charged separately by custodians and brokerage firms.
- LCFG clients custodied at Fidelity Investments do not incur commission fees.
- LGWM does not control or receive compensation from these costs.
- For details on brokerage selection and trading practices, please refer to Item 12 (Brokerage Practices).

#### **2. Mutual Funds, ETFs, and Pooled Investment Vehicles**

Clients investing in mutual funds, ETFs, or other pooled investment vehicles will bear separate fund expenses, including:

- Management fees paid to the fund's investment adviser.
- Administrative costs related to fund operations.
- Distribution and service fees (if applicable).
- These costs are deducted directly from the fund's assets and are in addition to LGWM's advisory fees.

### **3. Independent Managers - Separately Managed Accounts (SMAs)**

LGWM may recommend Independent Managers SMAs to oversee a portion of a client's portfolio. These managers charge separate fees (in addition to LGWM fees), which may include:

- Asset-Based Fees – Charged as a percentage of assets managed.
- Platform Fees – If accessed via an external investment platform.
- Administrative & Custodial Costs – Including transaction-based fees.

Independent Managers bill clients directly (monthly or quarterly, in advance or in arrears), depending on their billing policies. LGWM does not receive any portion of these additional fees. Clients receive full disclosure of these fees prior to hiring an Independent Manager.

### **4. Affiliated Funds & Conflict Mitigation**

LGWM may invest client assets in funds managed by affiliated investment advisers, such as those sponsored by iM Square SAS, LGWM's parent company ("Affiliated Funds"). *Please refer to Item 10.C. – Material Relationship with Industry Participant Related Persons for Affiliated Funds and Conflict Mitigation disclosure.*

#### **Fee Offsets for iMGP Affiliated Funds**

To mitigate conflicts of interest and comply with applicable regulations, LGWM applies fee offsets to IRA and ERISA client accounts invested in iMGP Affiliated Funds.

#### **iM Global Partner Fund Management Funds ("iMGP FM Funds")**

- If client assets are invested in iMGP FM Funds, LGWM offsets the net fees retained by iM Global Partners Fund Management, LLC after deducting sub-advisory fees, applying fee waivers, and accounting for payments under contractual expense limitation agreements to eliminate financial incentives. *Please see Item 10.C2. Investment Company disclosure.*
- Fee Breakpoints – iMGP FM Funds don't qualify for fee reductions based on asset levels.

#### **iM Global Partner Fund Management Sub-Advisor Affiliates ("iMGP FM Sub-Advisor Affiliates")**

- If client assets are invested in iMGP FM Funds sub-advised by an iMGP FM Sub-Advisor Affiliate, in which iM Square SAS has an indirect economic interest, LGWM does not offset fees related to that indirect economic interest.

*A current list of iMGPFM Funds is maintained in a separate Schedule, available upon request at [compliance@lgam.com](mailto:compliance@lgam.com).*

#### **Wedgewood Partners, Inc. (WPI) & LCFG Strategy**

- In certain cases, LGWM invests client assets in a mutual fund subadvised by WPI that utilizes the same trading model as the Large Cap Focused Growth (LCFG) strategy (the "Wedgewood Fund") if LGWM determines that doing so aligns with the best interest of the relevant clients.
- LGWM does not offset fees charged to clients that invest in the Wedgewood Fund. However, to mitigate conflicts of interest and comply with applicable regulations, LGWM applies fee

offsets specifically to IRA and ERISA client accounts invested in the Wedgewood Fund. *Please see item 10 for full details.*

- LGWM does not receive any portion of the fees charged by WPI for managing the Wedgewood Fund.
- However, the LGWM employee who is primarily responsible for managing the LCFG strategy at LGWM (the “LCFG Portfolio Manager”) has an ownership interest in, and is a control person of, WPI, and, as a result, directly benefits from a portion of WPI’s fees.
- Clients receive full disclosure of any separate management fees associated with the Wedgewood Fund.

*Please see Item 10.C.3 for additional information regarding this arrangement, including related conflicts of interest.*

#### **D. Prepayment of Fees**

LGWM bills its advisory fees quarterly in advance, meaning fees are charged at the beginning of each billing period based on the client’s total assets under management (AUM).

##### **1. Refund Policy for Terminated Accounts**

If a client terminates their advisory contract before the end of a billing period, LGWM will issue a pro-rata refund for the unused portion of their prepaid fees.

##### **Refund Calculation Method:**

Refunds are determined by:

- Dividing the prepaid quarterly fee by the total number of days in the quarter.
- Multiplying the result by the number of unused days remaining in the quarter.

The refunded amount will be returned to the client within a reasonable timeframe after account termination.

##### **2. Adjustments for Deposits & Withdrawals**

For account contributions or withdrawals that occur during the quarter, fee adjustments are applied as follows:

- New Deposits: Additional advisory fees may be assessed based on the number of days remaining in the quarter.
- Withdrawals: Clients will receive pro-rated credit if the withdrawal reduces billable AUM.

To enhance operational efficiency:

- No fee adjustments will be made for transactions resulting in a fee change of less than \$50.
- Any fee adjustments exceeding \$50 will be reflected in the following billing cycle.

##### **3. Margin Accounts & Fee Considerations**

- Fees are calculated based on gross asset value before margin balances.
- Using margin will increase the total AUM calculation, thereby increasing advisory fees.
- Clients should be aware of this potential conflict of interest, as margin usage increases both portfolio risk and advisory fees.
- If appropriate, LGWM may waive fees on margin balances based on individual circumstances.

### **E. Additional Compensation and Conflicts of Interest**

Neither LGWM nor its supervised persons accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. As such, Item 5.E. and its sub-items do not apply. *Please see item 10.C.3 for additional conflict disclosure with regards to the LCFG strategy and WPI, Inc.*

All fees paid to LGWM for investment advisory services are separate from the fees and expenses that mutual funds charge to their shareholders. A mutual fund's fees and expenses are described in the fund's prospectus and include a management fee and other fund expenses and may include initial and contingent sales charges, asset-based sales charges, service fees and/or distribution fees ("Rule 12b-1 fees"). Rule 12b-1 fees are paid by a mutual fund to compensate for providing distribution-related, administrative and other services, and are automatically deducted directly from the fund's assets. Some mutual fund complexes offer multiple share classes of the same mutual fund, and some share classes have higher expenses, which may include Rule 12b-1 fees, while other share classes of the same fund have lower expenses, with or without Rule 12b-1 fees.

Clients should not assume that they will be invested in the share class with the lowest possible expense ratio. Clients do not, in many cases, pay charges directly; rather, these charges are deducted from a fund's assets and therefore reduce a Client's investment returns.

Clients have the option to purchase investment products that LGWM recommends through other brokers or agents that are not affiliated with LGWM.

**The foregoing discussion in Item 5 represents LGWM's basic compensation arrangements. Fees and other compensation are generally not negotiable and arrangements with any particular Client will vary, in LGWM's sole discretion. Although LGWM believes its fees are competitive, lower fees for comparable services are available from other investment advisers.**

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

### **Performance-Based Fees**

LGWM does not charge performance-based fees (fees based on capital appreciation). The Independent Managers LGWM engages for clients also do not charge performance-based fees.

### **Side-by-Side Management**

LGWM does not manage any accounts that charge performance fees, and, therefore, does not manage side by side accounts with mixed fee structures.

## ITEM 7 - TYPES OF CLIENTS

LGWM provides investment management services to a diverse range of clients, including:

- **Individuals**, including high-net-worth individuals and multigenerational families (trusts, estates, IRAs, and 401(k) plans)
- **Pension and profit-sharing plans**
- **Charitable organizations**, including non-profits and foundations
- **Corporations and business entities**

### Minimum Account Sizes

LGWM generally requires a minimum initial investment of \$3,000,000 for Client accounts. However, LGWM reserves the right, at its discretion, to impose a higher minimum or waive this requirement based on individual client circumstances, account complexity, or strategic business considerations.

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

### A. Investment Strategies and Methods of Analysis

#### Overview

LGWM employs a research-driven approach to portfolio construction. This includes fundamental analysis of companies and sectors, quantitative screening of securities, and qualitative judgments about economic and market dynamics. Depending on a client's objectives, we invest in equities, fixed income instruments, exchange-traded funds (ETFs), mutual funds (including iMGP FM Funds and affiliated vehicles), and alternative investments.

#### Research and Model Construction

LGWM maintains a close working relationship with iMGP FM to guide asset allocation and portfolio design across our Core strategies. Leveraging iMGP FM's research and model recommendations, LGWM applies these allocations to each client's goals and overall financial circumstances. The models cover a range of risk profiles (Defensive, Conservative, Balanced, Growth, Aggressive) and are periodically updated to reflect evolving market conditions or strategic considerations. We may also use variations (e.g., Static Core, Static Core U.S. Bias) to fit specialized client needs.

#### Use of iMGP FM Funds & iMGP Affiliated Funds

LGWM may recommend registered funds or private vehicles advised/sub-advised by iMGP FM or its sub-advisor affiliates, as well as other iMGP Affiliated Funds, where suitable for a client's investment goals.

#### Large Cap Focused Growth (LCFG) Strategy

For clients who seek a more concentrated equity approach, LGWM offers the Large Cap Focused Growth (LCFG) strategy. Stock selection and model construction for LCFG are supported by Wedgewood Partners, Inc. ("WPI"). LGWM oversees day-to-day portfolio implementation while integrating WPI's model changes as appropriate for each client's circumstance.

## Independent Managers

In certain cases, LGWM may recommend an Independent Manager for part of a client's portfolio. These managers bring specialized expertise, including niche asset classes or strategies. Our oversight includes ongoing evaluations of performance, style consistency, and adherence to the client's needs. However, each Independent Manager retains responsibility for day-to-day investment decisions within its mandate.

## Affiliated Independent Managers

In certain cases, LGWM may recommend an Affiliated Independent Manager for part of a client's portfolio. These managers bring specialized expertise, including niche asset classes or strategies. Our oversight includes ongoing evaluations of performance, style consistency, and adherence to the client's needs. However, each Affiliated Independent Manager retains responsibility for day-to-day investment decisions within its mandate. To mitigate conflicts of interest and comply with applicable regulations, LGWM will not recommend IRA and ERISA client accounts to use an Affiliated Independent Manager.

## Integration and Oversight

LGWM's Investment Committee organizes and integrates the model-based advice—whether provided by iMGP FM, WPI, or an Independent Manager—across our recommended strategies. The Committee regularly reviews allocations, monitors performance, and confers with these external research providers on potential adjustments. The assigned advisor then ensures any proposed portfolio changes align with each client's specific guidelines, implementing a disciplined approach to diversification, risk management, and long-term growth.

## B. Material Risks Relating to Investment Strategies

**Risk of Loss for All Investments.** All investing involves risk, and clients should be prepared to lose some or all their investment. LGWM does not guarantee any strategy will achieve its objectives or protect against losses in declining markets.

Below are the primary risks that may apply to strategies we recommend:

1. **Commodities Risk** – Prices may swing rapidly with changes in supply/demand, weather, or geopolitical forces.
2. **Cybersecurity Risk** - LGWM's technology infrastructure and client accounts may be subject to unauthorized access, cyberattacks, or data breaches, which could impact operations or result in monetary loss.
3. **Derivatives Risk** – Options, swaps, and futures can be complex, volatile, or illiquid, with outcomes that may differ significantly from the underlying securities.
4. **Equity Securities Risk** – Stocks can experience substantial fluctuations, with small- and mid-cap equities often more volatile than large-caps.
5. **ETF Risks** – ETFs may trade at a premium/discount to net asset value (NAV), and underlying securities can become illiquid.

6. **Fixed Income Securities Risk** – Subject to credit, interest rate, call, and prepayment/extension risks.
7. **Foreign and Emerging Markets Risk** – Currency exposure, political instability, or limited transparency can amplify losses, especially in emerging or frontier markets.
8. **High-Yield (Junk) Bond Risk** – Below-investment-grade bonds have higher default risk and can be difficult to trade in stressed conditions.
9. **Leverage Risk** – Borrowing or using leverage in derivatives magnifies both gains and losses.
10. **Liquidity Risk** – Certain investments, such as alternative assets and private securities, may be illiquid or difficult to sell at favorable prices.
11. **Managed Futures Strategy Risk** – Futures contracts may carry substantial volatility, leverage risks, and potential liquidity constraints.
12. **Management Risk** – Strategies depend on managers’ skill and judgment. An investment approach may underperform if their assumptions prove incorrect.
13. **Market Risk** – Security prices can decline for various reasons, including economic downturns or political events.
14. **Multi-Management Risk** – Funds that allocate to different sub-advisors may inadvertently overlap or offset each other’s positions, raising costs or volatility.
15. **Multiple Layers of Fees and Expenses** - Investments in mutual funds, ETFs, and alternative investment vehicles may be subject to underlying management fees, operational expenses, and transaction costs, which can reduce net investment returns.
16. **Short Sale Risk** – Theoretically unlimited losses if prices rise instead of decline.

#### **Reliance on Third-Party Research & Model Portfolios -**

- iMGP FM provides investment models and research support, but LGWM retains discretion over portfolio implementation. Changes in iMGP FM’s research methodology or underlying models could impact portfolio allocations and investment decisions.
- WPI provides investment models and research support, but LGWM retains discretion over portfolio implementation. Changes in WPI’s research methodology or underlying models could impact portfolio allocations and investment decisions. LGWM has no control over the day-to-day operations of WPI. LGWM relies to a great extent on information provided by WPI (including the trading models) and will generally have limited access to other information regarding WPI’s portfolios and operations. LGWM’s ability to evaluate and monitor the personnel and activities of WPI is limited relative to the ability of LGWM to evaluate and monitor its own employees. There can be no assurance that investments utilizing the WPI trading model or investments in the Wedgewood Fund will be profitable.

## **Additional Considerations - iMGP FM Funds and iMGP Affiliated Funds**

Funds under the iMGP umbrella may use offshore subsidiaries for managed futures or commodities exposure, which can present tax and regulatory complexities. Overlapping sub-advisors may lead to higher transaction costs or exposures. Regional or thematic focuses (e.g., China, emerging markets) can intensify political, legal, or liquidity risks (e.g., variable interest entity structures).

### **C. Risks Associated with Securities Recommendations**

**Each investment type carries specific risks that should be carefully considered.**

- Equities and ETFs – Stocks and ETFs are subject to market volatility, earnings fluctuations, and potential price declines.
- Fixed Income Securities – Bonds carry credit risk, duration risk, and interest rate sensitivity, which may impact value.
- Alternative Investments – Hedge funds, private equity, and real estate investments have limited liquidity, valuation risks, and higher fees.
- Environmental, Social, and Governance (ESG) Investing Risk – ESG strategies exclude certain industries, potentially limiting investment opportunities and affecting portfolio performance.

#### **Large Cap Focused Growth (LCFG) Strategy Risks**

- Concentration Risk: With only ~20 holdings, LCFG is less diversified than broad market indices, increasing potential volatility.
- Growth Investing Risk: High-growth companies may trade at higher valuations, making them sensitive to earnings disappointments.
- Reliance on WPI's Model: The success of LCFG depends on WPI's investment research and stock selection process.

#### **Affiliated Funds**

- Investments in iMGP FM or other affiliated funds carry the same fundamental market and asset-class risks; multi-manager structures or special tax considerations may also apply.

#### **Lack of Daily Monitoring of Independent Managers' Investments.**

##### **1. Limited Oversight of Individual Trades**

When LGWM engages or recommends Independent Managers for portions of client portfolios, we rely on those managers to execute daily investment decisions in line with the client's objectives. We:

- Collaborate with iMGP FM for ongoing assessments, focusing on:



- **Quantitative factors** such as performance, correlations, volatility, and other metrics relative to appropriate benchmarks.
- **Qualitative factors** such as the manager’s investment process, continuity of key personnel, business viability, trading infrastructure, and cultural/incentive alignment.
- However, we generally do **not** review or approve each individual security transaction executed by Independent Managers. Instead, we monitor each manager’s overall strategy, organizational stability, and aggregate performance.
- We do not supervise day-to-day decisions within Independent Managers’ strategies; success ultimately depends on the skill and judgment of their investment personnel.

This same principle applies to any external fund managers we engage on behalf of our clients. While we periodically review their performance and approach, we do not dictate trade-level decisions.

**This list of risks does not represent an exhaustive account of potential risks associated with an investment with LGWM. Clients should carefully review this Brochure, as well as any supplemental materials provided by LGWM before engaging LGWM’s services.**

## ITEM 9 - DISCIPLINARY INFORMATION

LGWM has not been subject to any legal, regulatory, or disciplinary events that would be material to a client’s evaluation of our advisory business or the integrity of our management.

LGWM conducts ongoing compliance reviews to ensure that any past or future events that may be considered material to a client’s decision-making are properly disclosed. If an event were to occur, LGWM would provide full transparency in accordance with SEC requirements.

## ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### **Material Relationship with iM Square SAS and Its Affiliates**

LGWM is wholly owned by iM Square SAS (“iM Square”), as described in Item 4. iM Square also owns interests in other investment advisory firms, including iMGP FM, which manages a family of funds and exchange-traded funds (“iMGPFM Funds”). Certain sub-advisers to these funds (“iMGPFM Sub-Advisor Affiliates”) likewise have ownership interests held by iM Square, resulting in overlapping financial incentives among LGWM, iMGP FM, and the iMGPFM Sub-Advisor Affiliates.

This common ownership structure creates a potential conflict of interest, as iM Square may benefit from its indirect economic interest in these affiliated businesses when LGWM recommends or invests client assets in iMGPFM Funds or sub-advisers in which iM Square has an indirect economic interest. Even if LGWM does not directly receive additional compensation for such recommendations, iM Square and its affiliates may still benefit financially through their indirect economic interests.

While these measures reduce certain conflicts, we believe it is important for clients to understand that iM Square’s overlapping ownership interests can still create financial incentives for us to

recommend or invest client assets in iM Square-affiliated investment vehicles. Additional, specific disclosure is provided below.

### **A. Management Persons as Registered Broker Dealers**

iM Global US Distributors LLC (“iM Distributors”) is a FINRA-member broker-dealer. iM Distributors and LGWM are both beneficially owned by iM Square SAS. Jeffrey Seeley, LGWM’s CEO, is a registered principal and Managing Principal of iM Distributors.

### **B. Management Persons as Commodities Traders**

This item is not applicable to LGWM.

### **C. Material Relationship with Industry Participant Related Persons**

#### **C.1. Broker-Dealer**

iM Distributors is a FINRA-member broker-dealer and is responsible for the distribution of the iMGP Funds in which LGWM clients are invested. iM Distributors and LGWM are both beneficially owned by iM Square SAS.

#### **C.2. Investment Company**

##### **iMGP FM Funds**

LGWM is affiliated with iMGPFM through our shared ownership under iM Square SAS. iMGPFM serves as the investment adviser for various registered mutual funds and exchange-traded funds (ETFs), collectively known as the “iMGPFM Funds.”

LGWM recommends that Clients invest in certain iMGP FM Funds. When clients invest in these Funds:

- Clients pay LGWM advisory fees based on total assets in their account.
- Each iMGPFM Fund separately charges its own management fee, paid monthly to iMGPFM, based on the fund's assets.
- iMGPFM uses these management fees to pay sub-advisors who assist in fund management, cover fund expenses, and potentially waive some fees under contractual agreements.
- After these payments, the remaining fee retained by iMGPFM is called the “Net Fee.”
- LGWM offsets advisory fees charged to clients by the amount of the Net Fee retained by iMGPFM to avoid duplicate charges.

Given the common ownership structure under the parent company, iM Square SAS, LGWM has a potential conflict of interest when recommending these Affiliated Funds. This conflict is partially mitigated through the fee offset practice, which helps ensure clients do not incur duplicate fees for LGWM’s advisory services and the management services provided by iMGPFM.

However, despite the fee offset, other financial incentives may persist:

- As the iMGP FM Funds grow in assets, fixed expenses are spread over more assets, potentially reducing the overall expense ratio. This could benefit LGWM indirectly, as iMGPFM might avoid fee reductions through contractual expense limits.
- Generally, LGWM charges higher fees in its client agreements than the iMGP FM Funds, even after considering fee offsets, waivers, and breakpoints.

Clients should carefully review each iMGP FM Fund's Prospectus for detailed information about fees, expenses, and compensation. These details, along with investment objectives and strategies, can be accessed on the iMGP Funds website: <https://imgpfunds.com>.

### **iMGP Affiliated Funds**

LGWM may recommend that Clients invest in investment funds sponsored or managed by affiliated investment advisers in which iM Square SAS, LGWM's beneficial owner, has an indirect economic interest (collectively, "Affiliated Funds"). Because iM Square SAS holds an indirect economic interest in these affiliates, it may benefit financially when the affiliates manage fund assets, highlighting the interconnected nature of our advisory and affiliated fund activities.

As both LGWM and Affiliated Funds collect fees from these investments, a conflict of interest exists. LGWM addresses this conflict by conducting investment oversight to help ensure the investment aligns with the Client's best interest. However, LGWM does not offset fees for any indirect economic benefit that iM Square SAS may receive through its indirect economic interest.

Clients should carefully review the prospectus of any Affiliated Fund for specific information about fees, expenses, and compensation arrangements. A current list of iMGPFM Funds is maintained in a separate Schedule, available upon request at [compliance@lgam.com](mailto:compliance@lgam.com).

## **C.3. Other Investment Adviser or Financial Planner**

### **iM Global Partner Fund Management ("iMGP FM")**

iM Global Partner Fund Management LLC is a registered investment adviser (RIA) with the U.S. Securities and Exchange Commission (SEC). Both iMGP FM and Litman Gregory Wealth Management, LLC (LGWM) are beneficially owned by iM Square SAS, a Paris-based investment and development platform focused on the global asset management industry.

Jeffrey Seeley serves as the Chief Executive Officer (CEO) of iMGP FM.

Under a separate agreement, iMGP FM provides investment research, shared personnel, office space, and administrative services to LGWM to support its investment advisory operations.

### **iMGP FM Sub-Advisor Affiliates**

LGWM recommends iMGP FM Funds that are sub-advised by an iMGP FM Sub-Advisor Affiliate, in which iM Square SAS has a direct or indirect economic interest. This structure presents a potential conflict of interest. LGWM addresses this conflict by conducting investment oversight to confirm the investment aligns with the Client's best interests. However, LGWM does not offset fees related to the indirect economic benefit iM Square SAS may receive.

### **Wedgewood Partners Inc. ("WPI")**

As described above, WPI provides the investment model and fundamental equity research for the LCFG strategy. The LCFG Portfolio Manager is also the majority owner (through a direct and indirect ownership interest) and a control person of WPI. In addition, the LCFG Portfolio Manager serves as a Strategic Advisor at WPI, providing strategic consultations as required to support the firm's overall business direction. In connection therewith, the LCFG Portfolio Manager may have an incentive to favor WPI over LGWM including with respect to his time and attention.

LGWM recommends from time to time that clients invest in the Wedgewood Fund if LGWM determines that doing so aligns with the best interests of the relevant clients.

LGWM's investment of client assets into the Wedgewood Fund results in layering of fees for clients, as they will be subject to fees imposed by both LGWM and the Wedgewood Fund. This arrangement creates a material conflict of interest because LGWM has an incentive to recommend and/or select an investment in the Wedgewood Fund over other investment opportunities because the LCFG Portfolio Manager has a financial interest in the fees received by the Wedgewood Fund.

LGWM seeks to partially mitigate this conflict by requiring its Investment Committee to conduct thorough due diligence and ensure that investments in the Wedgewood Fund align with the Client's best interests. Notwithstanding the foregoing, a conflict of interest still exists because the LCFG Portfolio Manager has a financial interest in the fees received by the Wedgewood Fund and benefits if WPI increases its assets under management.

Although any changes to the investment model utilized by the LCFG strategy are provided simultaneously to the LCFG Portfolio Manager and the WPI trading desk, WPI and LGWM trade independently. There can be no assurance that WPI will not trade in a manner that is adverse to LGWM clients (e.g., effecting purchase orders ahead of LGWM or selling securities at different times than LGWM).

#### **D. Material Conflicts of Interest Relating to other Investment Advisers**

##### **Independent Managers (SMA Managers)**

In certain situations, LGWM recommends Independent Managers whose investment strategies align with specific asset classes to manage portions of Clients' portfolios through direct separate accounts.

- Independent Managers invest directly in securities within the designated asset class on a discretionary basis, adhering to the Client's Investment Policy Statement (IPS).
- The scope of management by Independent Managers may also include cash management services.
- Before engaging an Independent Manager, LGWM obtains written Client consent.
- For discretionary Client accounts, LGWM determines:
  - The timing and allocation of Client assets to and from the separate account.
  - Ongoing performance evaluations, ensuring the Independent Manager remains a suitable option compared to other available investment strategies.

LGWM's oversight of Independent Managers is designed to maintain the appropriate asset class allocation for each Client and reflect LGWM's ongoing assessment of the Independent Manager's performance and strategy viability.

## **Affiliated Independent Managers (SMA Managers)**

In certain situations, LGWM recommends Affiliated Independent Managers whose investment strategies align with specific asset classes to manage portions of Clients' portfolios through direct, separate accounts.

- Affiliated Independent Managers invest directly in securities within the designated asset class on a discretionary basis, adhering to the Client's Investment Policy Statement (IPS).
- The scope of management by Affiliated Independent Managers may also include cash management services.
- Before engaging an Affiliated Independent Manager, LGWM obtains written Client consent.
- For discretionary Client accounts, LGWM determines:
  - The timing and allocation of Client assets to and from the separate account.
  - Ongoing performance evaluations, ensuring the Independent Manager remains a suitable option compared to other available investment strategies.

LGWM's oversight of Affiliated Independent Managers is designed to maintain the appropriate asset class allocation for each Client and reflect LGWM's ongoing assessment of the Independent Manager's performance and the viability of their strategy.

LGWM recommendation of an Affiliated Independent Manager, in which iM Square SAS has a direct or indirect ownership interest presents a potential conflict of interest. LGWM addresses this conflict by conducting investment oversight to confirm that the recommendation aligns with the Client's best interests. However, LGWM does not offset fees for the indirect economic benefit iM Square SAS may receive. ERISA and IRA client accounts are not invested with Affiliated Independent Manager to offset any double fee.

## **ITEM 11 - CODE OF ETHICS, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

LGWM has adopted a Code of Ethics pursuant to SEC Rule 204A-1, which establishes ethical standards, personal trading policies, and conflict mitigation measures for employees.

The Code of Ethics covers:

- Fiduciary duties to act in the best interest of clients.
- Personal securities transactions policies to prevent conflicts of interest.
- Gift and entertainment policies to prevent improper influence.
- Confidentiality of client information.

### **Client Access to the Code of Ethics**

Clients may request a full copy of LGWM's Code of Ethics by emailing [compliance@lgam.com](mailto:compliance@lgam.com).

## B. Conflicts of Interest in Connection with Recommendations and Transactions

LGWM or its employees will buy, sell, or recommend securities in which LGWM, or its employees have a financial interest, creating a potential conflict of interest.

To mitigate this risk:

- Employees must pre-clear transactions in Restricted List Securities, IPOs, Initial Coin Offerings and private placements.
- Employees may not trade securities based on material non-public information (MNPI).

Restricted List Securities – Additional Controls

1. **Manual Review:** When a Restricted List Security transaction is submitted for pre-clearance, it is flagged for a manual review.
2. **Pre-Trade Compliance Check:** Before approving an employee trade, we verify whether there have been any recent or pending client transactions in that same Restricted List Security.
3. **No Pending Client Trades:** If there are no pending client trades in the security, the employee trade is approved promptly.
4. **Pending Client Trades:** If a client trade is pending, the employee must either:
  - Submit the order as ‘Market on Close’ (MOC), unless they submit an LCFG limit order matching the client price, or
  - Limit the trade to a “de minimis” amount (generally under \$5,000 in value or 100 shares, whichever is lower).
5. **Post-Trade Compliance:** After execution, we review the employee trade to detect any signs of front-running, scalping, or other potential misuse.

As noted in Item 10, Litman Gregory sometimes recommends that clients invest in iMGP FM Funds and Affiliated Funds. Because Litman Gregory has a material financial interest in recommending or selecting these funds, a conflict of interest arises. For iMGP FM Funds, Litman Gregory seeks to mitigate this conflict by offsetting the fees paid to iM Global Partners Fund Management, LLC (the affiliated manager). In addition, Litman Gregory conducts due diligence and analysis that it believes is reasonably designed to ensure that investing in any iMGP FM or Affiliated Fund aligns with the client’s best interests. *Please see Item 10.C. for related disclosure.*

### 401K and Profit-Sharing Plan (PSP) Disclosure

LGWM maintains a 401K and Profit-Sharing Plan (PSP) for employees. The PSP is managed by a third-party administrator, and LGWM does not trade or actively manage the plan. However:

- LGWM’s Retirement Plan Committee selects the investment options available in the PSP, which include iMGP-affiliated funds.
- Employees have the ability to direct their PSP investments among the available options.

- Pre-clearance is not required for PSP trades since LGWM does not execute transactions within the plan.
- The potential for front-running or conflicts of interest is limited, given the PSP's structure, participant-driven trading, and the trading volume of included funds.

These safeguards ensure that while LGWM personnel have access to PSP investments, their ability to influence or unfairly benefit from PSP trading decisions is minimized.

### **C. Investing Personal Money in the Same Securities as Clients**

LGWM employees have the ability to personally invest in the same securities as clients, which can create conflicts of interest. To prevent this:

- Employees must maintain personal trading accounts at designated brokers (Charles Schwab or Fidelity) unless an exception is granted by the CCO.
- All personal trades must be pre-cleared through ComplianceAlpha.
- Restricted List Securities require additional review before trading.
- Employees are subject to a 30-day minimum holding period for most securities.

Additionally, all personal trading activity is monitored and reviewed quarterly by the CCO to detect any improper trading patterns. This is done to detect potential conflicts or execution disparities.

### **D. Trading Securities at/around the Same Time as Client Securities**

To prevent conflicts in timing of trades:

- Client transactions always receive priority over employee trades.
- If an employee trade is in the same security as a client trade, the employee must execute at the same or worse price.
- De minimis trades (under \$5,000 or 100 shares) may be permitted, subject to review.

All personal securities transactions, pre-clearance requests, and compliance reporting must be completed through ComplianceAlpha, LGWM's trade monitoring system.

### **Exceptions to Trading Restrictions**

The CCO has the discretion to grant exceptions to the Code of Ethics Personal Trading Restrictions and Preclearance Requirements, where warranted. Any exceptions granted must be documented and justified to ensure compliance with LGWM's fiduciary obligations.

## ITEM 12 - BROKERAGE PRACTICES

### A. Brokerage Practices, Generally

Unless otherwise directed by a Client, we recommend that Clients maintain their investment accounts managed by us at Charles Schwab & Co. (Schwab) or Fidelity Investments (Fidelity) (collectively, "Preferred Custodians"). We execute most of our trades through these custodians, which provide us with access to institutional trading, custody, and a variety of other services, many of which are typically not available to retail investors.

Preferred Custodians generally do not charge separately for custody services but are compensated by account holders through commissions, interest on uninvested cash, fees on money market and other funds, payment for order flow, and other transaction-related or asset-based fees. Clients should refer to their agreement with Schwab or Fidelity for details regarding specific costs and fees. The provision of products and services to us is currently not contingent upon maintaining a specific level of Client assets in custody or generating a specific level of commissions.

Preferred Custodians also offer our Clients access to mutual funds and other investments typically available only to institutional investors or requiring significantly higher minimum investments. In addition, they offer services that assist us in managing and administering Clients' accounts, including:

- Access to Client account data (e.g., trade confirmations and account statements);
- Trade execution and order allocation tools;
- Research, pricing, and market data;
- Facilitation of management fee payments from Client accounts; and
- Back-office functions, recordkeeping, and Client reporting.

At times, Preferred Custodians provide additional business-related benefits, including complimentary attendance at industry events, access to publications, or discounts on third-party vendor services. They may also provide other benefits, such as educational events or occasional business entertainment for our employees. These benefits create a potential conflict of interest because they incentivize us to maintain relationships with these custodians. However, we have policies and procedures in place to ensure that our selection of custodians is in the best interests of our Clients.

#### **A.1 Research and Soft Dollar Benefits**

We do not use commission dollars generated by our Clients' accounts (i.e., "soft dollars" or commission-sharing arrangements) to pay for research or other goods and services. However, we receive access to research or market data that is made available to investment advisers using Schwab and Fidelity, which we use in managing Client accounts.



## **A.2. Brokerage for Client Referrals**

We do not engage in any arrangement where we receive Client referrals in exchange for recommending or directing brokerage to a particular firm.

## **A.3. Directed Brokerage**

Clients may instruct us to execute transactions through a specific broker-dealer (“Directed Brokerage”). When this occurs, we may be unable to aggregate orders with other Clients, and Clients may receive less favorable execution terms, including higher commission costs. By directing brokerage, Clients should understand that this may result in higher costs, reduced liquidity, or execution delays.

For accounts managed by Independent Managers, those Managers typically have discretion over trade execution and may use a different brokerage firm. We do not monitor the execution quality of trades executed by Independent Managers unless specifically required under the terms of our agreement with the Client.

## **B. Aggregation of Securities Transactions**

We will strive to aggregate Client sale and purchase orders for securities with similar orders made simultaneously for other Clients (e.g., model portfolio changes). Aggregating trades may provide Clients with more favorable pricing and reduced market impact.

However, due to timing, account constraints, or Client-imposed restrictions, some accounts may not participate in aggregated orders and will receive different execution prices. In executing aggregated orders, we use a fair and equitable method to allocate transactions among Clients. Allocation criteria include factors such as account size, risk profile, tax considerations, and cash availability.

We do not give preferential treatment to proprietary accounts or accounts of employees, officers, or related parties.

### **Trade Aggregation & Allocation - Active and Static Core Strategies**

- Employee trades in Active and Static Core strategies are not aggregated with client trades; as such, employee trades are submitted separately and executed at market prices.
- When client trades are aggregated, orders are allocated pro-rata based on order size to ensure fairness.
- Compliance testing is conducted to monitor execution fairness and prevent conflicts of interest.

## C. Non-Aggregation of Securities Transactions

We execute trades on behalf of our Clients that are not aggregated with other client orders (“non-aggregated trades”). Non-aggregated trades may result in different execution prices or quantities than aggregated trades. To minimize portfolio dispersion, we use price limit orders whenever feasible, ensuring that Client orders for the same security are entered at the same price limit.

While we strive to achieve best execution for all Client transactions, non-aggregated trades involve risks such as potential price impact and lack of anonymity in the market. These risks may result in higher execution costs or suboptimal pricing compared to aggregated trades. Our policies and procedures are designed to mitigate these risks to the extent practicable.

### Trade Execution & Allocation - Large Cap Focused Growth (LCFG) Strategy

- Employee and client trades in LCFG are not aggregated.
- Price limits are used to help ensure that clients receive execution at the same or better price than employees.

LGWM specifically does not aggregate orders for Clients of the LCFG strategy when placing trades for Client liquidity needs. Additional reasons for non-aggregation include, but are not limited to:

- **Tax considerations** – Clients may have tax-loss harvesting strategies that require individualized transactions.
- **Investment guidelines** – Some Clients impose unique restrictions that prevent participation in aggregated trades.
- **Directed trades** – When a Client instructs us to execute a specific sale or purchase.
- **Significant cash flows** – When a Client makes a large deposit or withdrawal that requires immediate investment or liquidation.
- **Transactions intended for tax purposes** – Including step-up in basis or realization of capital gains/losses.

In cases where non-aggregated trades occur, execution prices may vary from those of aggregated trades. While we employ controls to limit this impact, Clients should understand that market conditions and liquidity constraints may result in pricing discrepancies.

LGWM remains committed to upholding its **fiduciary duty** by managing all Client portfolios in a manner that aligns with their stated investment objectives and best interests. If necessary, corrective action may be taken to uphold this fiduciary duty to clients.

## D. Transaction Errors

Litman Gregory Wealth Management, LLC (“LGWM”) takes prudent steps to ensure trades are executed accurately. If LGWM is responsible for a trade error that results in a client loss, LGWM will reimburse the client’s account. If the error results in a gain, the client will typically retain the gain unless regulations or custodian policies require otherwise.

Trade Misallocations: If a trade is allocated to the wrong account and identified before settlement, it will be reallocated to the intended account at the original trade price.

**Errors Identified Post-Trade Date:** If a trade error is discovered after settlement and cannot be reversed, LGWM may allocate the trade (and any correction) to its trade error account or a client account, as appropriate.

**Third-Party Errors:** If the error is caused by a third party, such as a broker or custodian, LGWM will work with the responsible party to correct the error.

All trade errors are investigated, documented, and reviewed by LGWM's Chief Compliance Officer, who may determine an alternative resolution if appropriate under the circumstances. LGWM's policy ensures clients are treated fairly and consistently with its fiduciary obligations.

### **E. Best Execution Review**

We conduct periodic reviews to evaluate the execution quality provided by our Preferred Custodians. At least annually, we assess factors such as trade execution speed, price improvement, commission costs, and overall service quality. This review helps ensure that the custodians we recommend continue to provide competitive and high-quality execution services.

Our goal is to obtain best execution for our Clients while also considering factors such as custodial services, reporting capabilities, and administrative support provided by the custodians. If we determine that a custodian no longer provides best execution, we will reassess our recommendation and may suggest alternative arrangements for our Clients.

### **Cybersecurity in Brokerage & Custody Practices**

LGWM recommends qualified custodians for client accounts, such as Charles Schwab & Co. and Fidelity Investments, which have independent security policies. While these custodians maintain their own cybersecurity controls, clients should be aware that linking LGWM-managed accounts to third-party aggregation services (such as personal financial dashboards or fintech applications) may increase cybersecurity risks.

Clients are responsible for understanding the security implications of using third-party financial technology services, as LGWM cannot guarantee the protection of credentials or account information once shared with external providers.

## **ITEM 13 - REVIEW OF ACCOUNTS**

### **A. Frequency and Nature of Periodic Review and Who Makes Those Reviews**

Our investment adviser representatives review each Client account at least quarterly to ensure alignment with the Client's stated investment strategy and objectives. These reviews include an evaluation of asset allocation, risk exposure, performance trends, and overall account management.

### **B. Factors that Will Trigger a Non-Periodic Review of Client Accounts**

Additional reviews may be conducted based on specific factors, including but not limited to:

- Significant cash inflows or outflows
- Changes in asset allocation strategies

- Market volatility or economic conditions
- Changes in Client investment objectives or risk tolerance
- Manager or strategy changes within the portfolio

### **C. Client Reports**

Clients receive periodic written reports from their qualified custodians, typically on a monthly or quarterly basis. These reports include account holdings, balances, and transaction details.

LGWM also provides Clients with quarterly performance reports, which generally include:

- Total portfolio holdings
- Account balance and value summaries
- Asset allocation breakdowns
- Portfolio performance analysis

These reports are designed to provide transparency and help Clients monitor their investments effectively.

## **ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

### **A. Economic Benefits Provided by Third Parties**

LGWM receives an economic benefit from Schwab or Fidelity in the form of the support, products, and services they make available to us and other independent investment advisers who maintain Client accounts at their institutions. These benefits, as described in **Item 12**, create potential conflicts of interest as they could incentivize us to recommend these custodians over others. However, our selection of custodians is based on what we believe is in the best interest of our Clients, considering the overall quality of execution, services, and costs.

### **B. Compensation to Non-Advisory Personnel for Client Referrals**

LGWM does not provide any compensation to non-advisory personnel for Client referrals.

## **ITEM 15 - CUSTODY**

LGWM does not directly or indirectly hold Clients' funds or securities.

LGWM discretionary Clients' accounts are held in custody by unaffiliated, Qualified Custodians. However, LGWM is deemed to have custody of certain Client assets due to its ability to debit advisory fees and, in some cases, act as trustee or maintain standing letters of authorization ("SLOAs") to direct Client assets to third parties.

Clients will receive account statements directly from their Financial Institution or Qualified Custodian and should carefully review them for accuracy. LGWM also provides Clients with quarterly statements, which should be compared to custodian-provided statements to verify accuracy.

In cases where LGWM is deemed to have custody under federal securities laws, accounts are subject to an annual surprise custody examination in compliance with Rule 206(4)-2 under the Investment Advisers Act, unless exempted under applicable regulatory requirements.

## **ITEM 16 - INVESTMENT DISCRETION**

LGWM provides investment advisory services on a discretionary basis to Clients. Please refer to Item 4 for any limitations Clients may impose on LGWM's discretionary authority.

Clients must sign an Investment Management Agreement at the start of the relationship, granting LGWM discretionary authority to:

- Determine which securities are bought or sold;
- Decide the total amount of securities bought or sold; and
- Select the Financial Institution for trade execution and determine commission rates.

LGWM does not have discretion to engage Independent Managers on behalf of Clients. Before engaging an Independent Manager, Clients must sign an Independent Manager Authorization, supplementing the Investment Management Agreement. While both LGWM and Independent Managers have investment discretion over managed accounts, LGWM's discretion is generally limited to asset allocation decisions and transfers. Independent Managers retain full responsibility for managing the assets allocated to them.

## **ITEM 17 - VOTING CLIENT SECURITIES**

### **Proxy Voting Authority**

LGWM generally retains authority to vote proxies on behalf of clients, unless a client provides written instructions stating otherwise. In most cases, Independent Managers engaged by LGWM are responsible for voting proxies related to securities they manage.

LGWM follows a structured proxy voting policy, designed to prioritize client interests, minimize conflicts of interest, and ensure transparency in voting decisions.

### **LCFG Strategy Proxies**

For the Large Cap Focused Growth (LCFG) strategy, LGWM does not retain authority to vote proxies associated with securities in LCFG client accounts. Clients who enroll in the LCFG strategy may either vote their own proxies or arrange for another authorized party—such as a trustee or the custodian—to handle these voting responsibilities. LGWM thus is not involved in proxy solicitation or voting for the securities held within the LCFG strategy.

### **Client Directions**

If clients choose to handle proxies themselves (or delegate to a third party) for any portion of their portfolios, they may do so by providing LGWM with written notice. LGWM will mark its records accordingly to ensure we do not take any voting action on those holdings.

## Further Details

Copies of LGWM's written proxy voting policies and procedures are available upon request. Clients may also request information about how proxies were voted on their behalf at any time.

## Proxy Voting Policies & Procedures

LGWM, through Broadridge's ("BR") Proxy Edge, votes proxies in accordance with written proxy voting policies and procedures, which establish pre-determined guidelines for common proxy proposals. However, each proxy issue is reviewed individually to determine the most appropriate action for clients.

LGWM may abstain from voting under the following circumstances:

- Limited Economic Impact – If the proxy proposal is unlikely to have a material effect on client holdings.
- Cost vs. Benefit Considerations – If the costs associated with voting outweigh the potential benefits to clients.

Clients may request a copy of LGWM's proxy voting policies or obtain records of how their proxies were voted by contacting [compliance@lgam.com](mailto:compliance@lgam.com).

## Conflicts of Interest in Proxy Voting

LGWM recognizes that conflicts of interest may arise in the proxy voting process, particularly when voting on proposals affecting Affiliated Funds or investment products.

## Affiliated Fund Proxy Votes

LGWM clients hold investments in funds managed or advised by iMGP FM or other affiliated entities. When proxy votes arise for these funds, LGWM acknowledges that a potential conflict of interest exists if the vote could impact iMGP FM or its affiliates.

## Proxy Voting Process for Affiliated Funds:

- iMGP FM provides an independent voting recommendation based on its fiduciary assessment of shareholder benefits.
- LGWM's Investment Committee reviews the recommendation and determines whether the proposed action aligns with the best interests of LGWM's clients.
- If a conflict of interest is identified, LGWM may:
  - Vote in accordance with pre-determined proxy voting guidelines, where applicable.
  - Seek input from an independent third party to validate the recommendation.
  - Abstain from voting if a clear determination of client benefit cannot be made.

This structure ensures that LGWM retains decision-making authority, even when iMGP FM is involved in voting recommendations, thereby mitigating conflicts and maintaining fiduciary integrity.

## **Class Action Litigation**

LGWM has engaged Broadridge Investor Communication Solutions, Inc. (Broadridge) to provide class action litigation monitoring and securities claim filing services. When fully implemented, Broadridge will monitor each claim our clients have, collect applicable documentation, interpret the terms of each settlement, files appropriate claim forms, interact with administrators, and distribute awards on behalf of our clients. Broadridge charges a contingency fee of 20% of the total reimbursement of assets (including stock) it collects, which is deducted from your award by Broadridge, when the award is paid.

## **ITEM 18 - FINANCIAL INFORMATION**

LGWM has no financial condition that would impair its ability to meet contractual commitments to clients.

LGWM has not been the subject of a bankruptcy proceeding.

## **ITEM 19 - REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

We are registered with the U.S. Securities and Exchange Commission (SEC) and merely notice-file in certain states; we do not register at the state level. As a result, Item 19 does not apply to our firm, and no further disclosures under this heading are required.

## **ADDITIONAL INFORMATION**

### **Business Continuity Plan**

LGWM has developed and periodically tests its Business Continuity Plan (“BCP”) to ensure we can effectively respond to significant business disruptions. Since the timing and impact of such disruptions are unpredictable, we have designed our BCP to be flexible in responding to various scenarios.

Contacting Us: If a significant business disruption occurs and you cannot reach us through our main office number (415) 461-8999, you should call an alternative number (925) 254-8999 or visit our website at [www.lgam.com](http://www.lgam.com).

If you are a separately managed account Client and cannot access us through these means, you should contact your custodian directly.

In the event of a disruption, LGWM will act promptly to safeguard our employees and property, conduct financial and operational assessments, protect records, and ensure that Clients can continue transacting business. Our BCP covers:

- Data backup and recovery
- Continuation of mission-critical systems
- Alternative communication methods with Clients, employees, and regulators
- Temporary relocation of employees
- Coordination with key service providers, including banks and regulatory institutions

## Scope of Disruptions:

- If a disruption affects only LGWM or a single building, we will shift operations to an alternate site and resume business within four hours.
- If a disruption affects our business district, city, or region, we will transfer operations to an external site outside the affected area and expect to resume business within four hours, though external factors beyond our control may impact recovery time.
- If an extreme event prevents LGWM from continuing operations, we will ensure Clients have prompt access to their funds and securities.

Clients will be notified via our website [www.lgam.com](http://www.lgam.com) or through a recorded message on our main phone line (925) 254-8999 with further instructions.

If you have questions about LGWM's Business Continuity Plan, please contact us at [compliance@lgam.com](mailto:compliance@lgam.com).

## Privacy Policy

LGWM is committed to protecting Client privacy. We collect non-public personal information from:

- Information provided on applications or other forms
- Transaction details with LGWM, affiliates, or other service providers

LGWM does not disclose non-public personal information about Clients or former Clients, except as required by law. We limit access to such information to employees who need it to provide services and maintain appropriate physical, electronic, and procedural safeguards to protect Client data in compliance with federal standards.

## Additional Risks Relating to the Adviser

### Third-Party Vendor Security Standards

LGWM utilizes third-party vendors, including custodians, IT service providers, and technology partners, to support investment advisory services. To mitigate cybersecurity risks, LGWM requires critical vendors to adhere to stringent security controls, including:

- Annual Security Assessments - Vendors must provide an up-to-date SOC 2 Type II, ISO 27001, or equivalent cybersecurity certification.
- Risk Assessments & Monitoring - All vendors undergo a cybersecurity risk assessment before contract execution and are reviewed periodically.
- 24-Hour Breach Notification Requirement - Vendors must report any security breach affecting LGWM client data within 24 hours of discovery.

These measures align with LGWM's commitment to data security and compliance with SEC cybersecurity regulations. Clients engaging with third-party platforms linked to LGWM accounts should be aware that vendor security policies will impact their data protection.

### Cybersecurity Risks & Incident Response

LGWM employs robust cybersecurity measures to safeguard client information and maintain operational continuity. However, no system is entirely immune to cyber threats, and clients should



be aware that cybersecurity incidents could impact their accounts, transactions, or access to LGWM's advisory services.

#### **Incident Response & Risk Management:**

LGWM categorizes cybersecurity incidents into four severity levels: Low, Medium, High, and Critical. In the event of a Critical Incident, such as a breach resulting in unauthorized access, exfiltration, or loss of nonpublic personal information (NPI), LGWM will initiate an immediate incident response, including:

- **SEC Notification:** If an incident is deemed material, LGWM will file Form ADV-C with the SEC in accordance with regulatory requirements.
- **Client Notification:** Affected clients will be notified within 30 days of a confirmed breach in compliance with SEC Regulation S-P (May 2024).

#### **Business Continuity & Cyber Resilience:**

LGWM maintains a Business Continuity Plan that incorporates specific cybersecurity contingency measures, including:

- **Data Backup & Recovery** – Client data is backed up daily and replicated to an off-site secure location.
- **Alternative Operational Capabilities** – In case of a cybersecurity-related disruption, LGWM has designated fallback systems and remote work protocols to maintain client service.
- **Tabletop Testing & Simulated Breach Drills** – LGWM conducts periodic cybersecurity incident response testing to validate readiness for potential threats.

Clients should understand that cybersecurity risks, including system breaches, ransomware attacks, or data integrity compromises, could result in temporary disruptions. LGWM has established safeguards to minimize potential impact but cannot guarantee absolute protection against cyber-related events.

#### **Systems and Operational Risk**

LGWM relies on various financial, accounting, and data processing systems to support operations. These systems, maintained by LGWM and third-party service providers, are subject to:

- Manual errors and operational failures that may impact transaction processing.
- System defects, outages, or malfunctions that could disrupt account management.
- Cybersecurity breaches that compromise data integrity and security.

Any disruptions in these systems may result in financial losses, delayed trades, and reputational harm.

#### **Effects of Health Crises and Other Catastrophic Events**

Unforeseen events such as pandemics, natural disasters, and geopolitical crises can significantly impact:

- Financial markets by increasing volatility and liquidity constraints.
- Client investments due to market disruptions and economic uncertainty.

- LGWM's operations by disrupting trading functions and client communications.

Government-imposed measures, such as travel restrictions or market shutdowns, will also limit LGWM's ability to operate normally and implement investment strategies effectively.