



### Item 1 – Introduction: Is an investment advisory account right for you?

Freedom Wealth Alliance, LLC (“FWA” or “we”) is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professional at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

### Item 2 – What investment services and advice can you provide me?

Description of Services: FWA offers investment advisory services to retail investors. Our investment advisory services include:

**Asset Management Services:** We provide asset management services which involves us managing and trading your designated account(s). We will discuss your investment goals and design a strategy to try and achieve your investment goals. We will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. We offer asset management services through both wrap fee programs and non-wrap fee programs. We also offer a Web-Based Portfolio Management Services through Institutional Intelligent Portfolios™, an automated, online investment management platform sponsored by Charles Schwab. For more information, please see Item 4 of our Form ADV Part 2A. When engaging us for asset management services, you can choose whether you’d like us to provide services on a discretionary basis (we will have the authority to determine the type and amount of securities to be bought or sold in your account) or a non-discretionary basis (we will have to confirm any trades in your account with you before we place them).

**Financial Planning & Consulting Services:** We also provide financial planning and consulting services. Financial planning services involve us creating a written financial plan for you which covers mutually agreed upon topics. Financial consulting is used when a written financial plan is not needed. It involves one time and/or ongoing meetings to discuss your financial situation. Limited Investment Offerings: We do not primarily recommend one type of security to clients. Instead, we recommend investment portfolios designed to be suitable for each client relative to that client’s specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer’s platform. When providing you services, we do not recommend or offer advice on any proprietary products.

**Account & Fee Minimums:** We require a minimum of between \$15,000 and \$250,000 dependent upon the program selected in order to open an account managed by us.

**For additional information, please refer to Items 4, 7, & 13 of our Form ADV Part 2A and/or or Items 4 and 5 of Form ADV Part 2A Appendix 1 at the following link: <https://adviserinfo.sec.gov/firm/brochure/170456>.**

**Conversation Starters: Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?**

### Item 3 – What fees will I pay?

We are primarily compensated by a percentage of assets under our management, hourly fees, fixed fees and solicitor/referral fees. Our fees vary depending on the services you receive. The annual fee for portfolio management services will be based upon a fee schedule which will range up to a maximum of 2.50% billed in advance on a quarterly basis, and calculated based on the fair market value of your account. Because our fee is based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. We utilize wrap fee and non-wrap fee programs. Under a wrap fee program the fee you pay us covers both our advisory services and the transaction fees imposed by the broker-dealer. Under a non-wrap fee program you will be charged transaction costs separately. Since a wrap fee covers transaction expenses it tends to be higher than non-wrap fee programs. You will also be charged internal fees and expenses by the funds we invest in within your account.

We offer financial planning services for a negotiable hourly fee of \$400 or a fixed fee of up to \$20,000. Any fees we charge for financial planning and consulting services will not cover the costs associated with implementing any recommendations we may make.

Asset-based fees associated with our wrap fee program will include most transaction costs and fees to a broker-dealer that has custody of these assets, and therefore are higher than a typical asset-based advisory fee. We provide financial planning services for an hourly or fixed fee. Our fees are negotiable depending upon the complexity and scope of the service, your financial situation, and your objectives.

**For additional information regarding our fees, please see Item 5 of our Form ADV Part 2A and/or Item 4 of Form ADV Part 2A Appendix 1 at the following link: <https://adviserinfo.sec.gov/firm/brochure/170456>.**

**Description of Other Fees and Costs:** The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by investment companies (e.g., mutual funds, exchange traded funds, unit investment trusts and variable annuities). These fees are described in each fund’s prospectus. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian that executes the trade. The broker-dealer or custodian may also charge your account for custodial fees, retirement account fees, trust fees, exchange fees, redemption fees that may be assessed on investment company shares, transfer fees, account termination fees or other special service fees and charges. We do not share in any portion of these fees imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by investment companies, broker-dealers, our firm, and others.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

**Conversation Starter: Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?**

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

**When we act as your investment adviser,** we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

When we provide portfolio management services, we will ask that you establish an account with LPL Financial and/or Charles Schwab (our custodians) to maintain custody of your assets and to effect trades for your account. Our recommendation to use our custodians is not based solely on your interest of receiving the best execution possible. We also recommend our custodians because they provide us with research, products and tools that help us manage and further develop our business operations. As a result, we do not have to pay for such benefits, which save us money; however, these arrangements create a conflict of interest. See Item 12 of our Form ADV Part 2A for more information about our arrangements with our custodians. We actively manage our own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which we have developed procedures to mitigate and control for those conflicts. For more information see Item 11 of our Form ADV Part 2A. When we recommend that you utilize a third-party money manager we will receive a percentage of the fee which they collect from you. This creates a conflict of interest as we have an incentive to recommend managers who have such arrangements with us. Some of our investment adviser representatives also serve as insurance agents. Through their role as such they may sell, for commissions, various insurance products. We have a conflict of interest in recommending these products to you because of the potential for additional revenue.

**Conversation Starter: How might your conflicts of interest affect me, and how will you address them?**

**Please refer to our Form ADV Part 2A and/or Form ADV Part 2A Appendix 1 for further information on our conflicts of interest and how we address them at the following link: <https://adviserinfo.sec.gov/firm/brochure/170456>.**

**How do your financial professionals make money?**

Our financial professionals receive salary based compensation, a percentage of advisory billings and/or bonuses based on the amount of client assets they bring to our firm. Therefore, our financial professionals have an incentive to encourage you to increase the assets in your account. Financial professionals who have an ownership interest in the firm will also receive additional compensation in the form of distributions.

#### **Item 4 – Do you or your financial professionals have legal or disciplinary history?**

**No for our firm, Yes for financial professionals.**

**For a free, simple search tool to research us and our financial professionals please visit [Investor.gov/CRS](http://Investor.gov/CRS).**

**Conversation Starter: As a financial professional, do you have any disciplinary history? For what type of conduct?**

#### **Item 5 – Additional Information**

For additional information about our advisory services, please refer to our Form ADV Part 2A brochure available at <https://adviserinfo.sec.gov/firm/brochure/170456>, and the individual Form ADV Part 2B brochure supplement(s) your representative provides. If you have any questions, need up-to-date information and/or need a copy of this Client Relationship Summary, please contact us at (262) 798-7979.

**Conversation Starters: Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?**

**Appendix A – Form CRS  
Material Changes  
March 24, 2021**

**Material Changes to Form CRS – Client Relationship Summary**

The purpose of this appendix is to inform you of any material changes since the previous version of this Form CRS dated June 30, 2020.

On March 24, 2021, we updated our Form CRS to add the following language to Item 4 – Do you or your financial professionals have legal or disciplinary history?

- **No for our firm. Yes for a financial professional.**

If you have questions about these changes, please contact us at (262) 798-7979.

## Form ADV Part 2A Brochure

### Cover Page - Item 1



**FREEDOM  
WEALTH  
ALLIANCE**

### **Freedom Wealth Alliance, LLC DBA: Freedom Wealth Alliance**

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**August 5, 2021**

Freedom Wealth Alliance, LLC, dba, Freedom Wealth Alliance is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Freedom Wealth Alliance. If you have any questions about the contents of this brochure, please contact us at (262) 798-7979. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Freedom Wealth Alliance is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### Material Changes - Item 2

The purpose of this page is to inform you of any material changes since the previous version of this disclosure brochure. At least annually, we review and update this brochure, as needed, to make sure that it remains current.

On March 24, 2021, we completed a rewrite of our entire Form ADV Part 2 Brochure. Clients should read the entire document to familiarize themselves with our firm, our services, and conflicts of interest.

If you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at (262) 798-7979 or at [rrozman@freedomwealthalliance.com](mailto:rrozman@freedomwealthalliance.com).

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#### **Advisory Business - Item 4**

Freedom Wealth Alliance (hereinafter "FWA" or the "firm") is a registered investment adviser based in Brookfield, Wisconsin. We are a limited liability company, organized under the laws of the state of Wisconsin. We have been providing investment advisory services since 2014. Kurt R. Rozman is the principal owner of FWA.

As used in this Brochure, the term "Associated Person" refers to anyone from our firm who is an officer, an employee, and all individuals providing investment advice on behalf of our firm. Where required, such persons are properly registered as investment adviser representatives.

Our Associated Persons are restricted to providing services and charging fees based on the disclosures detailed in this document and the agreement(s) signed by the Client with the firm. However, the exact services and fees charged to a Client are dependent upon each Associated Person's relationship with his or her Client and may vary in scope and amount. Associated Persons are instructed to consider the individual needs of each Client when recommending a service or a portfolio management platform. Investment strategies and recommendations are tailored to the individual needs of each Client.

Currently, we offer the following investment advisory services, personalized for each individual Client:

- **Financial Planning Services**
- **Full Service Wealth Management Services (Wrap and Non-Wrap Programs)**
- **Web Based Portfolio Management Services (Digital Portfolio Solutions)**
- **Referrals to Third Party Investment Advisers**
- **Pension Consulting Services**

#### **Financial Planning Services**

FWA offers various financial planning related services, which assist Clients in the management of their financial resources. Financial planning services are based upon an analysis of the Client's individual needs beginning with one or more information gathering consultations. Once the firm has collected and analysed all documentation gathered during these consultations, FWA provides a written financial plan designed to achieve the Client's financial goals and objectives. FWA then assists Clients in developing a strategy for the successful management of income, assets, and liabilities. In general, financial planning services may include any one or all of the following:

- **Cash Flow Analysis** – Assessment of present financial situation by collecting information regarding net worth and cash flow statements, tax returns, insurance policies, investment portfolios, pension plans, employee benefit statements, etc. The firm advises on ways to reduce risk; and, to coordinate and organize records and estate information.
- **Retirement Analysis** – Identification of long-term financial and personal goals and objectives including advice for accumulating wealth for retirement income or appropriate distribution of assets following retirement. Tax consequences and implications are identified and evaluated.
- **Insurance Analysis** – Includes risk management associated with advisory recommendations based on a combination of insurance types to meet your needs, e.g., life, health, disability, and long-term care insurance. This will necessitate an analysis of cash needs of the Client's family at death, income needs of surviving dependents, and potential disability income needs.
- **Portfolio Analysis/Investment Planning** – Presentation of investment alternatives, including asset allocation and its effect on the Client's portfolio; evaluation of economic and tax characteristics of existing investments as well as their suitability for the Client; and, identification and evaluation of tax consequences and their implications.
- **Estate Analysis** – Advising Clients with respect to property ownership, distribution strategies, estate tax

reduction, and tax payment techniques.

The recommendations and solutions are designed to achieve the Client's desired goals, subject to periodic evaluation of the financial plan, which may require revision to meet changing circumstances. Financial plans are based on your financial situation based on the information provided to the firm. We should be notified promptly of any change to your financial situation, goals, objectives, or needs.

Clients can also request financial planning services that cover a specific area, such as retirement or estate planning, asset allocation analysis, manager due diligence, and 401(k) platform due diligence. Clients may choose to accept or reject our recommendations. If you decide to proceed with our recommendations, you may do so by engaging us for investment advisory services or by using any advisory, brokerage, or insurance provider you choose.

*Important Note: Information related to tax and legal consequences that is provided as part of the financial plan is for informative purposes only. Clients are instructed to contact their tax or legal advisers for personalized advice.*

#### **Full Service Wealth Management Services**

FWA provides broad-based wealth management services to Clients. At the start of the service, an Associated Person will have one or more consultations with the Client to determine the Client's investment objectives, risk tolerance, and other relevant information (the "suitability information"). We will also use the information we gather from our consultation(s) to create an investment plan. Clients participating in this program are also offered a complementary planning meeting along with regular planning reviews and updates. FWA encourages clients to work with the firm to obtain these planning services because the firm believes this planning service is beneficial in achieving the Client's long term financial goals. However, Clients are not obligated to utilize these planning services.

FWA implements investment recommendations as part of its ongoing portfolio management service by developing a strategy that enables us to give the Client continuous and focused investment advice. As part of our portfolio management services, we customize an investment portfolio in line with the Client's risk tolerance and investing objectives. We can also invest assets using a predefined strategy, or one or more model portfolios developed by our firm or third party advisers. Once we construct an investment portfolio or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and/or the Client's financial circumstances.

Our portfolio management services are offered on a discretionary or non-discretionary basis. Discretionary portfolio management means we will make investment decisions and place buy or sell orders in your account without contacting you for prior approval of each transaction. These decisions are made based upon your stated investment objectives. You may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

FWA does not recommend one particular type of security over other types of securities, but we do provide advice on various types of securities, such as mutual funds, exchange-traded funds ("ETFs"), variable annuity subaccounts, real estate investment trusts ("REITs"), equities, and fixed income securities. Additionally, we will provide advice on existing investments you may hold at the inception of the advisory relationship or on other types of investments for which you ask advice.

Asset allocation models diversified among investment styles and/or asset classes are developed and managed by us based on research conducted by FWA. We also use portfolio models developed by third party investment advisers. Some of our Associated Persons may also use customized portfolio models developed by them. Once the Client portfolio is constructed, FWA provides continuous supervision of the portfolio as changes in the market conditions and Client circumstances may require. Investments and allocations are determined based upon the Clients' predefined objectives, risk tolerance, time horizons, financial horizons, financial information, and other



various suitability factors. Further restrictions and guidelines imposed by Clients may affect the composition and performance of a Client's portfolio. As such, different Clients of our firm may have significant differences in their asset allocation. For these reasons, performance of one Client's portfolio might not be identical with another Client's even if both Clients have similar risk parameters. We review the Clients' financial circumstances and investment objectives on a regular basis and make adjustments to Clients' portfolios or allocation models as may be necessary in an effort to achieve the desired results. At all times, our firm requires each Associated Person to uphold their fiduciary duty by providing advice that in our judgement is in the Client's best interest.

However we construct your investment portfolio, we will monitor your portfolio's performance on a continuous basis, and rebalance the portfolio whenever necessary, as changes occur in market conditions, your financial circumstances, or both.

#### *Portfolio Management Services - Wrap Fee Program*

FWA is the portfolio manager and sponsor of the Freedom Wealth Alliance Wrap Fee Program. A wrap fee program combines portfolio management, advisory services, and trade execution for a single fee. FWA, as portfolio manager is responsible for the research, security selection, and implementation of transaction orders in the Client's account. The transactions in the Client's account will be executed by and held at LPL Financial, LLC ("LPL"), a FINRA-registered broker-dealer, member SIPC. The Client pays FWA an all-inclusive Wrap fee. FWA pays LPL a portion of this fee for trade execution expenses. Detailed information about the Freedom Wealth Alliance Wrap Fee Program and program fees is provided in the Form ADV Part 2A, Appendix 1 (Wrap Brochure) that is attached to this Form ADV Part 2A Disclosure Brochure.

A minimum account value of \$100,000 is generally required for wealth management services. In certain instances, FWA may permit a lower minimum account size.

#### **Web-Based Portfolio Management Services**

##### *Digital Portfolio Solutions*

FWA provides portfolio management services through Institutional Intelligent Portfolios™, ("IIP" or "Program") an automated, online investment management platform sponsored by Charles Schwab ("Program Sponsor"). The IIP offers an electronic algorithms platform designed to align Client portfolios with the Client's investment objective and risk tolerance using model portfolios. A Client may choose to invest in a portfolio that is either more or less conservative or aggressive than is shown by the outcome of the initial online questionnaire. This program is formally called Digital Portfolio Solutions, or "DPS."

Under DPS, trading and rebalancing is determined by algorithms based on numerous model portfolios created by FWA. The Program Sponsor provides FWA with the technology needed to automate activity with portfolios of securities and acts in a discretionary capacity to the Client's account. The portfolio account is opened at Charles Schwab & Co. and Schwab will serve as the custodian of the assets in that account.

A Client does not have the ability to make trades in their Program account and restrictions on investments in specific securities may not be possible due to some inherent limitations of the Program. A minimum account value of \$5,000 is generally required for the IIP. In certain instances, FWA may permit a lower minimum account size.

The Program is also further described in the Program Disclosure Brochure, which the Client will receive in the online enrollment process from the Program Sponsor.

#### **Recommendation of Third Party Investment Advisers**

We may also recommend other third party investment advisers or programs to manage all or a portion of your account. All third party investment advisers recommended by our firm must be registered as investment advisers or exempt from registration requirements. Factors that we take into consideration when making our recommendations include, but are not limited to, the following: the third party investment adviser's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We

will periodically monitor the third party investment adviser's performance to ensure its management and investment style remains aligned with your investment goals and objectives.

The third party investment adviser may offer wrapped or non-wrapped pricing options. Wrap pricing structures allow the Client to pay an all-inclusive fee for management, brokerage, clearance, custody, and administrative services. In a non-wrap pricing structure, the third party investment adviser's fee may be separate from the advisory fee charged by FWA. Transaction costs may also be charged for the execution and clearance of advisory transactions directed by such third party investment advisory services. A complete description of the programs and services provided, account minimums, the amount of total fees, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in: i) the third party investment adviser's Form ADV Part 2A; ii) the program wrap brochure (if applicable) or other applicable disclosure documents; iii) the disclosure documents of the portfolio manager(s) selected; and/or, iv) the third party investment adviser's account opening documents. A copy of all relevant disclosure documents of the third party investment adviser and of the individual portfolio manager(s) will be provided to anyone interested in these programs/managers.

#### **Pension Consulting Services**

FWA provides several pension consulting related services. While the primary Clients for these services will be pension, profit sharing, and 401(k) plans, FWA will also offer these services, where appropriate, to individuals, trusts, estates, and charitable organizations. Pension Consulting Services are comprised of the following components. Clients may choose to use any or all of these services.

##### Investment Policy Statement Preparation ("IPS"):

FWA will meet with the Client (in person, over the telephone, or online) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. FWA then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

##### Selection of Investment Vehicles

FWA will create or review the plan's investment lineup, primarily consisting of mutual funds (both index and managed) and Clients will select the lineup that is most appropriate for their investment needs. The plan's investment lineup may also include individual equities, bonds, and other investment products. The number of investments to be recommended will be determined by the plan, based on the plan's stated goals.

##### Monitoring of Investment Performance

Client investments will be monitored and reviewed based on the procedures and timing intervals outlined in the agreement with the Client. Where FWA has no access to Client account statements, the Client is instructed to make such statements available to the firm. Although FWA will not be involved in any way in the purchase or sale of these investments, FWA will make recommendations to the Client as market factors and the Client's needs dictate.

##### Employee Communications

For pension, profit sharing and 401(k) plans where the individual account participant exercises control over assets in their own account (hereinafter "self-directed plans"), FWA also provides educational support designed for the plan participants. The nature of the topics to be covered will be determined by FWA and the Client under the guidelines established in Employee Retirement Income Securities Act ("ERISA"). Educational support services will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

Other pension consulting services are available on request. All of our pension consulting services, whether general or customized, will be outlined in an agreement that shows the services that will be provided and the fees that will be charged for those services.

In providing pension consulting services, our firm does not provide advice with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets"). All retirement plan consulting services shall be in compliance with ERISA and applicable state laws. Our firm represents that it is not subject to any disqualification as set forth in ERISA. To the extent FWA performs Fiduciary Services, FWA acts as a fiduciary of the plan as defined in Section 3(21) or 3(38) of ERISA.

**Assets Under Management**

As of January 1, 2021, we managed approximately \$287,195,094 in Client assets on a discretionary basis and approximately \$2,608,537 in Client assets on a non-discretionary basis.

**Fees and Compensation - Item 5**

**Financial Planning Services Fees**

FWA provides its Clients financial planning and consulting services. Prior to engaging FWA to provide consulting services, the Client will be required to enter into a financial planning agreement with our firm. The Agreement will set forth the terms and conditions of the engagement and describe the scope of the services to be provided and the fee that is due from the Client. FWA will charge a negotiable fixed fee of up to \$20,000 or an hourly fee of up to \$400 for these services.

Fee payment arrangements may be negotiated with the Client on a case-by-case basis. Fees are payable as invoiced and all such arrangements will be clearly set forth in the financial planning agreement signed by the Client and the firm.

Either party may terminate the financial planning agreement by written notice to the other. In the event the Client terminates FWA's financial planning services, the balance of any prepaid, unearned fees (if any) will be promptly refunded to the Client. FWA does not require the prepayment of over \$1,200, six or more months in advance.

**Full Service Wealth Management Services**

*Non Wrap Portfolio Management Services Fees*

FWA charges a fee based on a percentage of assets under management. This fee is deducted from the Client's account held at the custodian. The Client authorizes FWA to debit the fee from the Client's account. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance.

The maximum fee will not exceed 2.50% of assets under management. The fee is negotiable based on the complexity of the client's financial situation and whether the Client has opted to utilize the firm's planning services. The exact fee paid by the Client will be stated in the advisory agreement signed by you and us. Clients are informed that fees in excess of 2.00% of assets under management are in excess of industry norms and that similar advisory services are available for less through other firms. Since FWA does not use the services of unaffiliated portfolio managers, the Portfolio Manager servicing the account will be employed directly by our firm.

The annual fee is billed quarterly, in advance, and is based on the value of your portfolio at the end of the preceding quarter. Fees will be assessed pro rata in the event the Agreement is executed at any time other than the first day of a billing period. We may deduct the fee from a single, Client-designated account to facilitate billing.

We encourage you to carefully review the statements you receive from the qualified custodian. If you have questions about your statements, or if you did not receive a statement from the qualified custodian, please call our office number located on the cover page of this brochure.

*Portfolio Management Services - Wrap Fee Program*

Detailed information about the Freedom Wealth Alliance Wrap Fee Program and program fees is provided in the Form ADV Part 2A, Appendix 1 (Wrap Brochure) that is attached to this Form ADV Part 2A Disclosure Brochure.

**Web-Based Portfolio Management Services**

*Digital Portfolio Solutions*

On an annualized basis, Clients will pay an advisory fee of 0.59% of assets under management. In addition to the advisory fee percentage, we will charge a \$50 annual account fee. Fees are payable quarterly, in advance.

The Program Agreement may be terminated by either party upon receipt of written notice to the other party. The Client will be entitled to a prorated refund of any pre-paid quarterly advisory fee based upon the number of days remaining in the quarter after the Termination Date. The annual account fee of \$50 is non-refundable.

**Third Party Adviser Fees**

Advisory fees charged by third party investment advisers are separate and apart from our advisory fees. Advisory fees that you pay to third party investment advisers are established and payable in accordance with the Form ADV Brochure provided by each third party investment adviser to whom you are referred. These fees may or may not be negotiable. You should review the recommended third party adviser's brochure and take into consideration their fees along with our fees to determine the total amount of fees charged to your account. We will share in the fee charged by the third party adviser. Depending on the third party adviser, Clients may or may not be able to negotiate the portion of the third party adviser fee payable to FWA.

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

Since our compensation may differ depending upon our individual agreement with each third party adviser, we have an incentive to recommend one third party adviser over another third party adviser with whom we have less favorable compensation arrangements or other advisory programs offered by third party advisers with which we have no compensation arrangements. At all times, FWA and its Associated Persons uphold their fiduciary duty of fair dealing with Clients.

**Pension Consulting Services Fees**

The compensation arrangement for pension consulting services is based on fixed fees, or a percentage of the plan assets. Services will be negotiated on a case-by-case basis. The exact services to be provided, the fee to be paid by the Client, fee payment arrangements, how to terminate the contract, and other terms will be clearly stated in the pension consulting agreement signed by the Client and FWA.

**Additional Information About Fees and Expenses**

The fees FWA charges are negotiable based on the amount of assets under management, complexity of Client goals and objectives, and level of services rendered. Fees are charged as described above and are not based on a share of capital gains of the funds of any advisory Client.

Clients who choose to have FWA's fee deducted directly from their account must provide authorization. The qualified custodian holding Client funds and securities will send an account statement on at least a quarterly basis. This statement will detail account activity. Clients are encouraged to review each statement for accuracy.

All fees paid to FWA for investment advisory services are separate and distinct from the fees and expenses charged to shareholders by investment companies, such as unit investment trusts, mutual funds or exchange traded funds.

These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

You could invest in a mutual fund directly, without the services of FWA. In which case, you would not receive the advice provided by FWA, which is designed, among other things, to assist you in determining which mutual fund or funds are most appropriate to your financial condition and objectives. Accordingly, you should review both the fees charged by the funds and the fees charged by FWA to fully understand the total amount of fees to be paid by you to evaluate the advisory services being provided. Although FWA uses its best efforts to purchase lower cost mutual fund shares when available, some mutual fund companies do not offer institutional classes to us or they do not offer funds that do not pay 12b-1 distribution fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

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

##### Compensation for the Sale of Securities

Certain Executive officers and other Associated Persons of FWA are registered representatives of LPL Financial, LLC ("LPL"), a licensed full service securities broker-dealer and investment adviser under federal and state securities laws. LPL is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). In their capacities as registered representatives, these persons are eligible to receive commission-based compensation in connection with purchasing and selling securities for your accounts, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives, is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm, who are registered representatives, have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted compliance procedures and a code of ethics that requires our Associated Persons to uphold their fiduciary duty by acting in the best interest of the Client. **Clients of our firm have the option to purchase investment products that we recommend through other brokers and agents that are not affiliated with our firm.**

**Additionally, we have implemented internal policies to ensure that Executive Officers and Associated Persons of FWA will never accept commissions for securities transactions in advisory accounts managed by FWA.**

##### Compensation for the Sale of Insurance Products

Certain Executive officers and other Associated Persons of FWA are licensed as independent insurance agents. These persons are eligible to earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. **Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.**

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

Performance-based fees are based on a share of capital gains on or capital appreciation of the Client's assets. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. We do not accept

performance-based fees or participate in side-by-side management. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account(s).

#### Types of Clients - Item 7

We generally offer investment advisory services to individuals, pension and profit sharing plan participants, trusts, estates, charitable organizations, corporations, and other business entities.

The minimum investment required to participate in our portfolio management programs is listed in each program's description in Item 4, above. We do not require an account minimum for stand-alone financial planning services.

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

FWA advisors may use various methods to determine an appropriate investment strategy for your portfolio with the goal of reducing risk and increasing performance in each customized portfolio. We seek to recommend investment strategies or products that will give you a diversified portfolio consistent with your investment objective. We do this by analyzing the various products, investment strategies, and money management firms to which we provide access. That analysis includes a review of the structure, cost, and investment performance history of each program.

##### **Methods of Analysis**

FWA uses Fundamental and Technical analysis in formulating investment advice:

Fundamental analysis is a method of evaluating a company or security by attempting to measure its intrinsic value. In other words, trying to determine a company's or a security's true value by looking at all aspects of the business, including both tangible factors (e.g., machinery buildings, land, etc.) and intangible factors (e.g., patents, trademarks, "brand" names, etc.). Fundamental analysis also involves examining related economic factors (e.g., overall economy and industry conditions, etc.), financial factors (e.g., company debt, interest rates, management salaries and bonuses, etc.), qualitative factors (e.g., management expertise, industry cycles, labor relations, etc.), and quantitative factors (e.g., debt-to-equity and price-to-equity ratios). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of determining what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

Technical Analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall. Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.

### **Investment Strategies**

We may use one or more of the following investment strategies when advising you on investments:

*Long Term Purchases* – securities purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

*Short Term Purchases* – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.), but they may have a smaller impact over longer periods.

*Trading* – securities are sold within 30 days. The principal type of risk associated with trading is market risk. There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Other factors, such as changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies, may affect investments as well. Additionally, trading is speculative. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument markets and such intervention (as well as other factors) may cause these markets to move rapidly.

*Margin Transactions* – margin strategies allow an investor to purchase securities on credit and to borrow on securities already in their custodial account. Interest is charged on any borrowed funds for the period that the loan is outstanding. When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your broker-dealer. If you intend to borrow funds in connection with your account, you will be required to open a margin account, which will be carried by the broker-dealer of your account. The securities purchased in such an account are the broker-dealer's collateral for its loan to you. If the securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and, as a result, a brokerage firm is required to take action, such as issue a margin call and/or sell securities or other assets in your accounts, in order to maintain necessary level of equity in the account. It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin Account that may be established as a part of our advisory services and held by your broker-dealer. These risks include the following:

- You can lose more funds than you deposit in your margin account.
- The broker-dealer can force the sale of securities or other assets in your account.
- The broker-dealer can sell your securities or other assets without contacting you.
- You may not be able to choose which securities or other assets in your margin account are liquidated or sold to meet a margin call.
- The broker-dealer may move securities held in your cash account to your margin account and pledge the

transferred securities.

- You may not be entitled to an extension of time on a margin call.

*Short Sales* – securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price, but if the price of the shares increase, the potential losses are unlimited.

*Option Writing* – an option is the right either to buy or sell a specified amount or value of a particular underlying investment instrument at a fixed price (i.e., the “exercise price”) by exercising the option before its specified expiration date. Options giving you the right to buy are called “call” options. Options giving you the right to sell are called “put” options. When trading options on behalf of a Client, we generally use covered options. Covered options involve options trading when you own the underlying instrument on which the option is based. Investments in options contracts have the risk of losing value in a relatively short period. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

#### **Risk of Loss**

Clients should be aware that investing in securities involves a risk of loss that they should be prepared to bear. Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy would be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal. Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

There are certain additional risks associated with investing in securities, as described below:

#### **Recommendation of Particular Types of Securities**

As disclosed under the “Advisory Business” section in this Brochure, we provide advice on various types of securities and we do not necessarily recommend one particular type of security over another since each Client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and governmental economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.



**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

**Equity (stock) Market Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

**Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

**Fixed Income Risk:** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

**Risks Associated with Investing in Mutual Funds:** Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns.

**Risks Associated with Investing in Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Management Risk:** Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

**Municipal Securities Risk:** The value of municipal obligations can fluctuate over time. Value may be affected by adverse political, legislative and tax changes. Financial developments affecting the municipal issuers affect the

value as well. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, healthcare, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer's general unrestricted revenues, revenue generated by a specific project, the operator of the project, or government appropriation or aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the "over-the-counter" market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening.

**Alternatives Risk:** Non-traded REITs, business development companies, limited partnerships, and direct alternatives are subject to various risks such as liquidity and property devaluation based on adverse economic and real estate market conditions and may not be suitable for all investors. A prospectus that discloses all risks, fees, and expenses may be obtained from your investment adviser representative. Read the prospectus carefully before investing. This is not a solicitation or offering which can only be made in conjunction with a copy of the prospectus. Investors considering an investment strategy utilizing alternative investments should understand that alternative investments are generally considered speculative in nature; and, such investments involve a high degree of risk, particularly if concentrating investments in one or few alternatives investments.

**Foreign Securities Risk:** Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

**Risks Associated with Investing in Private Funds:** Private investment funds are not registered with the Securities and Exchange Commission and may not be registered with any other regulatory authority. Accordingly, they are not subject to certain regulatory restrictions and oversight to which other issuers are subject. There may be little public information available about their investments and performance. Moreover, as sales of shares of private investment companies are generally restricted to certain qualified purchasers, it could be difficult for a Client to sell its shares of a private investment company at an advantageous price and time. Since shares of private investment companies are not publicly traded, from time to time it may be difficult to establish a fair value for the Client's investment in these companies.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Illiquid securities:** Illiquid securities involve the risk that investments may not be readily sold at the desired time or price. Securities that are illiquid, that are not publicly traded, and/or for which no market is currently available may be difficult to purchase or sell, which may impact the price or timing of a transaction. An inability to sell securities can adversely affect an account's value or prevent an account from taking advantage of other investment opportunities. Lack of liquidity may cause the value of investments to decline and illiquid investments may also be difficult to value. A Client may not be able to liquidate investment in the event of an emergency or any other

reason.

Certain investment strategies used by our firm may invest in illiquid asset vehicles, such as private equity and real estate. Investment in an illiquid asset vehicle poses similar risks as direct investments in illiquid securities. In addition, investment in an illiquid asset vehicle will be subject to the terms and conditions of the illiquid asset vehicle's investment policy and governing documents that often include provisions that may involve investor lock-in periods, mandatory capital calls, redemption restrictions, infrequent valuation of assets, etc. In addition, investments in illiquid securities or vehicle may normally involve investment in non-marketable securities where there is limited transparency. If obligated to sell an illiquid security prior to an expected maturity date, particularly with an infrastructure investment, they may not be able to realize fair value. Investments in illiquid securities or vehicles may include restrictions on withdrawal rights and shares may not be freely transferable.

#### Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or of the integrity of our management. Neither we nor our management persons have a history of reportable material legal or disciplinary events.

#### Other Financial Industry Activities or Affiliations - Item 10

Neither FWA nor any of its management persons is registered as a futures commission merchant, a commodity trading adviser, or a commodity pool operator, nor do either parties have an application pending or otherwise in process for the purpose of seeking registration as any of these types of firms. Further, none of our management persons are registered as or currently seeking registration as associated persons of any of these types of firms.

##### Compensation for the Sale of Securities

Certain Executive officers and other Associated Persons of FWA are registered representatives of LPL Financial, LLC ("LPL"), a licensed full service securities broker-dealer and investment adviser under federal and state securities laws. LPL is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). In their capacities as registered representatives, these persons are eligible to receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives, is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm, who are registered representatives, have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted compliance procedures and a code of ethics that requires our Associated Persons to uphold their fiduciary duty by acting in the best interest of the Client. **Clients of our firm have the option to purchase investment products that we recommend through other brokers and agents that are not affiliated with our firm. Additionally, we have implemented internal policies to ensure that Executive Officers and Associated Persons of FWA will never accept commissions for securities transactions in advisory accounts managed by FWA.**

##### Compensation for the Sale of Insurance Products

Certain Executive officers and other Associated Persons of FWA are licensed as independent insurance agents. These persons are eligible to earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on

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

#### **Recommendation of Other Advisors**

We may recommend that you use a third party investment adviser or program as part of our asset allocation and investment strategy. FWA typically shares in the compensation received by the third party investment adviser; therefore, we are incentivized to recommend only the investment advisers from whom we receive solicitor/referral fees as opposed to another investment adviser from whom we do not receive such fees. We continually monitor other investment advisers that we might recommend under a solicitor arrangement. In the event that a recommended investment adviser is not meeting the standards that we believe meet your needs, we will seek other investment advisers that we believe will better fit your specific management needs.

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

#### **Description of Our Code of Ethics**

FWA has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes FWA's policies and procedures developed to protect Client's interests in relation to the following topics:

- The duty at all times to place the interests of Clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of Clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of FWA's Code of Ethics is available upon request to our firm at (262) 798-7979 or at [rozman@freedomwealthalliance.com](mailto:rozman@freedomwealthalliance.com).

#### **Interest in Client Transactions**

Please refer to Compensation for the Sale of Securities in Items 5 and 10 above for information about recommendations of securities in which related persons have material financial interests and for information regarding the conflicts of interest associated with such practices.

#### **Personal Trading Practices**

At times, FWA and/or its related persons may take positions in the same securities as Clients, which may pose a conflict of interest with Clients. In an effort to uphold our fiduciary duties to Clients, FWA and its related persons will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to Client trades. Front running (trading shortly ahead of Clients) is prohibited. Should a conflict occur because of materiality (e.g., a thinly traded stock), disclosure will be made to the Client(s) at the time of trading. Incidental trading not deemed to be a conflict (e.g., a purchase or sale that is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price) would not be deemed a material conflict requiring disclosure at the time of trading.

### Brokerage Practices - Item 12

#### **Brokerage and Custodial Services Offered by Schwab**

For web-based and non-wrap portfolio management services, FWA has established an institutional custodial relationship with Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC. Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. We are independently owned and operated; and, we are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and will buy and sell securities in your account(s) upon our instructions. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and you will open your account with Schwab by entering into an account agreement directly with them.

#### *Your Custody and Brokerage Costs*

Schwab generally does not charge you separately for custody services, but it is compensated by charging commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account.

#### *Research and Other Soft Dollar Benefits*

Although not considered "soft dollar" compensation, FWA may receive some economic benefits from Schwab Advisor Services in the form of access to its institutional brokerage, trading, custody, reporting and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our Clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we do not have to request them) and at no charge to us as long as we keep a total of at least \$10 million of our Clients' assets in accounts at Schwab. If we have less than \$10 million in Client assets at Schwab, Schwab may charge us quarterly service fees. Below is a detailed description of Schwab's support services:

*Services that Benefit You:* Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our Clients. Schwab's services described in this paragraph generally benefit you and your account.

*Services that May Not Directly Benefit You:* Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our Clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our Clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to Client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple Client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our Clients' accounts; and
- assist with back-office functions, recordkeeping, and Client reporting.

*Services that Generally Benefit Only Us:* Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;

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

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

FWA understands its duty for best execution and considers all factors in making recommendations to Clients. These research services may be useful in servicing all FWA Clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While FWA may not always obtain the lowest commission rate, FWA believes the rate is reasonable in relation to the value of the brokerage and research services provided.

#### **Brokerage and Custodial Services Offered by LPL Financial LLC**

For the Freedom Wealth Alliance Wrap Fee Program, FWA recommends that you establish brokerage accounts with LPL Financial LLC ("LPL"), a registered broker-dealer and member SIPC, to maintain custody of assets and to effect trades. Factors that FWA considers in recommending LPL to Clients include their respective financial strength, reputation, execution, pricing, research, and service. LPL enables FWA to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by LPL may be higher or lower than those other Financial Institutions charge.

FWA receives support services and/or products from LPL Financial, many of which assist the FWA to better monitor and service program accounts maintained at LPL Financial. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and may include the following:

- investment-related research
- pricing information and market data
- software and other technology that provide access to Client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by FWA in furtherance of its investment advisory business operations

These support services are provided to FWA based on the overall relationship between FWA and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involves the execution of Client transactions as a condition to the receipt of services. FWA will continue to receive the services regardless of the volume of Client transactions executed with LPL Financial. Clients do not pay more for services because of this arrangement. There is no corresponding commitment made by the FWA to LPL Financial or any other entity to invest any specific amount or percentage of Client assets in any specific securities because of the arrangement.

FWA has an arrangement with LPL Financial. LPL Financial offers to independent investment advisers non-soft dollar services, which include custody of securities, trade execution, clearance, and settlement of transactions. We receive some non-soft dollar benefits from LPL Financial through our participation in the program.

LPL Financial makes certain research and brokerage services available at no additional cost to our firm. These services may be directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by LPL Financial may include research reports on

recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by LPL Financial to our firm in the performance of our investment decision-making responsibilities.

Because it receives such services, FWA may have an incentive to continue to use or expand the use of LPL Financial services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with LPL and we have determined that the relationship is in the best interest of our firm's Clients and satisfies our fiduciary obligations, including our duty to seek best execution.

LPL Financial charges FWA brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). LPL Financial enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. LPL Financial commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by LPL Financial may be higher or lower than other custodians and broker-dealers may charge.

Since the Freedom Wealth Alliance Wrap Fee Program is offered for an all-inclusive fee that covers the cost of transactions placed at LPL, Clients will not be charged separate transaction fees by LPL. FWA's Clients will be responsible for additional costs such as mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. The Account will be responsible for these additional fees and expenses. FWA has a duty to obtain "best execution." Clients may pay additional fees that are higher than another qualified *Financial Institution* might charge for the same service. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, additional expenses, and responsiveness. FWA seeks competitive rates but may not necessarily obtain the lowest possible commission rates for Client transactions.

Associated persons of our firm, who are registered representatives of LPL, are subject to FINRA Conduct Rules, which restrict such registered individuals from conducting securities transactions away from LPL, unless LPL provides the representative with written authorization. Therefore, Clients are advised that such persons may be limited to conducting securities transactions through LPL or through custodians approved by LPL.

#### **Brokerage for Client Referrals**

We do not receive Client referrals from broker-dealers and custodians with which we have an institutional advisory arrangement. In addition, we do not receive other benefits from a broker-dealer in exchange for Client referrals.

#### **Directed Brokerage**

FWA does not allow Clients to direct the firm to use a specified broker-dealer other than ones recommended by our firm. By directing brokerage to only our recommended broker-dealers, we may be unable to achieve the lowest execution costs and you may pay more for these services than you would pay for comparable services available through other broker-dealers. However, consistent with our fiduciary duties and due diligence, we have determined that the broker-dealers recommended by FWA provide our Clients with quality services at competitive prices.

#### **Trade Aggregation/Block Trading**

FWA may aggregate transactions in equity and fixed income securities for a Client with other Clients to improve the quality and cost of execution. When transactions are aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the Client account will be deemed to have purchased or sold its proportionate

share of the securities involved at the average price obtained. FWA may determine not to aggregate transactions, for example, based on the size of the trades, the number of Client accounts, the timing of the trades, and the liquidity of the securities. If the firm does not aggregate orders, some Clients purchasing securities around the same time may receive a less favorable price than other Clients may receive. This means that this practice of not aggregating may cost Clients more money. FWA and/or its Associated Persons may participate in block trades with Clients; however, FWA and/or its Associated Persons will not participate on a pro rata basis for partial fills.

### Review of Accounts - Item 13

#### **Portfolio Management Account Reviews**

FWA monitors Client account holdings on a continuous basis. Full Service Wealth Management (Wrap and Non-Wrap Programs) accounts receive a formal review of investment allocations at least annually. Accounts are reviewed by the Associated Person assigned to the account. Digital Portfolio Solutions accounts are not offered a formal review, but they are monitored on a continuous basis and they are rebalanced on an as needed basis.

Additional reviews may be offered in certain circumstances. Triggering factors that may stimulate additional reviews include, but are not limited to, changes in economic conditions, changes in the Client's financial situation or investment objectives, or upon Client request.

Clients are advised that it remains their responsibility to advise FWA of any changes in their investment objectives and/or financial situation. All Clients are encouraged to review financial planning issues (to the extent applicable), investment objectives, and account performance with their Associated Person on an annual basis.

Clients will receive statements directly from their account custodian(s) at least quarterly. Clients also receive online access to their personal financial situation that may include net worth statements, account overviews, asset allocations, cash flow reports, and income and expense statements. FWA may also provide a written periodic report summarizing account activity and performance.

### Client Referrals and Other Compensation - Item 14

FWA has brokerage and clearing arrangements with LPL and Schwab and the firm may receive additional benefits from these firms in the form of electronic delivery of Client information, electronic trading platforms, institutional trading support, proprietary and/or third party research, continuing education, practice management advice, and other services provided by custodians for the benefit of investment advisory Clients. Please refer to item 12 above for more information about the receipt of additional benefits from broker-dealers/account custodians.

#### **Recommendation of Other Advisors**

We may recommend that you use a third party investment adviser or program as part of our asset allocation and investment strategy. FWA typically shares in the compensation received by the third party investment adviser. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of a third party investment adviser. Since our compensation may differ depending upon our individual agreement with each third party adviser, we have an incentive to recommend one third party adviser over another third party adviser with whom we have less favorable compensation arrangements or with whom we have no compensation arrangements. At all times, FWA and its Associated Persons strive to uphold their fiduciary duty of fair dealing with Clients. You are not required to use the services of any recommended third party investment adviser.

FWA may compensate outside firms for referral activities. These fees may come in the form of marketing or referral fees paid directly to that firm by FWA. The exact compensation arrangement will vary depending on the



individual firm and factors associated with the referral. Fees are typically based on a portion of the management fees charged to Clients by FWA and paid to others who introduced said Client to FWA. In all cases, FWA will comply with the cash solicitation rules established by the SEC and/or applicable state regulators, and with Client disclosure requirements.

FWA and employees may receive additional compensation from product sponsors. However, such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually; an occasional dinner or ticket to a sporting event; reimbursement in connection with educational meetings with an Associated Person, Client workshops, or events; or marketing events or advertising initiatives, including services for identifying prospective Clients. Product sponsors may also pay for or reimburse FWA for the costs associated with FWA employees and investment adviser representatives attending various education or training events, as well as FWA sponsored conferences and events.

#### Custody - Item 15

FWA is deemed to have custody of Client funds because of the fee deduction authority granted by the Client in the Advisory Agreement. You will receive account statements at least quarterly from the broker-dealer or other qualified custodian. The custodian will not verify the calculation of the advisory fees. You are urged to review custodial account statements for accuracy.

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

#### Investment Discretion - Item 16

FWA offers Portfolio Management Services on a discretionary or non-discretionary basis. For discretionary services, Clients must grant discretionary authority in the management agreement. Discretionary authority extends to the types and amounts of securities to be bought and sold in Client accounts. However, our firm does not retain discretionary authority to select the broker/dealer used for transactions, or commission rates paid.

Apart from the ability to withdraw management fees, FWA does not have the ability to withdraw funds or securities from the Client’s account. The Client provides FWA discretionary authority via a limited power of attorney in the management agreement and in the contract between the Client and the custodian.

If you wish, you may limit our discretionary authority, for example, by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the “Advisory Business” section in this Brochure for more information on our discretionary management services.

If you have engaged us for non-discretionary portfolio management services, FWA will obtain your approval prior to executing any transactions in your account(s).

**Voting Client Securities - Item 17**

FWA does not vote proxies. It is the Client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

**Financial Information - Item 18**

In this section, we are required to provide you with certain financial information or disclosures about FWA's, financial condition. FWA does not require the prepayment of over \$1,200, six or more months in advance. Additionally, FWA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and it has not been the subject of a bankruptcy proceeding.

**Requirements of State-Registered Advisers - Item 19**

**This section is not applicable because our firm is SEC registered.**

## Form ADV Part 2A, Appendix 1: Wrap Fee Program Brochure

### Cover Page - Item 1



### **Freedom Wealth Alliance, LLC DBA: Freedom Wealth Alliance**

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

**March 24, 2021**

Freedom Wealth Alliance is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This wrap fee program brochure provides information about the qualifications and business practices of Freedom Wealth Alliance. If you have any questions about the contents of this brochure, please contact us at (262) 798-7979. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Freedom Wealth Alliance is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Material Changes - Item 2**

The purpose of this page is to inform you of any material changes since the previous version of this wrap fee brochure.

On March 22, 2021, we completed a rewrite of our entire Form ADV Part 2 Brochure. Clients should read the entire document to familiarize themselves with our firm, our services, and conflicts of interest.

We will review and update, as needed, our wrap fee brochure at least annually to make sure that it remains current.

If you would like to receive a complete copy of our current wrap fee brochure free of charge at any time, please contact us at (262) 798-7979 or at [rrozman@freedomwealthalliance.com](mailto:rrozman@freedomwealthalliance.com).

**Table of Contents - Item 3**

A table of contents is provided in Item 3 of the firm's Form ADV Part 2A Disclosure Brochure above.

#### Services Fees and Compensation - Item 4

##### **Services**

Freedom Wealth Alliance (hereinafter "FWA") offers a wrap fee program, the Freedom Wealth Alliance Wrap Fee Program, whereby FWA manages Client accounts for a single, bundled fee that includes portfolio management services, custodial services, and transaction/commission costs. Under the Freedom Wealth Alliance Wrap Fee Program, FWA offers discretionary investment advice designed to assist Clients in obtaining professional portfolio management for an inclusive "wrap fee."

As used in this Brochure, the term "Associated Person" refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Where required, such persons are properly registered as investment adviser representatives.

As primary portfolio manager, FWA and its Associated Persons are responsible for the research, security selection, and implementation of transaction orders in the Client's account. The transactions in the Client's account will be executed by LPL Financial LLC ("LPL"), a registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC").

FWA receives a portion of the Wrap Fee for portfolio management services and LPL will receive a portion of the fee for trade execution and custodial services. The terms and conditions under which a Client participates in the Freedom Wealth Alliance Wrap Fee Program are set forth in the written agreement between the Client and FWA. The overall cost incurred from participation in the Freedom Wealth Alliance Wrap Fee Program may be higher or lower than if the services were purchased separately.

The portfolio management services for the Freedom Wealth Alliance Wrap Fee Program are offered on a discretionary or non-discretionary basis. Our investment advice is tailored to meet our Clients' needs and investment objectives. Subject to any written guidelines that you may provide, we will be granted discretionary authority to manage your account. Once the portfolio allocation has been agreed upon, the ongoing supervision and management of the portfolio will be our responsibility. Discretionary authorization is granted to us by you in a written agreement. This allows our firm to decide on specific securities, the quantity of the securities and placing buy or sell orders for your account without obtaining your approval for each transaction. This type of authorization is granted using either the investment advisory agreement the Client signs with our firm, a limited power of attorney agreement, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with restrictions and guidelines in writing. Non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

Wrap accounts are managed to diversify Clients' investments and may include various types of securities, such as mutual funds, exchange-traded funds ("ETFs"), variable annuity subaccounts, real estate investment trusts ("REITs"), equities, and fixed income securities. Additionally, we will provide advice on existing investments you may hold at the inception of the advisory relationship or on other types of investments for which you ask advice. Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the Client's stated investment objectives, tolerance for risk, liquidity, and suitability.

Asset allocation models diversified among investment styles and/or asset classes are developed and managed by us based on research conducted by FWA. We also use portfolio models developed by third party investment advisers. Some of our Associated Persons may also use customized portfolio models developed by them. Once the Client portfolio is constructed, FWA provides continuous supervision of the portfolio as changes in the market conditions and Client circumstances may require. Investments and allocations are determined based upon the Clients' predefined objectives, risk tolerance, time horizons, financial horizons, financial information, and other

various suitability factors. Further restrictions and guidelines imposed by Clients may affect the composition and performance of a Client's portfolio. As such, different Clients of our firm may have significant differences in their asset allocation. For these reasons, performance of one Client's portfolio might not be identical with another Client's even if both Clients have similar risk parameters. We review the Clients' financial circumstances and investment objectives on a regular basis and make adjustments to Clients' portfolios or allocation models as may be necessary to achieve the desired results. At all times, our firm requires each Associated Person to uphold their fiduciary duty by providing advice that in our judgement is in the Client's best interest.

In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g., attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. You must promptly notify our firm of any changes in your financial circumstances or investment objectives that might affect the manner in which your accounts should be managed.

#### **Fees**

FWA charges a single negotiable asset-based fee for its management services, which includes the cost of portfolio management services, custodial services and the execution of securities transactions. This fee is deducted from the Client's account held at the custodian. The Client authorizes FWA to debit the fee from the Client's account. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance.

The maximum fee will not exceed 2.50% of assets under management. The fee is negotiable based on the complexity of the client's financial situation and whether the Client has opted to utilize the firm's planning services. The exact fee paid by the Client will be stated in the advisory agreement signed by you and us. Clients are informed that fees in excess of 2.00% of assets under management are in excess of industry norms and that similar advisory services are available for less through other firms. Since FWA does not use the services of unaffiliated portfolio managers, the Portfolio Manager servicing the account will be employed directly by our firm.

The annual fee for the Freedom Wealth Alliance Wrap Fee Program is billed quarterly, in advance, and is based on the value of your portfolio at the end of the preceding quarter. Fees will be assessed pro rata in the event the Agreement is executed at any time other than the first day of a billing period. We may deduct the fee from a single, Client-designated account to facilitate billing.

We encourage you to carefully review the statements you receive from the qualified custodian. If you have questions about your statements, or if you did not receive a statement from the qualified custodian, please call our office number located on the cover page of this brochure.

#### **Termination**

At the inception of investment management services, the first pay period's fees will be calculated on a pro-rata basis. The management agreement between you and FWA will continue in effect until either party terminates the management agreement in accordance with the terms of the management agreement. FWA's annual fee will be pro-rated through the date of termination. FWA will issue a pro-rated refund of any pre-paid unearned quarterly advisory fee based on the number of days remaining in the quarter after the termination date.

#### **Additional Fees and Expenses**

The fees are charged as described above and are not based on a share of capital gains of the funds of an advisory Client.

The Freedom Wealth Alliance Wrap Fee Program fees do not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, charges for transactions not executed through LPL, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. The Account will be responsible for these additional fees and expenses.

All fees paid to FWA for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a Client may pay an initial or deferred sales charge. Most of the mutual funds available in the program may be purchased directly. Therefore, Clients could generally avoid the second layer of fees by not using the management services of FWA and by making their own investment decisions.

Each mutual fund, ETF, or variable annuity in which the Account may be invested will also charge a management fee, other internal expenses, and a possible distribution fee. Certain mutual funds offered through the Freedom Wealth Alliance Wrap Fee Program may impose short-term trading charges (typically 1% - 2% of the amount originally invested) for redemptions made within short periods. In the rare event an early redemption charge is assessed, the charge would be offset by the advisory fee or paid by FWA.

Although only no-load and load-waived mutual funds can be purchased in a program account, Client should understand that some mutual funds pay asset-based sales charges or service fees (e.g., 12b-1 fees) to the custodian with respect to account holdings.

If Client holds a variable annuity as part of an account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor.

All of the fees and expenses discussed above will be indirect expenses borne by the Account, and will be in addition to the Freedom Wealth Alliance Wrap Fee Program fee. You should consider all of these fees and expenses (including the Freedom Wealth Alliance Wrap Fee Program fee) to fully understand the total amount of fees and expenses to be paid by the Account and to evaluate the advisory services being provided. The fees and expense related to mutual funds, ETFs, or variable annuities are disclosed in their respective prospectus or summary disclosure document.

#### **Other Important Considerations**

- Although the overall fee charged by FWA for the management of wrap and non-wrap accounts is similar, wrap fee programs may not be suitable for all investment needs, and any decision to participate in a wrap fee program should be based on your financial situation, investment objectives, tolerance for risk, and investment time horizon, among other considerations. The benefits under a wrap fee program depend, in part, upon the size of the account and the number of transactions likely to be generated in the account. For example, a wrap fee program may not be suitable for accounts with little or no trading activity. In order to evaluate whether a wrap fee program is suitable for you, you should compare the Freedom Wealth Alliance Wrap Fee Program Fee and any other costs associated with the Freedom Wealth Alliance Wrap Fee Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage and other execution costs, and custodial services comparable to those provided under the Freedom Wealth Alliance Wrap Fee Program. If the Client plans to follow a buy and hold strategy for the account or does not wish to use FWA for ongoing investment advice or management services, the Client should consider opening a non-wrap portfolio management account or a brokerage account rather than a wrap fee program account.
- The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. The advisory fee may cost the Client more than purchasing the program services separately, for example, paying an advisory fee plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the type and size of the account, historical and/or expected size or number of trades for the account, and number and range of supplementary advisory and Client-related services provided to the Client.



- The investment products available to be purchased in the wrap fee program can be purchased by Clients outside of a wrap fee program account, through broker-dealers or other investment firms not affiliated with FWA. In such cases, our firm would not provide ongoing supervisory and management services for the account.
- Our firm and our advisory representatives will receive compensation because of your participation in the Freedom Wealth Alliance Wrap Fee Program. In certain cases, this compensation will be more than the amount our firm or the representative would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because our firm and our representatives have a financial incentive to recommend the Freedom Wealth Alliance Wrap Fee Program, and may recommend the Freedom Wealth Alliance Wrap Fee Program over other programs or services for which the compensation arrangements are not as beneficial.
- Due to the single fee charged to a Freedom Wealth Alliance Wrap Fee Program account, we are regarded as having a conflict of interest in that we can realize a greater profit on a Freedom Wealth Alliance Wrap Fee Program account with a relatively low rate of portfolio turnover compared to other types of accounts, assuming the same level of fees.

#### **Account Requirements and Types of Clients - Item 5**

A minimum account value of \$100,000 is generally required for the program. In certain instances, FWA will permit a lower minimum account size. The program is available to individuals and High Net-Worth Individuals.

#### **Portfolio Manager Selection and Evaluation - Item 6**

##### **Portfolio Managers**

FWA is the sole sponsor and portfolio manager of the Freedom Wealth Alliance Wrap Fee Program. Each account is managed by the Associated Person assigned to the Client relationship. We have chosen not to utilize outside portfolio managers. Therefore, there is no selection and review of outside portfolio managers. Neither us, nor any third party reviews performance information to determine or verify its accuracy.

Where required, Associated Persons responsible for the management of the account are registered as investment adviser representatives. Clients should refer to each Associated Person's Form ADV Part 2B Supplement, provided to you along with the copy of our disclosure brochure, for more information about their disciplinary, business, and educational backgrounds. Please contact us at (262) 798-7979 or at [rozman@freedomwealthalliance.com](mailto:rozman@freedomwealthalliance.com) with any questions you may have.

Clients will receive statements directly from their account custodian(s) at least quarterly. FWA may also provide performance reports on an as needed basis.

##### **Other Advisory Services**

Please refer to Item 4 of the firm's Form ADV Part 2A Disclosure Brochure above for information about other advisory services offered by FWA.

##### **Performance-Based Fees and Side-By-Side Management**

Performance-based fees are based on a share of capital gains on or capital appreciation of the Client's assets. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. We do not accept

performance-based fees or participate in side-by-side management. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account(s).

**Investment Strategies**

Please refer to Item 8 of the firm's Form ADV Part 2A Disclosure Brochure above for information about FWA's investment strategies.

**Methods of Analysis**

Please refer to Item 8 of the firm's Form ADV Part 2A Disclosure Brochure above for information about the methods of analysis used by FWA.

**Risk of Loss**

Clients should be aware that investing in securities involves a risk of loss that they should be prepared to bear. Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy would be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal. Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. Please refer to Item 8 of our Form ADV Part 2A Brochure above for a detailed discussion of the various risks associated with investing in securities.

**Proxy Voting**

FWA does not vote proxies. It is the Client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

**Client Information Provided to Portfolio Managers - Item 7**

FWA is the sole sponsor of the Freedom Wealth Alliance Wrap Fee Program and together with its portfolio managers has access to and is responsible for maintaining all information provided by Clients. Client information will be updated in our firm's records upon notification of changes provided by Clients and during Client meetings.

**Client Contact with Portfolio Managers - Item 8**

FWA is the sole sponsor and portfolio manager to the Freedom Wealth Alliance Wrap Fee Program. Clients are free to contact FWA or their designated investment adviser representative at any time with questions regarding the Freedom Wealth Alliance Wrap Fee Program. We can be reached at (262) 798-7979 or at [rrozman@freedomwealthalliance.com](mailto:rrozman@freedomwealthalliance.com).

**Additional Information - Item 9**

**Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or of the integrity of our management. Neither we nor our

management persons have a history of reportable material legal or disciplinary events.

#### **Other Financial Industry Activities or Affiliations**

Please refer to Item 10 of our Form ADV Part 2A Brochure above for information about our other financial industry activities and/or affiliations.

#### **Description of Our Code of Ethics**

FWA has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes FWA's policies and procedures developed to protect Client's interests in relation to the following topics:

- The duty at all times to place the interests of Clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of Clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of FWA's Code of Ethics is available upon request to our firm at (262) 798-7979 or at [rozman@freedomwealthalliance.com](mailto:rozman@freedomwealthalliance.com).

#### **Interest in Client Transactions**

Please refer to Compensation for the Sale of Securities in Items 5 and 10 of our Form ADV Part 2A Brochure above for information about recommendations of securities in which related persons have material financial interests and for information regarding the conflicts of interest associated with such practices.

#### **Personal Trading Practices**

At times, FWA and/or its related persons may take positions in the same securities as Clients, which may pose a conflict of interest with Clients. In an effort to uphold our fiduciary duties to Clients, FWA and its related persons will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to Client trades. Front running (trading shortly ahead of Clients) is prohibited. Should a conflict occur because of materiality (e.g., a thinly traded stock), disclosure will be made to the Client(s) at the time of trading. Incidental trading not deemed to be a conflict (e.g., a purchase or sale that is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price) would not be deemed a material conflict requiring disclosure at the time of trading.

#### **Account Reviews, Statements and Reports**

Please refer to Item 13 of our Form ADV Part 2A Brochure above for information about Account Reviews, Statements, and Reports.

#### **Brokerage Practices**

FWA executes all transactions for Freedom Wealth Alliance Wrap Fee Program accounts through LPL. LPL is an unaffiliated broker-dealer, and a member of FINRA and the SIPC. FWA has chosen LPL based on a number of factors, including quality of service, fees, reputation, accountability, and security of assets. The fees and commissions charged by LPL may be higher or lower than other broker-dealers or custodians, depending on the type of transaction. FWA considers the services provided by LPL to be high quality and the fees charged to be comparable or favorable to those charged by other broker-dealers or custodians.

#### **Client Referrals and Other Compensation**

FWA receives additional benefits from LPL such as electronic delivery of Client information, electronic trading platforms, institutional trading support, proprietary and/or third party research, continuing education, practice management advice, and other services provided by custodians for the benefit of investment advisory Clients.

The receipt of additional benefits gives us an incentive to require that you maintain your account with LPL based on our interest in receiving additional services from these broker-dealers rather than your interest in receiving the best value and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that our selection of LPL as broker-dealer/custodian is in the best interests of our Clients. Our belief is primarily supported by the scope and quality of services LPL provides to our Clients and not services that benefit only us. Please refer to Item 12 of our Form ADV Part 2A Brochure above for more information about the receipt of additional benefits from broker-dealers.

To address the existence of this conflict, on a periodic basis, we conduct a best execution review considering the full range and quality of LPL's services, including execution quality, commission rate, the value of research provided, financial strength, and responsiveness to our requests for trade data and other information. Our obligation is not necessarily to get the lowest price but to obtain the best qualitative execution.

FWA has brokerage and clearing arrangements with LPL and the firm may receive additional benefits from LPL in the form of electronic delivery of Client information, electronic trading platforms, institutional trading support, proprietary and/or third party research, continuing education, practice management advice, and other services provided by custodians for the benefit of investment advisory Clients. Please refer to item 12 above for more information about the receipt of additional benefits from broker-dealers.

FWA may compensate outside firms for referral activities. These fees may come in the form of marketing or referral fees paid directly to that firm by FWA. The exact compensation arrangement will vary depending on the individual firm and factors associated with the referral. Fees are typically based on a portion of the management fees charged to Clients by FWA and paid to others who introduced said Client to FWA. In all cases, FWA will comply with the cash solicitation rules established by the SEC and/or applicable state regulators, and with Client disclosure requirements.

FWA and employees may receive additional compensation from product sponsors. However, such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually; an occasional dinner or ticket to a sporting event; reimbursement in connection with educational meetings with an Associated Person, Client workshops, or events; or marketing events or advertising initiatives, including services for identifying prospective Clients. Product sponsors may also pay for or reimburse FWA for the costs associated with FWA employees and investment adviser representatives attending various education or training events, as well as FWA sponsored conferences and events.

#### **Recommendation of Other Advisors**

We may recommend that you use a third party investment adviser or program as part of our asset allocation and investment strategy. FWA typically shares in the compensation received by the third party investment adviser. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of a third party investment adviser. You are not required to use the services of any recommended third party investment adviser.

#### **Financial Information**

In this section, we are required to provide you with certain financial information or disclosures about FWA's, financial condition. FWA does not require the prepayment of over \$1,200, six or more months in advance. Additionally, FWA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and it has not been the subject of a bankruptcy proceeding.

Requirements for State-Registered Advisors - Item 10

**This section is not applicable because our firm is SEC registered**



# FREEDOM WEALTH ALLIANCE

675 North Barker Road, Suite 220  
Brookfield, WI 53045

Office 262-798-7979  
Fax 262-798-8950  
Email: [rozman@freedomwealthalliance.com](mailto:rozman@freedomwealthalliance.com)

## Privacy Policy

### Facts What Does the Firm do with Your Personal Information?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect can include:

- Social Security number
- Investment experience
- Income
- Account transactions
- Assets
- Retirement assets

When you are no longer our customer, we will continue to hold your information and share it as described in this notice.

#### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons the firm chooses to share personal information and whether you can limit this sharing.

Reason We Share Your Personal Information	Does the Firm Share?	Can you limit this sharing?
For our everyday business purposes, such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
For our marketing purposes to offer our products and services to you	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> We don't Share
For joint marketing with other financial companies	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> No
For our affiliates' everyday business purposes – information about your transactions and experiences	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> No
For our affiliates' everyday business purposes – information about your creditworthiness	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> We don't Share
For non-affiliates to market to you	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> No
With broker/dealer firms having regulatory requirements to supervise certain activities	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

#### Questions?

(262) 798-7979 or [rozman@freedomwealthalliance.com](mailto:rozman@freedomwealthalliance.com)

#### Who is Providing this Notice:

Freedom Wealth Alliance

## Definitions

### How does the firm protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

### How does the firm collect my personal information?

We collect your personal information, for example, when you:

- Open an account
- Enter into an investment advisory account
- Apply for insurance
- Tell us about your investment or retirement portfolio
- Seek advice about your investments

We also collect your personal information from others such as credit bureaus, affiliates, or other companies.

### Why can't I limit all sharing?

Federal law gives you the right to limit only:

- Sharing for affiliates' everyday business purposes
- information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for non-affiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

### Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- We do not share with our affiliates

### Non-affiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- We do not share with non-affiliates so they can market to you.

### Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you:

- We do not jointly market

### Other Important Information

The firm may share your information with broker-dealer firms having regulatory requirements to supervise certain of its activities.

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