

Davies Wealth Management, LLC

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This Brochure provides information about the qualifications and business practices of Davies Wealth Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (954) 353-6198 or via email at tdavies@tdwealth.net. 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.

Davies Wealth Management, LLC is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information that you may use to determine whether to hire or retain them. Additional information about Davies Wealth Management, LLC is also available on the SEC's web site at www.adviserinfo.sec.gov.

Item 2 - Material Changes

Since our last filing on March 9, 2015, there have been no material changes to our Form ADV Part 2A and Part 2B. However, we have made the following non-material change:

- We have updated the Form ADV Part 2A Item 4 to reflect that as of December 31, 2015, we managed assets of \$6,356,263.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year which is December 31st. We will provide other ongoing disclosure information about material changes as necessary. We will also provide you with a new Brochure, as necessary, based on changes or new information. Currently, our Brochure may be requested at any time, without charge, by contacting Thomas Davies at (954) 353-6198.

Additional information about Davies is also available via the SEC's web site www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Davies is 151098. The SEC's web site also provides information about any persons affiliated with Davies Wealth Management, LLC who are registered, or are required to be registered, as investment adviser representatives of Davies.

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Item 4 - Advisory Business Introduction

Davies Wealth Management, LLC (“Davies”) is a Registered Investment Adviser (“Adviser”) which offers investment advice, financial planning, insurance, and other financial services to clients. We are registered through the State of Florida, Office of Financial Regulation, Division of Securities; as such we are regulated by the State of Florida and the United States Securities and Exchange Commission (“SEC”).

We provide investment advice through investment adviser representatives (“advisor”) associated with us. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on our behalf. In addition, all advisors are required to have at least five (5) years business experience and be licensed as Investment Advisor Representatives (IARs) with either the appropriate FINRA license or the equivalent professional designation.

Davies was founded in 2009 by Thomas Davies who serves as the President. We provide financial planning, asset management, asset allocation strategies, and insurance services to individuals, high net worth individuals, corporations and other business. Each aspect of the investment management and financial planning process is tailored to the unique needs of his clients. We are committed to the precept that by placing the clients’ interests first, we will add value to the asset management process and earn the client’s trust and respect. We value long term relationships among our clients whom we regard as strategic partners in our business.

Services

We provide various asset management and financial planning services. We specialize in developing strategies for the creation and growth of wealth, the protection and preservation of that wealth, and the distribution of wealth during a client’s life cycle. Thomas assists his clients with their financial planning, asset allocation, money management, and insurance needs. Our focus is on helping you develop and execute plans that are designed to build and preserve your wealth.

As of 12/31/2015, we provided asset management services for 92 accounts for managed total assets of \$6,356,263.

We provide asset management services on a discretionary and non-discretionary basis. Discretionary means that you have given the third party advisor or us the authority to determine the following without your prior authorization:

- Securities to be bought or sold for your account
- Amount of securities to be bought or sold for your account
- Broker- dealer to be used for a purchase or sale of securities for your account
- Commission rates to be paid to a broker or dealer for your securities transaction

Additionally, your account may be rebalanced or reallocated periodically in order to reestablish the targeted percentages of your initial asset allocation. This rebalancing or reallocation will occur on the schedule we have determined together. You will be responsible for any and all tax consequences

resulting from any rebalancing or reallocation of the account. We are not tax professionals and do not give tax advice. However, we will work with your tax professionals to assist you with tax planning. You will have the opportunity to meet with us periodically to review the assets in your account. Your account may be rebalanced or reallocated periodically in order to reestablish the targeted percentages of your initial asset allocation. This rebalancing or reallocation will occur on the schedule you have determined with your advisor. You will be responsible for any and all tax consequences resulting from any rebalancing or reallocation of the account. Our advisors are not tax professionals and do not give tax advice. However, we will work with your tax professional to assist you with tax planning. You will have the opportunity to meet with us periodically to review the assets in your account.

1. Financial Planning

We provide financial planning services which may be comprehensive or targeted in nature. Fee based financial planning is a comprehensive relationship which incorporates many different aspects of your financial status into an overall plan that meets your goals and objectives. The financial planning relationship consists of face to face meetings and ad hoc meetings with your other advisors (attorneys, accountants, etc.). In a targeted financial planning relationship, we may examine just one or several parts of your financial circumstances and provide recommendations limited to those areas.

In performing financial planning services we typically examine and analyze your overall financial situation, which may include such issues as taxes, insurance needs, overall debt, credit, business planning, retirement savings and reviewing your current investment program. Our services may focus on all or only one of these areas depending upon the scope of our engagement with you.

You must agree to provide the information and documentation we request regarding your income, investments, taxes, insurance, estate plan, etc. You also must agree to discuss your investment objectives, needs and goals, and to keep us informed of any changes. We do not verify any information obtained from you, your attorney, accountant or other professionals.

We obtain information from a wide variety of publicly available sources. We do not have any inside private information about any investments that are recommended. All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations. You must decide what advice to follow.

If you engage us to perform these services, you will receive a written agreement detailing the services, fees, terms and conditions of the relationship. You will also receive this Brochure. You are under no obligation to implement recommendations through us. You may implement your financial plan through any financial organization of your choice.

2. Asset Management

Asset management is the professional management of securities (stocks, bonds and other securities) and assets (e.g., real estate) in order to meet your specified investment goals. With an Asset Management Account, you engage us to assist you in developing a personalized asset allocation program and custom-tailored portfolio designed to meet your unique investment objectives. The investments in the portfolio account may include mutual funds, stocks, bonds, equity options, futures, etc. We do not impose a minimum dollar value on the size of account we will accept.

We will meet with us to discuss your financial circumstances, investment goals and objectives, and to determine your risk tolerance. We will ask you to provide statements summarizing current investments, income and other earnings, recent tax returns, retirement plan information, other assets and liabilities, wills and trusts, insurance policies, and other pertinent information. Based on the information you share with us, we will analyze your situation and recommend an appropriate asset allocation or investment strategy. Our recommendations and ongoing management is based upon your investment goals and objectives, risk tolerance, and the investment portfolio you have selected. We will monitor the account, trade as necessary, and communicate regularly with you. Your circumstances shall be monitored in quarterly and annual account reviews. These reviews will be conducted in person, by telephone conference, and/or via a written inquiry/questionnaire. We will work with you on an ongoing basis to evaluate your asset allocation as well as rebalance your portfolio to keep it in line with your goals as necessary. We will be reasonably available to help you with questions about your account. You will also receive our Advisory Agreement which describes what services you will receive and what fees you will be charged.

We will:

- Review your present financial situation
- Monitor and track assets under management
- Advise on asset selection
- Determine market divisions through asset allocation models
- Provide research and information on performance and fund management changes
- Build a risk management profile for you
- Assist you in setting and monitoring goals and objectives
- Provide personal consultations as necessary upon your request or as needed

You must notify us promptly when your financial situation, goals, objectives, or needs change.

You shall have the ability to impose reasonable restrictions on the management of your account, including the ability to instruct us not to purchase certain mutual funds, stocks or other securities. These restrictions may be a specific company security, industry sector, asset class, or any other restriction you request.

Certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is not an indication of future performance.

Your account can be managed in a tax aware manner; however, we do not provide tax advice or tax management services.

If you decide to implement our recommendations, we will help you open a custodial account(s). The funds in your account will generally be held in a separate account, in your name, at an independent custodian, not with us. You will enter into a separate custodial agreement with the custodian. This agreement, among other things, authorizes the custodian to take instructions from us regarding investment decisions for your account. If your account is managed on a discretionary basis, we will select the securities bought and sold and the amount to be bought and sold, within the parameters of

the objectives and risk tolerance of your account. The custodian will effect transactions, deliver securities, make payments and do what we instruct. You are notified of any purchases or sales through trade confirmations and monthly statements that are provided by the Custodian. You will at all times maintain full and complete ownership rights to all assets held in your account, including the right to withdraw securities or cash, proxy voting and receiving transaction confirmations.

You will receive, at least quarterly, a statement containing a description of all the activity in your account from the custodian. This statement lists the total value at the start of the month, itemizes all transaction activity during the month, and lists the types, amounts, and total value of securities held as of the end of the month. Your statement may be in either printed or electronic form based upon your preferences.

We are available during normal business hours either by telephone, fax, email, or in person by appointment to answer your questions.

3. Other Services

We may recommend and sell life, disability, health, and long-term care insurance. We will receive the usual and customary commissions associated with these sales from the insurance company. You will not pay a separate fee for these and your advisory fee will not be reduced by any payments we receive from these sales.

We may occasionally offer investment advice relating to variable annuity products. With respect to these products, we offer such advice exclusively on no-load, no surrender charge products designed specifically for fee based advisory accounts. No commissions are received with respect to any sales relating to these products. We will only receive the usual and customary asset management fee provided for in the client agreement as part of its standard fee schedule.

We do not provide advice regarding legal matters, income taxes, real estate valuation, or recommendations relating to property and casualty or liability insurance.

Item 5 - Fees and Compensation

We provide asset management and financial planning services for a fee. Our Advisory Agreement/Financial Planning Agreement defines what fees are charged and their frequency. Our fees do not include brokerage commissions, transaction fees, and other related costs and expenses. You may incur certain charges imposed by custodians, third party investment companies and other third parties. These include fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, money market funds and exchange traded funds also charge internal management fees, which are disclosed in the fund's prospectus. These fees may include, but are not limited to, a management fee, upfront sales charges, and other fund expenses. We do not receive any compensation from these fees. All of these fees are in addition to the management fee you pay us. You should review all fees charged to fully understand the total amount of fees you will pay. Services similar to those offered by us may be available elsewhere for more or less than the amounts we charge.

You could invest in a mutual fund directly, without our services. In that case, you would not receive the services provided by us which are designed, among other things, to assist you in determining which mutual fund or funds are most appropriate to your financial condition and objectives.

1. Financial Planning/Consulting

You may want us to create a financial plan or provide targeted financial planning / consulting for you. We will work with you to create the plan. You can have us create a full financial plan or select any of the individual modules. We charge a fixed fee of \$250 per plan for clients just starting out on their accumulation of wealth and where we do not have an existing asset management relationship. The Financial Planning Agreement will show the fee schedule you will pay which is \$250 for the initial plan and \$150 for annual maintenance. Fees may be negotiated in advanced based at our discretion.

If the plan is implemented through us, we may receive compensation from the sale of insurance products or services recommended in the financial plan. This compensation would be in addition to the financial planning fee you pay. The fees and expenses you pay for the purchase of these products may be more or less than the expenses you would pay should you decide to implement our recommendations through another investment advisory firm or broker-dealer and are typically determined by the broker-dealer or investment company sponsoring the product. Therefore, a conflict of interest may exist between our interests and your interests since we may recommend products that pay us compensation. We may have an incentive to recommend particular products based upon the potential compensation rather than your needs. This potential conflict is addressed in our Code of Ethics.

Either party may terminate the initial agreement at any time by providing advance written notice to the other party. The client will incur charges for all advisory or consulting services rendered up to the point of termination and the fees will be due and payable by the client. Refunds will be given on a pro-rata basis. The financial planning agreement will terminate once the client receives the final plan or services.

All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations. You must decide what advice to follow.

2. Asset Management Fee Schedule

We do not have a minimum account opening balance. The fee charged is based upon the amount of money you invest. You will pay fees quarterly, payable in advance. The amount of the fee is based upon the amount of assets to be managed by us as of the opening of business on the first business day of each quarter. Fees are calculated as follows:

Percentage	Portfolio Size (AUM)
2.00%	\$0-\$100,000
1.50%	\$100,000-\$500,000
1.00%	\$500,000 +

No increase in the annual fee shall be effective without prior written notification to you. We believe our advisory fee is reasonable considering the fees charged by other investment advisers offering similar services/programs.

In certain circumstances, advisory fees may be negotiable based upon prior relationships as well as related account holdings. In no event shall we charge advisory fees that are both in excess of six hundred dollars and more than six months in advance of advisory services rendered. We believe our advisory fee is reasonable considering the fees charged by other investment advisers offering similar services/programs.

Certain strategies offered by us involve investment in mutual funds. Load and no load mutual funds may pay annual distribution charges, sometimes referred to as "12(b) (1) fees". These 12(b) (1) fees come from fund assets, and thus indirectly clients' assets. We do not receive any compensation from these fees. The 12(b) (1) fee, deferred sales charges and other fee arrangements will be disclosed upon your request and are typically described in the applicable fund's prospectus.

Your account at the custodian may also be charged for certain additional assets managed for you by us but not held by the Custodian (i.e. variable annuities, mutual funds, 401(k) s).

The fees we charge can be deducted directly from your account at the custodian. We will instruct the Custodian to deduct the fees from your account at the end of the calendar quarter. This fee will show up as a deduction on your following month's account statement from the Custodian.

Either party may terminate the initial agreement at any time by providing advance written notice to the other party. The client will incur charges for all advisory or consulting services rendered up to the point of termination and the fees will be due and payable by the client. Refunds will be given on a pro-rata basis.

3. Other Services Fees

Davies will occasionally provide investment advice relating to variable annuity products. With respect to these products, the firm offers such advice exclusively on no-load, no surrender charge products designed specifically for fee based advisory accounts. No commissions are received with respect to any sales relating to these products. Davies will only receive the usual and customary asset management fee provided for in the client agreement as part of its standard fee schedule.

Item 6 - Performance Based Fee and Side by Side Management

We do not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 - Types of Client(s)

We provide portfolio management services and financial planning services to individuals, high net worth individuals, corporations, and business entities.

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

We utilize various methods of Analysis and Investment Strategies including fundamental analysis, technical analysis, and cyclical.

1. Fundamental Analysis

Fundamental analysis is a technique that attempts to determine a security's value by focusing on the underlying factors that affect a company's actual business and its future prospects. Fundamental analysis is about using real data to evaluate a security's value. It refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

Fundamental analysis serves to answer questions, such as:

- Is the company's revenue growing?
- Is it actually making a profit?
- Is it in a strong-enough position to beat out its competitors in the future?
- Is it able to repay its debts?
- Is management trying to "cook the books"?

One of the primary assumptions of fundamental analysis is that the price on the stock market does not fully reflect a stock's "real" value. We use a combination of qualitative and quantitative factors to try and find stocks that are undervalued. We look at both macroeconomic factors such as the overall economy and industry conditions and company-specific factors such as financial condition and management. When we are examining a stock, we might look at the stock's annual dividend payout, earnings per share, Price to Earnings ratio and many other quantitative factors. However, no analysis is complete without taking into account brand recognition and other qualitative factors.

The end goal of performing fundamental analysis is to produce a value that we can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

In order to perform this fundamental analysis, we use many resources, such as:

- Morningstar
- Financial newspapers and magazines (e.g. Wall Street Journal, Forbes, etc.)
- Annual reports, prospectuses, filings with the Securities and Exchange Commission
- Research materials prepared by others
- Company press releases
- Corporate rating services
- Company websites
- Inspections of corporate activities

2. Technical Analysis

Technical Analysis is a technique that attempts to determine a security's value by developing models and trading rules based upon price and volume transformation. Technical analysis assumes that a

market's price reflects all relevant information so the analysis focuses on the history of a security's trading behavior rather than external drivers such as economic, fundamental and news events. The practice of technical analysis incorporates the importance of understanding how market participants perceive and act upon relevant information rather than focusing on the information itself. Ultimately, technical analysts develop trading models and rules by evaluating factors such as market trends, market participant behaviors, supply and demand and pricing patterns and correlations.

In order to perform technical analysis, we use the following techniques:

- Calculate moving averages including ten, 50 and 200 day moving averages
- Stochastic oscillators, which incorporate support and resistance levels to determine momentum.
- Charting and chart patterns
- Supply and demand indicators
- Investor behavior and psychology

As with other types of analysis, the predictive nature of technical analysis can vary greatly; models and rules are often modified and updated as new patterns and behaviors develop. Past performance is not an indicator of future return.

3. Cyclical Analysis

While we do not attempt to time the market, we may use cyclical analysis in conjunction with other strategies to help determine if shifts are required in your investment strategies depending upon long and short-term trends in financial markets and the performance of the overall national and global economy.

4. Investment Strategies

The investment strategies we use to implement any investment advice given to you include, but are not limited to:

- Long term purchases - securities held at least a year
- Short term purchases - securities sold within a year
- Option writing, including covered options, uncovered options, or spreading strategies

5. Risks

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principle is always a risk. Investing in securities involves a risk of loss that you should be prepared to handle. You need to understand that investment decisions made for your account by us are subject to various market, currency, economics, political and business risks. The investment decisions we make for you will not always be profitable nor can we guarantee any level of performance. For a more comprehensive description of all the risks associated with our strategies, methodology, and products please refer to the glossary under Risks.

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 the integrity of our management. We have no information to disclose here about the firm or any of our investment advisors. We adhere to high ethical standards for all advisors and associates. We strive to do what's in your best interests.

Item 10 - Other Financial Industry Activities and Affiliations

Thomas Davies, the President of Davies Wealth Management, LLC, is a licensed insurance agent/broker with various companies. In his role as an insurance agent/broker, he may offer commissionable (non-variable) insurance products to you for which he may receive compensation from insurance companies. He may recommend and sell life, health, and long-term care insurance and will receive the usual and customary commissions. The sale of these products accounts for approximately 5% of his time.

These commissions are in addition to any advisory fee you pay to us. Therefore, we may have an incentive to sell you insurance products. This may present a conflict of interest since selling you insurance products increases the amount of money you pay to us. You are under no obligation to purchase these products from us, you may use any insurance provider you deem to be appropriate. We have a fiduciary responsibility to do what is in your best interests. Our CCO monitors all client transitions to may certain we do not violate our fiduciary responsibility to you. In addition, each insurance carrier independently assesses whether the insurance sale is appropriate for you.

Item 11 - Code of Ethics

1. General Information

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, and fiduciary duty to you, our client. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All of our supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

We may recommend securities to you that we have purchased for our own accounts. We may trade securities in our account that we have recommended to you as long as we place our orders after your orders. This policy is meant to prevent us from benefiting as a result of transactions placed on behalf of advisory accounts.

We have established the following restrictions in order to ensure our fiduciary responsibilities to you are met:

- We shall not buy or sell securities for our personal portfolio(s) where this decision is substantially derived, in whole or in part, from our role as an Investment Advisory

Representative of Davies Wealth Management unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.

- We emphasize your unrestricted right to decline to implement any advice rendered.

However, some securities trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with our records as required.

In addition, open-end mutual funds and/or investment sub-accounts which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value. Therefore, purchases of mutual funds and/or variable insurance products by an advisor are not likely to have an impact on the prices of the fund in which you invest. These types of transactions are not prohibited by our policies and procedures.

Certain affiliated accounts may trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all parties will share the costs in proportion to their investment. We will retain records of the trade order (specifying each participating account) and its allocation. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

You may request a copy of the firm's Code of Ethics by contacting Thomas Davies.

2. Responsibility

It is the responsibility of all supervisory personnel to ensure that we conduct business with the highest level of ethical standards and in keeping with our fiduciary duties to you. We must put your interests first and refrain from having outside interests that conflict with your interests.

3. Privacy Statement

We are committed to safeguarding your confidential information and hold all personal information provided to it in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide. We also require other firms with whom we deal with to restrict the use of your information. Our Privacy Policy is available upon request.

4. Prohibited Acts

The following acts are prohibited:

- Employing any device, scheme or artifice to defraud
- Making any untrue statement of a material fact
- Omitting to state a material fact necessary in order to make a statement, in light of the circumstances under which it is made, not misleading
- Engaging in any fraudulent or deceitful act, practice or course of business
- Engaging in any manipulative practices

5. Conflicts of Interest

We have a duty to disclose potential and actual conflicts of interest. We have a duty to report potential and actual conflicts of interest to management. Gifts (other than de minimis gifts, which are usually defined as having a value under \$100.00) should not be accepted from persons or entities doing business with us.

Thomas Davies may employ the same strategy for his personal investment account as he does for his clients. However, he does not place his orders in a way to benefit from the purchase or sale of a security.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interest of all the accounts we advise.

6. Use of Disclaimers

We shall not attempt to limit liability for willful misconduct or gross negligence through the use of disclaimers.

7. Suitability

We shall only recommend those investments that we believe are suitable for you based upon your particular situation and circumstances. In addition, you must notify us of any significant changes in your situation or circumstances so that we can respond appropriately.

Item 12 - Brokerage Practices

1. Soft Dollars

We do not receive any soft dollars from broker-dealers, custodians or third party money managers.

Aggregating Orders

We will generally place your trades individually through your accounts unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients differences in prices and commission or other transaction costs. Under this procedure, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

2. Brokerage for Client Referrals

We do not receive any compensation or incentive for referring you to broker-dealers for brokerage trades. We may receive additional compensation for sales of insurance products only.

3. Directed Brokerage

If requested, we will arrange for the execution of securities brokerage transactions for your account through Broker-Dealers that we reasonably believe will provide “best execution.” These transactions will take place through one of several broker-dealers depending upon where your account is custodied. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Broker-Dealer’s services including the value of research provided, execution capability, commission rates, and responsiveness. We select broker-dealers based upon the following:

- The broker’s capital depth
- The brokers’ market access
- The broker’s transaction confirmation and account statement practices
- Our knowledge of negotiated commission rates and spreads currently made available
- The nature and character of the markets for the security to be purchased or sold
- The desired timing of the transaction
- The execution practices
- The clearance and settlement capabilities of the broker
- Our knowledge of any actual or apparent operational problems of a broker
- The reasonableness of the commission or its equivalent for the specific transaction

Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for account transactions.

Item 13 - Review of Accounts

1. Duty to Supervise

We are responsible for ensuring adequate supervision over the activities of all persons who act on our behalf. Specific duties include:

- Establish procedures that could be reasonably expected to prevent and detect violations of law by our Advisory personnel
- Analyze operations and create a system of controls to ensure compliance with applicable securities laws
- Ensure that all Advisory personnel fully understand the Company's policies and procedures
- Establish a review system designed to provide reasonable assurance that our policies and procedures are effective and being followed

2. Reviews

Reviews will be conducted by us at least annually or as agreed to by us. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Generally, we will monitor for changes and shifts in the economy, changes to the management and structure of a mutual fund or company in which client assets are invested, and market shifts and corrections. You should notify us promptly of any changes to your financial goals, objectives or financial situation as such changes may require us to review your portfolio and make recommendations for changes.

3. Reports

You will be provided with account statements reflecting the transactions occurring in the account on at least a quarterly basis. These statements will come from the custodian of your account, not from Davies. These statements will be written or electronic depending upon what you selected when you opened the account. You must notify us of any discrepancies in the account or any concerns you have about the account.

Item 14 - Client Referrals and Other Compensation

We do not receive any compensation for referring clients to another advisor nor do we receive any compensation from another advisor for them referring clients to us.

Item 15 - Custody

We do not have physical custody of any accounts or assets. However, we may be deemed to have custody of your accounts if we have the ability to deduct your quarterly fees from the custodian. We use various custodians and/or broker-dealers for all your accounts. You should receive at least quarterly statements from the broker-dealer or custodian that holds and maintains your investment assets. We urge you to carefully review such statements and compare this official custodial record to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If you notice any discrepancies, please contact Thomas Davies.

We do not debit the client fees directly from your advisory account. Only the custodian has the authority to directly charge and debit the advisory fee to your account, which is then forwarded to us. The Custodian will provide you immediate transaction confirmations and monthly statements, either by mail or electronically per your request. Monthly statements list the total value of the account at the start and end of the month and itemize all transactions and security positions. For taxable accounts, the Custodian will provide you consolidated year-end summary statements including IRS forms 1099 and other tax-related forms, as applicable. We are not allowed to make alterations or amendments to the custodian's statement. This preserves the integrity of the Custodian's statement and provides you with an independent appraisal of the account.

Item 16 - Investment Discretion

We usually receive discretionary authority from you at the beginning of an advisory relationship to select the identity and amount of securities to be bought or sold. This information is described in the Advisory Agreement you sign with us. In all cases, however, this discretion is exercised in a manner consistent with your stated investment objectives for your account.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions you have set. For registered investment companies, our authority to trade securities may

also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to us in writing.

Item 17 - Voting Client Securities

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. Additionally, we do not give any advice or take any action with respect to the voting of proxies.

Item 18 - Financial Information

We are required to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that would impair our ability to meet any contractual and fiduciary commitments to you, our client. We have not been the subject of any bankruptcy proceedings.

Item 19 - Requirements for State Registered Advisers

There is one principal of Davies, Thomas Davies. His information is as follows in the brochure supplement:

Davies Wealth Management, LLC
4747 North Ocean Dr., Ste. 240
Sea Ranch Lakes, FL 33308
(954) 353-6198

Brochure Supplement – Thomas Davies

February 23, 2016

This brochure supplement provides information about Thomas Davies that supplements the Davies Wealth Management, LLC brochure. You should have received a copy of that brochure. Please contact Thomas Davies at (954) 353-6198 if you did not receive the Davies Wealth Management, LLC brochure or if you have any questions about the contents of this supplement.

Additional information about Davies Wealth Management, LLC (“Davies”) is available on the SEC’s website at www.adviserinfo.sec.gov.

Position

President

Date of Birth

1971

Item 2 – Educational Background and Business Experience**Education**

Mainland Sr. High School	Daytona Beach
Broward College	Ft Lauderdale, FL
University of Phoenix	Ft Lauderdale, FL

Business History

July 2009 – Present	President, Davies Wealth Management, LLC
April 2008 – June 2009	Financial Advisor, Morgan Stanley & Co Inc.
March 1996 – February 2008	Financial Advisor, Merrill Lynch
February 2006 – Present	Operations, Florida Panthers (part-time)

Item 3 – Disciplinary History

Thomas has no disciplinary history that must be disclosed

Item 4 – Other Business Activities

Thomas is licensed to sell life and health insurance products. He may receive compensation for the sale of these products. The sale of insurance products accounts for approximately less than 5% of his time.

Thomas also holds a non-investment related position with the Florida Panthers in which he runs the communication post during arena events.

Item 5 - Additional Compensation

There is no additional compensation awarded Thomas for providing advisory services, such as sales awards or prizes.

Performance Fees

As indicated in tem 6, “Performance Base Fees and Side by Side Management,” we do not charge performance-based fees.

Other Relationships

Neither the firm nor Thomas has any relationship with any issuer of securities.

Item 6 – Supervision

In the course of his supervisory duties as President, Thomas will review advisory accounts, correspondence, financial plans, and advisory activities. Please contact him at (954) 353-6198 with any questions regarding supervision.

Item 7 - Requirements for State-Registered Advisers

Neither the firm nor Thomas has any reportable events to disclose here.

Specialty

Thomas Davies is a financial service professional with over a decade of experience. His past experience includes working for Merrill Lynch and Morgan Stanley, some of the country's largest brokerage firms as a financial advisor. Thomas specializes in developing strategies for the creation and growth of wealth, the protection and preservation of that wealth, and the distribution of wealth during a client's life cycle. Thomas assists his clients with their financial planning, asset allocation, money management, and insurance needs. Each aspect of the investment management and financial planning process is tailored to the unique needs of his clients.

Thomas founded Davies Wealth Management, LLC on the belief that a highly personalized service is paramount to a successful and satisfied client experience. Thomas will personally study the best products the financial services industry has to offer and tailor the perfect plan for you. He believes strongly that acting in your best interest, without compromise, is the strongest tenant of his business. He is committed to helping you identify and reach your financial goals.

Glossary of Key Terms

Adviser – Davies Wealth Management, LLC (“Davies”)

Advisor – Your individual representative at Davies Wealth Management, LLC

Asset Allocation – The process of dividing investments among different kinds of assets, such as stocks, bonds, real estate and cash, to optimize the risk/reward tradeoff based on an individual's or institutions specific situation and goals. A key concept in financial planning and money management.

Asset-class investment portfolios – An asset class is a grouping of similar investments whose prices tend to move together. Asset classes can be defined on a very general level, such as stocks or on a more specific level, such as American silver producing companies. The concept of asset classes is important because one of the goals when building an investment portfolio is to use different asset classes which are not correlated with each other.

Diversification – a portfolio strategy designed to reduce exposure to risk by combining a variety of investments, such as stocks, bonds, and real estate, which are unlikely to all move in the same direction. The goal of diversification is to reduce the risk in a portfolio. Volatility is limited by the fact that not all asset classes or industries or individual companies move up and down in value at the same time or at the same rate. Diversification reduces both the upside and downside potential and allows for more consistent performance under a wide range of economic conditions.

Exchange-Traded Funds — A type of an investment company (either an open-end company or UIT) whose objective is to achieve the same return as a particular market index. ETFs differ from traditional open-end companies and UITs, because, pursuant to SEC exemptive orders, shares issued by ETFs trade on a secondary market and are only redeemable from the fund itself in very large blocks (blocks of 50,000 shares for example).

Expense Ratio — the fund's total annual operating expenses (including management fees, distribution (12b-1) fees, and other expenses) expressed as a percentage of average net assets.

Fees— a list of all fees associated with different products we offer are listed below:

1. 12b-1 Fees — Fees paid by the fund out of fund assets to cover the costs of marketing and selling fund shares and sometimes to cover the costs of providing shareholder services. "Distribution fees" include fees to compensate brokers and others who sell fund shares and to pay for advertising, the printing and mailing of prospectuses to new investors, and the printing and mailing of sales literature. "Shareholder Service Fees" are fees paid to persons to respond to investor inquiries and provide investors with information about their investments.
2. Account Fee— A fee that some funds separately impose on investors for the maintenance of their accounts. For example, accounts below a specified dollar amount may have to pay an account fee.
3. Distribution Fees — Fees paid out of fund assets to cover expenses for marketing and selling fund shares, including advertising costs, compensation for brokers and others who sell fund

shares, and payments for printing and mailing prospectuses to new investors and sales literature prospective investors. Sometimes referred to as "12b-1 fees."

4. **Management Fee** — fee paid out of fund assets to the fund's investment adviser or its affiliates for managing the fund's portfolio, any other management fee payable to the fund's investment adviser or its affiliates, and any administrative fee payable to the investment adviser that are not included in the "Other Expenses" category. A fund's management fee appears as a category under "Annual Fund Operating Expenses" in the Fee Table.
5. **Operating Expenses** — the costs a fund incurs in connection with running the fund, including management fees, distribution (12b-1) fees, and other expenses.
6. **Purchase Fee** — a shareholder fee that some funds charge when investors purchase mutual fund shares. Not the same as (and may be in addition to) a front-end load.
7. **Redemption Fee** — a shareholder fee that some funds charge when investors redeem (or sell) mutual fund shares. Redemption fees (which must be paid to the fund) are not the same as (and may be in addition to) a back-end load (which is typically paid to a broker). The SEC generally limits redemption fees to 2%.
8. **Sales Charge (or "Load")** — the amount that investors pay when they purchase (front-end load) or redeem (back-end load) shares in a mutual fund, similar to a commission. The SEC's rules do not limit the size of sales load a fund may charge, but FINRA rules state that mutual fund sales loads cannot exceed 8.5% and must be even lower depending on other fees and charges assessed.
9. **Shareholder Service Fees** — fees paid to persons to respond to investor inquiries and provide investors with information about their investments. See also "12b-1 fees."

Index Fund — describes a type of mutual fund or Unit Investment Trust (UIT) whose investment objective typically is to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, the Russell 2000 Index, or the Wilshire 5000 Total Market Index.

Investment Adviser — generally, a person or entity who receives compensation for giving individually tailored advice to a specific person on investing in stocks, bonds, or mutual funds. Some investment advisers also manage portfolios of securities, including mutual funds.

Investment Company — a company (corporation, business trust, partnership, or limited liability company) that issues securities and is primarily engaged in the business of investing in securities. The three basic types of investment companies are mutual funds, closed-end funds, and unit investment trusts.

Investment Goals — objective or target, usually driven by specific future financial needs. Some common goals for an individual are: saving for a comfortable retirement, saving to send children to college, managing finances to enable a home purchase, minimizing taxes, and maximizing return on investments given a certain risk tolerance, and estate or trust planning.

Investment Objectives – The financial goal or goals of an investor. An investor may wish to maximize current income, maximize capital gains, or set a middle course of current income with some appreciation of capital. Defining investment objectives helps to determine the investments an individual should select.

Margin — borrowing money (usually using securities you already own as collateral) that is used to purchase securities

Mutual Fund — the common name for an open-end investment company. Like other types of investment companies, mutual funds pool money from many investors and invest the money in stocks, bonds, short-term money-market instruments, or other securities. Mutual funds issue redeemable shares that investors purchase directly from the fund (or through a broker for the fund) instead of purchasing from investors on a secondary market.

NAV (Net Asset Value) — the value of the fund's assets minus its liabilities. SEC rules require funds to calculate the NAV at least once daily. To calculate the NAV per share, simply subtract the fund's liabilities from its assets and then divide the result by the number of shares outstanding.

No-load Fund — a fund that does not charge any type of sales load. But not every type of shareholder fee is a "sales load," and a no-load fund may charge fees that are not sales loads. No-load funds also charge operating expenses.

Open-End Company — the legal name for a mutual fund. An open-end company is a type of Investment Company

Option Contracts—the right, but not the obligation, to buy (for a call option) or sell (for a put option) a specific amount of a given stock, commodity, currency, index, or debt, at a specified price (the strike price) during a specified period of time. For stock options, the amount is usually 100 shares. Each option contract has a buyer, called the holder, and a seller, known as the writer. If the option contract is exercised, the writer is responsible for fulfilling the terms of the contract by delivering the shares to the appropriate party. In the case of a security that cannot be delivered such as an index, the contract is settled in cash. For the holder, the potential loss is limited to the price paid to acquire the option. When an option is not exercised, it expires. No shares change hands and the money spent to purchase the option is lost. For the buyer, the upside is unlimited. Option contracts, like stocks, are therefore said to have an asymmetrical payoff pattern. For the writer, the potential loss is unlimited unless the contract is covered, meaning that the writer already owns the security underlying the option. Option contracts are most frequently used as either leverage or protection. As leverage, options allow the holder to control equity in a limited capacity for a fraction of what the shares would cost. The difference can be invested elsewhere until the option is exercised. As protection, options can guard against price fluctuations in the near term because they provide the right to acquire the underlying stock at a fixed price for a limited time. Risk is limited to the option premium (except when writing options for a security that is not already owned). However, the costs of trading options (including both commissions and the bid/ask spread) is higher on a percentage basis than trading the underlying stock. In addition, options are very complex and require a great deal of observation and maintenance

Portfolio — an individual's or entity's combined holdings of stocks, bonds, or other securities and assets.

Profile — summarizes key information about a mutual fund's costs, investment objectives, risks, and performance. Although every mutual fund has a prospectus, not every mutual fund has a profile.

Prospectus — describes the mutual fund to prospective investors. Every mutual fund has a prospectus. The prospectus contains information about the mutual fund's costs, investment objectives, risks, and performance. You can get a prospectus from the mutual fund company (through its website or by phone or mail). Your financial professional or broker can also provide you with a copy.

Risks – a list of all risks associated with the strategies, products and methodology we offer are listed below:

1. Fundamental Analysis Risk

Fundamental analysis, when used in isolation, has a number of risks:

- There are an infinite number of factors that can affect the earnings of a company, and its stock price, over time. These can include economic, political and social factors, in addition to the various company statistics.
- When using this method with mutual funds, the funds are composed of many companies and not all of them will be undervalued
- The data used may be at least six months out of date.
- It is difficult to give appropriate weightings to the factors.
- In the early 1970s and 1980s price/earnings multiples of 80 or 90 were considered acceptable by some for 'blue chip' stocks in the United States.
- In the 1980s in the United States some biotechnology stocks sold at '50 times sales'. The companies had no earnings and paid no dividend. The new yardstick to value these became 'products in the pipeline'. By the late 1980s most had lost three-quarters of their stock price.
- It assumes that the analyst is competent.
- A fundamental analyst assumes that other fundamental analysts will form the same view about the company and buy the stock, thus restoring its value and returning the trader or investor a capital gain. In practice, an undervalued company's stock price can stay at approximately the same level (or decline) for years.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.
- It assumes that there is no monopolistic power over markets.
- Even when fundamental analysis reveals an undervalued company, or a stock with high growth prospects, it does not tell us anything about the timing of the purchase of the stock. In other words, we may have discovered a grossly undervalued stock whose price has been falling for some time, and may well continue falling.

2. Mutual Funds Risk

Mutual funds can offer the advantages of diversification and professional management. But, as with other investment choices, investing in mutual funds involves risk and fees and taxes will diminish a fund's returns.

But mutual funds also have features that some clients might view as disadvantages, such as:

- Costs despite Negative Returns — Clients must pay sales charges, annual fees, and other expenses) regardless of how the fund performs. And, depending on the timing of their investment, clients may also have to pay taxes on any capital gains distribution they receive — even if the fund went on to perform poorly after they bought shares.
- Lack of Control — Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- Price Uncertainty — with an individual stock, you can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling your advisor. You can also monitor how a stock's price changes from hour to hour. But with a mutual fund, the price you purchase or redeem shares for will typically depend on the fund's NAV, which the fund might not calculate until many hours after you've placed your order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

The following is a list of some general risks associated with investing in mutual funds.

- Country Risk - The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- Currency Risk -The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.
- Income Risk - The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.
- Industry Risk - The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- Inflation Risk - The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- Manager Risk -The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- Market Risk -The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- Principal Risk -The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

3. Bond Fund Risk

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields of the risks associated with bond funds include:

- Call Risk - The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.

- Credit Risk — the possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of their bonds). Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.
- Interest Rate Risk — the risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds.
- Prepayment Risk — the chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

4. Stock Fund Risk

Although a stock fund's value can rise and fall quickly over the short term, historically stocks have performed better over the long term than other types of investments — including corporate bonds, government bonds, and treasury securities.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons, such as the overall strength of the economy or demand for particular products or services.

Not all stock funds are the same. For example:

- Growth funds focus on stocks that may not pay a regular dividend but have the potential for large capital gains.
- Income funds invest in stocks that pay regular dividends.
- Index funds aim to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, by investing in all — or perhaps a representative sample — of the companies included in an index.
- Sector funds may specialize in a particular industry segment, such as technology or consumer products stocks.

5. Alternative Investment Risk

Investing in alternative investments is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices
- Lack of liquidity in that there may be no secondary market for the fund and none expected to develop
- Volatility of returns

- Restrictions on transferring interests in the fund
- Absence of information regarding valuations and pricing
- Delays in tax reporting
- Less regulation and higher fees than mutual funds

6. Insurance Product Risk

The rate of return on variable insurance products is not stable, but varies with the stock, bond and money market subaccounts that you choose as investment options. There is no guarantee that you will earn any return on your investment and there is a risk that you will lose money. Before you consider purchasing a variable product, make sure you fully understand all of its terms. Carefully read the prospectus. Some of the major risks include:

- Liquidity and Early Withdrawal Risk – There may be a surrender charges for withdrawals within a specified period, which can be as long as six to eight years. Any withdrawals before a client reaches the age of 59 ½ are generally subject to a 10 percent income tax penalty in addition to any gain being taxed as ordinary income.
- Sales and Surrender Charges –Asset-based sales charges or surrender charges. These charges normally decline and eventually are eliminated the longer you hold your shares. For example, a surrender charge could start at 7 percent in the first year and decline by 1 percent per year until it reaches zero.
- Fees and Expenses – There are a variety of fees and expenses which can reach 2% and more such as:
 - Mortality and expense risk charges
 - Administrative fees
 - Underlying fund expenses
 - Charges for any special features or riders
- Bonus Credits – Some products offer bonus credits that can add a specified percentage to the amount invested ranging from 1 percent to 5 percent for each premium payment. Bonus credits, however, are usually not free. In order to fund them, insurance companies typically impose high mortality and expense charges and lengthy surrender charge periods.
- Guarantees - Insurance companies provide a number of specific guarantees. For example, they may guarantee a death benefit or an annuity payout option that can provide income for life. These guarantees are only as good as the insurance company that gives them.
- Market Risk -The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- Principal Risk -The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

7. Overall Fund Risk

- Clients need to remember that past performance is no guarantee of future results. All funds carry some level of risk. You may lose some or all of the money you invest, including your principal, because the securities held by a fund goes up and down in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.
- Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.
- While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) a fund has been over a period of time. Generally, the more volatile a fund, the higher the investment risk. If you'll need your money to meet a financial goal in the near-term, you probably can't afford the risk of investing in a fund with a volatile history because you will not have enough time to ride out any declines in the stock market.

Risk Tolerance – the extent to which an investor is willing to accept more risk in exchange for the possibility of a higher return. An investor with a high risk tolerance is likely to invest in securities, such as stocks in startup companies, and is willing to accept the possibility that the value of his/her portfolio will decline, at least in the short-term. An investor with a low risk tolerance, on the other hand, tends to invest predominantly in stable stocks and/or highly-graded bonds. One's risk tolerance is subjective and may vary according to age, needs, goals, and even personal dispositions

Third Party Money Manager— the professional management of various securities (shares, bonds and other securities) and assets (e.g., real estate), to meet specified investment goals for the benefit of the investors. The managers are not the actual advisers working with the investor. Investors may be institutions (insurance companies, pension funds, corporations, individuals etc.

Total Annual Fund Operating Expense — the total of a fund's annual fund operating expenses, expressed as a percentage of the fund's average net assets. You'll find the total in the fund's fee table in the prospectus.

Unit Investment Trust (UIT) — a type of investment company that typically makes a one-time "public offering" of only a specific, fixed number of units. A UIT will terminate and dissolve on a date established when the UIT is created (although some may terminate more than fifty years after they are created). UITs do not actively trade their investment portfolios.

You – the client