

## **Firm Brochure**

(Part 2A of Form ADV)



**6031 Shallowford Road • Suite 109  
Chattanooga • TN, 37421-1984**

**800-929-3574**

**423-894-3882 • 423-899-6502 fax • [Info@coxwealth.com](mailto:Info@coxwealth.com)**

**[WWW.COXWEALTH.COX](http://WWW.COXWEALTH.COX)**

This brochure provides information about the qualifications and business practices of Cox Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at: (423) 894-3882, or by Email at: [info@coxwealth.com](mailto:info@coxwealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), or by any state securities authority.

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

**December 31, 2010**

## ***Material Changes***

---

### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

---

### **Material Changes since the Last Update**

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization since our last annual update on August 16, 2010.

Cox Wealth Management, LLC changed the fee schedule and added the Pinnacle Advisory Service to our contracts for new clients since the last filing.

---

### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (423) 894-3882 or by Email at: [info@coxwealth.com](mailto:info@coxwealth.com).

# Table of Contents

<b>Material Changes</b> .....	<b>i</b>
Annual Update .....	i
Material Changes since the Last Update .....	i
Full Brochure Available .....	i
<b>Advisory Business</b> .....	<b>1</b>
Firm Description.....	1
Principal Owners.....	2
Types of Advisory Services.....	2
Tailored Relationships .....	2
Types of Agreements.....	2
Financial Planning Agreement .....	2
Pension Consulting Agreement .....	3
Employee Plan Review Agreement.....	3
Advisory Service Agreement.....	4
Retainer Agreement.....	4
Investment Management Agreement .....	5
Third Party Money Managers.....	5
Tax Advice or Preparation Agreement .....	6
Hourly Planning Engagements .....	6
Asset Management .....	6
Termination of Agreement .....	6
Fees and Compensation Description .....	7
Fee Billing .....	7
Rate Changes.....	7
Other Fees.....	8
Expense Ratios.....	8
Past due Accounts and Termination of Agreement.....	9
Performance Based Fees/Sharing of Capital Gains.....	9
<b>Types of Clients</b> .....	<b>9</b>
Description.....	9
Account Minimums.....	9

<b>Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>9</b>
Methods of Analysis.....	9
Investment Strategies .....	10
Risk of Loss .....	11
<b>Disciplinary Information</b> .....	<b>12</b>
Legal and Disciplinary.....	12
<b>Other Financial Industry Activities and Affiliations</b> .....	<b>12</b>
Financial Industry Activities.....	12
Affiliations .....	12
Other Investment Advisers.....	13
<b>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b> .....	<b>13</b>
Code of Ethics .....	13
Participation or Interest in Client Transactions.....	13
Personal Trading.....	13
<b>Brokerage Practices</b> .....	<b>13</b>
Selecting Brokerage Firms.....	13
Best Execution .....	14
Soft Dollars .....	14
Directed Brokerage .....	14
Order Aggregation .....	15
Periodic Reviews .....	15
Review Triggers .....	15
Regular Reports.....	15
<b>Client Referrals and Other Compensation</b> .....	<b>16</b>
Incoming Referrals.....	16
Referrals Out .....	16
Other Compensation.....	16
<b>Custody</b> .....	<b>16</b>
Account Statements.....	16
Performance Reports.....	16
Net Worth Statements.....	16

<b>Investment Discretion</b> .....	<b>17</b>
Discretionary Authority for Trading.....	17
Limited Power of Attorney.....	17
<b>Voting Client Securities</b> .....	<b>17</b>
Proxy Votes .....	17
<b>Financial Information</b> .....	<b>17</b>
Financial Condition .....	17
<b>Business Continuity Plan</b> .....	<b>18</b>
General .....	18
Disasters.....	18
Alternate Offices .....	18
Loss of Key Personnel.....	18
<b>Information Security Program</b> .....	<b>18</b>
Information Security.....	18
Privacy Notice.....	18

## **Advisory Business**

---

### **Firm Description**

Cox Wealth Management, LLC, was founded in 1998 by Richard Lee Cox, Sr., who along with his wife Margaret Renee' Cox are the two principal owners of the firm. There are currently four employees including one Certified Financial Planner™ designee who is the sole Investment Adviser for the firm, one Registered Assistant, one chief financial officer and a part-time technology consultant. The firm is currently federally registered with the Securities and Exchange Commission as a Registered Investment Adviser. *(The term Registered does not imply a certain level of skill or training)*

Cox Wealth Management, LLC provides personal financial planning and investment management to individuals, families, business owners, governments and related entities, such as trusts, estates, and family businesses. Cox Wealth Management, LLC works with clients to define financial objectives and to develop strategies for reaching those objectives, some of which may include: identification of financial problems, cash flow and budget management, tax planning, risk exposure review, investment and portfolio management, education funding, retirement planning, estate planning, charitable planning goals, special needs planning, business management consulting, family business succession issues, fringe benefits, and/or other issues specific to the client. The client may impose restrictions on investing in certain securities or types of securities depending on their individual preferences.

Cox Wealth Management, LLC participates in a Brokerage Platform offered by American Portfolios Financial Services, Inc. under the marketing name of the *Eagle Asset Management Account*. This platform allows for custom portfolios to be designed and managed according to the client investment objectives. The ticket and ancillary charges under this platform are paid directly to American Portfolios Financial Services, Inc. who has custody of the assets. Cox Wealth Management, LLC does not participate in these charges. Please refer to the "Custody" Section of this brochure for more information.

Cox Wealth Management, LLC manages client assets under either a discretionary basis which currently represents approximately 63% of client assets or non-discretionary or direct brokerage basis currently representing approximately 37% of client assets.

The firm's compensation is solely from fees paid directly by the clients. The firm does not receive commission based income from the purchase or sale of any financial product, including insurance. No commissions in any form are accepted by Cox Wealth Management, LLC. No finder's fees are solicited or accepted.

Cox Wealth Management, LLC is however directly affiliated with persons that do sell financial products or securities, who may also be licensed with broker dealers, insurance companies, and insurance agencies. This poses a conflict of interest when the affiliated associate also offers such products to clients. Please refer to the "Other Financial Industry Activates and Affiliations" of this brochure for more information.

Cox Wealth Management, LLC may also directly or indirectly benefit from client referrals from Richard L. Cox, Sr. its Chief Investment Manager who is profiled as an advisor in the Paladin Registry ([www.paladinregistry.com](http://www.paladinregistry.com)). Please refer to the "Incoming Referrals" Section of this brochure for more information.

Investment advice is provided as a part of the financial planning process, with the client making the final decision on investment or product selection. Cox Wealth Management, LLC does not act as a custodian of client assets. The client always maintains asset control. Cox Wealth Management, LLC places trades for clients under a limited power of attorney granted by the client.

An evaluation of each client's initial situation is provided to the client, often in the form of an online financial summary accessible by the client through a secure website. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting, which may be by telephone is free of charge and is considered an exploratory interview to determine the extent to which investment advice, tax advice, financial planning and investment or portfolio management services may be beneficial to the client.

---

## **Principal Owners**

Richard Lee Cox, Sr. the Chief Investment Manager and Managing Member of Cox Wealth Management, LLC is a 90% owner of the firm. His wife Margaret Renee' Cox is the Chief Financial Officer of Cox Wealth Management, LLC and a 10% owner of Cox Wealth Management, LLC.

---

## **Types of Advisory Services**

Cox Wealth Management, LLC provides investment supervisory services, also known as asset management services; reviews, selects and monitors non-affiliated third party money managers, manages investment advisory accounts not involving investment supervisory services; furnishes investment advice through consultations; issues special reports about securities; and provides, charts, graphs, formulas, or other devices which clients may use to evaluate securities.

On more than an occasional basis, Cox Wealth Management, LLC furnishes advice to clients on matters not involving securities, such as financial planning matters, taxation issues, business consulting, pension consulting and trust services that often include estate planning.

As of 12/31/2010, Cox Wealth Management, LLC manages and oversees approximately \$48,609,750.00 in total assets for approximately 279 clients. Approximately \$30,255,103.00 is managed on a discretionary basis, and \$18,354,647.00 is managed on a non-discretionary or direct brokerage basis.

---

## **Tailored Relationships**

The goals and objectives for each client are documented in the online planning application and the plan developed in consultation with the client. Investment policy statements are created that reflect the clients stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without client consent.

---

## **Types of Agreements**

The following agreements define the typical client relationships.

---

### **Financial Planning Agreement**

A financial plan is designed to help the client with all aspects of financial planning, without ongoing investment management unless elected after the financial plan is completed.

The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the discretion of the client.

The fee for a financial plan is predicated upon the facts known at the start of the engagement. The minimum fee is \$2,500.00 and increases for those clients with a total Net Worth above \$2,500,000.00 by calculating 1/10<sup>th</sup> of a percent of the total. *For example a \$5,000,000 (5 Million Dollar Networth) times 1/10<sup>th</sup> of a percent would be \$5,000.00 five thousand dollars.*

Total Net Worth is defined as the total assets over which the client has a beneficial interest in (*including trusts, estates, and foreign accounts*) less outstanding liabilities or obligations. This fee is negotiable with the purchase of other services. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments and may require additional advice which is billed outside the scope of the financial plan.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed, when a fee increase becomes necessary.

After delivery of a financial plan, future face-to-face meetings may be scheduled as necessary for up to one month. Follow-on implementation work is billed separately, according to the *Hourly Planning Engagement* schedule or under the complete services agreements offered through the *Pinnacle Advisory Service* as described in this document.

---

## **Pension Consulting Agreement**

Cox Wealth Management, LLC provides pension consulting for business clients seeking design, construction, custodian selection, investment selection, ERISA qualification and ongoing supervision of their pension plans.

*We may charge both hourly and/or ongoing management fees depending on the plan and the services requested by the client. Compensation is negotiated with the client in writing and disclosed per DOL and ERISA guidelines. CWM will work with plan sponsors in the development and design of ERISA plans and offering advice on plan assets on a negotiated basis either hourly or fee (or combination of both) depending on the client needs. In no event will CWM also charge for participant investment advice at the same time they are acting as the advisor to the plan.*

---

## **Employee Plan Review Agreement**

Cox Wealth Management, LLC also provides independent investment advice to individual plan participants of Employer sponsored qualified plans for a flat fee of \$125.00 per review. These reviews include the analysis of plan investment options and developing recommendations from available investment choices according to the client risk tolerance. They recommend that the client have quarterly reviews and updates to monitor the account progress, but do not offer continuous supervision due to lack of access to employee participant account information.

---

## Advisory Service Agreement

Clients can choose to have Cox Wealth Management, LLC manage their complete financial affairs by using the *Pinnacle Advisory Services Agreement* in order to obtain ongoing in-depth advice and life planning. All aspects of the client's financial affairs are reviewed, including those of their dependent children. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work and fee for the *Pinnacle Advisory Service Agreement* is provided to the client in writing prior to the start of the relationship. The *Pinnacle Advisory Service Agreement* includes: cash flow management; insurance review; investment and portfolio management (including performance reporting); education planning; retirement planning; estate planning; and tax advice, as well as the implementation of recommendations within each area.

The annual *Pinnacle Advisory Service Agreement* fee is based on a percentage of the investable assets according to the following schedule:

### FEE SCHEDULE

Account Value	Annualized Fee %*
\$50,000 - \$99,999	2.00
\$100,000 - \$249,999	1.95
\$250,000 - \$499,999	1.85
\$500,000 - \$749,999	1.75
\$750,000 - \$1,249,999	1.65
\$1,250,000 - \$1,999,999	1.55
\$2,000,000 - \$4,999,999	1.50
\$5,000,000 - \$9,999,999	1.25
\$ 10,000,000 – UP	Negotiable

The minimum annual fee is \$1,000.00 and is only negotiable with the purchase of additional services or the combining of additional accounts under unified management. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Although the *Pinnacle Advisory Service Agreement* is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an agreement by written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The *average daily balance* of the portfolio value is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

---

## Retainer Agreement

In some circumstances, a *Retainer Agreement* is executed in lieu of a *Fee Agreement* when it is more appropriate to work on a fixed-fee basis. The annual fee for a Retainer Agreement is negotiable based upon the estimated work and services desired by the client and is re-negotiated on an annual basis. If the contract is not re-negotiated then the agreement continues at the previously agreed rate until the agreement is either canceled or re-negotiated.

---

## Investment Management Agreement

The *Eagle Asset Management Account* may be executed as a standalone agreement when additional ongoing planning and advice is not desired as part of the relationship. The annual fee for the *Eagle Asset Management Account* is based on the following fee schedule:

FEE SCHEDULE	
Account Value	Annualized Fee %
\$50,000 - \$99,999	1.25
\$100,000 - \$249,999	1.00
\$250,000 - \$499,999	0.950
\$500,000 - \$749,999	0.925
\$750,000 - \$1,249,999	0.850
\$1,250,000 - \$1,999,999	0.825
\$2,000,000 - \$4,999,999	0.760
\$5,000,000 - \$9,999,999	0.725
\$ 10,000,000 – UP	Negotiable

The minimum annual fee is \$625.00 and is negotiable with the purchase of additional services or combining of accounts. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

---

## Third Party Money Managers

When certain investment management services are desired to be added to a client's portfolio, which Cox Wealth Management, LLC does not provide, they will then seek out non-affiliated third party Investment Managers.

Cox Wealth Management, LLC will conduct a due diligence process including a review of the outside firm's Form ADV, references, length of time in industry, performance, and management history. Once engaged they continue monitoring the manager and the ongoing portfolio performance against the client's stated goals and objectives.

The fee for this service is billed under the same schedule as the *Eagle Asset Management Account* fee schedule as described previously. Some Third Party Managers may deduct their fee from the assets they manage and share part of it with Cox Wealth Management, LLC. Cox Wealth Management, LLC will offset client fees by the amount received from the Third Party Money Managers. In no event will the fee paid to Cox Wealth Management, LLC exceed the amount normally received under a signed client advisory agreement.

The Third Party Manager will also have additional fees and expenses as compensation for their labor and expense. The Third Party Manager will disclose their fees in their Firm Brochure and under a separate signed client agreement.

---

## Tax Advice or Preparation Agreement

Tax Advice is included under the *Financial Planning, Pinnacle Advisory Service Agreement* or Retainer Agreement scope of work.

Tax *preparation* work is performed separately from all other services and is billed per their published hourly rates as listed under “*Hourly Planning Engagements*” in this document. Minimum fee for tax preparation is \$500.00.

---

## Hourly Planning Engagements

Cox Wealth Management, LLC provides hourly planning services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements is according to their hourly fee schedule as follows:

Administrative (Record Keeping, Filing, Typing, Correspondence)	\$ 55.00 Hour
Para-Planner (Planning Associates, Staff Reports, & Research)	\$ 115.00 Hour
Professional (Asset Allocation, Investment Advice, Financial Planning)	\$ 225.00 Hour

Hourly fees are billable each month as incurred, plus any additional out of pocket expenses for postage, long distance phone calls, overnight charges, duplication expenses or any other direct expenses. Cox Wealth Management, LLC makes an estimate for any hourly engagements that will take more than 3 hours and a deposit of 50% of the total estimated hourly fee shall be made at the beginning of any engagement.

---

## Asset Management

Assets are invested primarily in stocks, closed end funds, no-load or load mutual funds sold at Net Asset Value (*without a commission*) and exchange-traded funds, usually through discount brokers or fund companies. Cox Wealth Management, LLC may also use third party money managers to manage all or a portion of client assets if the need arises. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Third-Party Money Managers charge a fee as disclosed in their Firm Brochure. Discount brokerages may additionally charge transaction fees and service fees for the purchase, sale or administration of investments.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. The brokerage firm charges a fee for stock and bond trades. Cox Wealth Management, LLC does not receive any compensation, in any form, directly from fund or brokerage companies.

Investments may also include: equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, unit investment trusts, real estate investment trusts and mutual funds shares), U. S. government securities, options contracts, futures contracts, derivatives, and interests in partnerships.

Initial public offerings (IPOs) are not available through Cox Wealth Management, LLC.

---

## Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying Cox Wealth Management, LLC in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, Cox Wealth Management, LLC will refund any unearned portion of the advance payment.

Cox Wealth Management, LLC may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, Cox Wealth Management, LLC will refund any unearned portion of the advance payment.

---

## **Fees and Compensation Description**

Cox Wealth Management, LLC bases its fees on a percentage of assets under management, hourly charges, and fixed fees (not including subscription fees).

Some *Retainer Agreements* may be priced based on the complexity of work, especially when asset management is not the most significant part of the relationship.

Financial plans are priced according to the degree of complexity associated with the client's situation and calculated as a Percentage of Networth.

Fees maybe negotiable with the combining of multiple accounts or the purchase of additional services.

---

## **Fee Billing**

Investment management fees are billed quarterly, *in arrears*, meaning that the client is invoiced *after* the three-month billing period has *ended and as calculated by the qualified custodian using the average daily balance method*. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account as a convenience for clients. The client must consent in advance to direct debiting of their investment account. The qualified custodian will make the calculations and remit the fees payable with a detailed notice to the client listed on their quarterly holdings report.

Hourly Fees and Retainer Fees are billed by invoice directly to the client on either a monthly or quarterly basis as agreed in the signed agreement.

Fees for financial plans are billed 50% in advance, with the balance due upon delivery of the financial plan. The positive or negative values of option contracts are included in the net equity value of the account for purposes of determining the client advisory fee. Clients should be aware that option contracts are a "wasting" asset, in that they have value only through the date on which they expire. If call option contracts are sold in conjunction with securities held in a client account, (often referred to as "covered call options") the cash received on the sale of the option may have the effect of temporarily increasing the net equity value of the client account, and thus increasing the amount of the client advisory fee.

With respect to client accounts that utilize margin, the "net worth" or "net equity" value of the account, not the long or short market value, is used to determine the client advisory fee. No portion of the fee is based upon a share of capital gains upon, or capital appreciation of the funds under our management.

---

## **Rate Changes**

Rates and schedules are subject to change as necessary. Cox Wealth Management, LLC will notify the client of the new rates in writing. The effective date of the rate increase will be 30 days after notification. The client is supplied with a new rate schedule to be attached to their existing agreement within the 30 day period.

*Services provided by CWM might be obtained elsewhere at either a higher or lower cost.*

---

## Other Fees

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds, or stocks and bonds held in clients account. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Cox Wealth Management, LLC, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, purchase of multiple services, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Cox Wealth Management, LLC has a fiduciary duty to place the interests of the client ahead of their own, with full disclosure of any additional compensation when an associated person is acting in another capacity, such as a securities broker or insurance agent.

Cox Wealth Management, LLC offers offsetting credits to the advisory accounts of clients who pay securities commissions to their affiliated advisors when the client such assets under a management agreement. These offsetting credits reduce the advisory fee or retainer fees of clients who have assets covered under a signed Cox Wealth Management, LLC advisory agreement.

Service fees (sometimes referred to as 12b1 fees) paid to Cox Wealth Management, LLC affiliated advisors are not credited to any particular client but rather used by the advisor to lower the total cost of doing business. These costs are incidental and the amounts are so small and the transactions so numerous that the cost for accounting would exceed the nominal amount received.

Insurance products purchased through Cox Financial Centers, Inc. are not allowed to be credited to advisory accounts due to the laws against rebating insurance in most states. Therefore no credits are made to any client account purchasing insurance products through Cox Financial Centers, Inc. or its agent Richard Lee Cox, Sr.

Insurance products recommended can be purchased through other agents not affiliated with Cox Wealth Management, LLC. There is no requirement that the products be purchased through Cox Financial Centers, Inc. or its agent Richard Lee Cox, Sr.

Investment products recommended may also be purchased through other brokers or agents not affiliated with Cox Wealth Management, LLC. If so elected Cox Wealth Management, LLC would not be able to provide continuous supervision or management of the held away assets. This service would be covered under an hourly engagement with the client responsible for the execution of any recommendations.

---

## Expense Ratios

Mutual funds, Variable Annuities and Electronic Traded Funds (ETF's) generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the fund company charges 0.5% for their services. These internal fees are in addition to the fees paid to Cox Wealth Management, LLC and disclosed in the prospectus given by the investment company. Be sure to read the prospectus carefully prior to investing.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

---

## **Past due Accounts and Termination of Agreement**

Cox Wealth Management, LLC reserves the right to stop work on any account that is more than 60 days overdue. In addition, Cox Wealth Management, LLC reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Cox Wealth Management, LLC's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 14 days.

---

## **Performance Based Fees/Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Cox Wealth Management, LLC does not use a performance-based fee structure because of the conflict of interest that exists. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## ***Types of Clients***

---

### **Description**

Cox Wealth Management, LLC generally provides investment advice to individuals, investment companies, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities. Client relationships vary in scope and length of service.

---

### **Account Minimums**

The minimum account size for the *Eagle Asset Management Account* is \$50,000 of assets under management, which equates to an annual fee of \$625.00.

When an account falls below \$50,000.00 in value, the minimum annual fee of \$625.00 is charged. Depending upon circumstances, Cox Wealth Management, LLC will sign an *Hourly Agreement* with the client if assets have diminished significantly below \$50,000.

Cox Wealth Management, LLC has the discretion to waive the account minimum. Accounts of less than \$50,000.00 which may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$50,000.00 within a reasonable time, or when combining multiple accounts or services for billing. Other exceptions will apply to employees of Cox Wealth Management, LLC and their relatives, or relatives of existing clients.

Clients receiving ongoing Advisory Service through the *Pinnacle Advisory Service Agreement* will be assessed a \$1,000.00 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

---

## ***Methods of Analysis, Investment Strategies and Risk of Loss***

---

### **Methods of Analysis**

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that Cox Wealth Management, LLC may use include Morningstar Advisor Workstation mutual fund information, Morningstar Stock information, Dorsey Wright Momentum Research, Hulbert Research and the World Wide Web.

Investing involves the risk of loss that clients should be prepared to bear, including the loss of principal. No investment strategy can protect a portfolio from all risks so clients should understand and be willing to accept the associated risks with investing.

---

## **Investment Strategies**

### **Tactical Asset Management**

The primary investment strategy used on client accounts is a tactical asset allocation strategy utilizing Relative Strength Studies. This means that Cox Wealth Management, LLC will use individual stocks, closed end mutual funds, and exchange-traded funds as the core investments, and then track the strength of the individual assets against their peer group and the broader sectors in which they are classified, looking for opportunities to make a difference.

Cox Wealth Management, LLC may employ a trailing stop to sell a position if it falls below their adjusted limits. They also may employ the use of ETN's electronic traded notes which base their value on underlying derivatives such as options or commodity contracts. Portfolios are globally diversified to attempt to control the risk associated with traditional markets, however due to trading securities based on their relative strength it may also require trading securities more frequently during times of excessive market volatility. This can result in increasing trading costs and taxes (*in a taxable account*) both of which can result in reduced overall portfolio performance. Other strategies affecting all type of Investment accounts may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

### **Strategic Asset Management**

Cox Wealth Management, LLC will also provide strategic asset allocations for those clients wishing a traditional mutual fund allocation. This means they use mutual funds screened by their objective for each portion of the allocation model and then evaluated for the 1, 3, & 5, year performance. They further screen for manager tenure, time at the firm, size of the fund and star rating by Morningstar. The allocation model once defined according to the client risk tolerance is then further adjusted for both the relative strength and the current economic outlook as determined by the advisor.

### **Variable Annuity Asset Management**

Cox Wealth Management, LLC will also offer discretionary management for variable annuity contract clients subject to the restrictions and limitations imposed on the contracts by the issuing insurance companies. They use a rebalancing and investment selection process similar to the strategic asset management as described above. Variable contracts have investment options known as sub-accounts which carry separate management fees in addition to the policy fees assessed by the insurance company, for mortality and expense charges and any insurance riders which may be purchased. These fees are established by the issuing insurance company and investments managers of the sub-accounts. Any commissions paid to Cox Wealth Management, LLC affiliated advisors will offset a like amount to any advisory agreement with Cox Wealth Management, LLC, as long as the variable contract is part of

the signed advisory services agreement.

The investment strategy for a specific client is based upon the objectives as stated by the client during consultations. The client may change these objectives at any time. The client must execute a Limited Power of Attorney for Variable Contracts allowing discretionary trading of the contract.

Upon termination of the LPOA the investment accounts remain as last allocated and the owner must instruct the Insurance Company or agent directly if they desire any changes to be made. Once accepted by CWM, this LPOA continues in effect until verbal or written notification of termination is received from the contract owner. The telephone transaction privilege given to CWM may be canceled by the owner at any time by notifying the Insurance Company directly to cancel the agent authority

---

## **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Cox Wealth Management, LLC's investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- *Interest-rate Risk*: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk*: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- *Inflation Risk*: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk*: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk*: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk*: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk*: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk*: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Political Risk*: Laws governing any country are subject to change and as such can create financial stress when abruptly changed. This can affect a single industry or the broader economy causing unexpected results, sometimes known as "unintended consequences".

- *Derivative Risk*: When the value of an asset is based upon other underlying assets such as commodities or options contracts. The derivative can leverage the value of the asset by multiples resulting in increased volatility in either an up or down market.
- *Risk of Loss*: Investing carries with it the risk of loss, including the loss of invested principal. Understanding this risk can help investors decide how much of their money they are comfortable in placing in any given asset.

### ***Disciplinary Information***

---

#### **Legal and Disciplinary**

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

### ***Other Financial Industry Activities and Affiliations***

---

#### **Financial Industry Activities**

Cox Wealth Management, LLC is registered as an investment advisor and only acts in that capacity. Registration does not imply a certain level of skill or training

#### **Affiliations**

Cox Wealth Management, LLC has arrangements that are material to its advisory business or its clients with a related person who is also affiliated with a broker-dealer, Investment Company, other investment advisor, accounting firm, insurance company or agency.

Richard Lee Cox Sr. Chief Investment Manager of the firm is also affiliated with American Portfolios Financial Services, Inc. a Registered Broker Dealer as a Registered Representative (*the term Registered does not imply a certain level of skill or training*) offering securities which are sold on a commission basis. He also may receive service fees from certain mutual funds, and asset based sales charges from certain broker dealer sold products. Commission income can present a conflict of interest as the advisor may recommend such investment products over others based on the commissions received.

Richard Lee Cox, Sr. Chief Investment Manager of Cox Wealth Management, LLC is also affiliated with Cox Financial Centers, Inc. a licensed insurance agency where he markets and sells Life, Health, Disability, Long Term Care and Group insurance products as a licensed insurance agent. These products pay commissions to Cox Financial Centers, Inc. and directly benefit Richard Lee Cox, Sr. as the General Agent. Clients may purchase recommended products through any agent.

Cox Wealth Management, LLC does not participate directly in any commissions earned, and has procedures in place to ensure clients are fully informed of any commission transactions prior to execution by their advisors. In all circumstances Cox Wealth Management, LLC holds their advisors' to a fiduciary standard of care, meaning the advice given is impartial and clients are under no obligation as to where to purchase any recommended products or investments.

Richard Lee Cox, Sr. is also a stockholder with his wife Margaret Renee' Cox in Legacy Trust Administration Services, Inc. an accounting company specializing in trust, estate, and partnership accounting services provided on either a retainer or an hourly basis.

---

## **Other Investment Advisers**

Cox Wealth Management, LLC may recommend other investment advisers for consideration by their clients. In such relationships they act as the supervising manager monitoring the outside investment adviser. Some investment advisers share the revenue they receive for managing the assets with Cox Wealth Management, LLC. Cox Wealth Management, LLC will offset client fees by any amount received.

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

---

### **Code of Ethics**

The employees of Cox Wealth Management, LLC have committed to a Code of Ethics that is available for review by clients and prospective clients upon request.

### **Participation or Interest in Client Transactions**

Cox Wealth Management, LLC and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees are required to comply with the trading provisions as outlined in the Cox Wealth Management, LLC Compliance Manual.

### **Personal Trading**

The Chief Compliance Officer of Cox Wealth Management, LLC is Richard Lee Cox, Sr. He reviews all employee trades before execution. His trades are reviewed by Charles Wayne Cordle, Jr his Registered Assistant\*

Due to his relationship as a Registered\* Representative of American Portfolios Financial Services, Inc Richard Lee Cox, Sr trades are also reviewed for suitability by their compliance department as mandated by the Financial Industry National Regulatory Authority (FINRA).

The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm do not receive preferential treatment. Since most employee trades are stocks, closed end funds, small mutual fund trades or exchange-traded fund trades, the trades do not materially affect the securities markets.

*(\* registration does not imply a certain level of skill or training).*

### ***Brokerage Practices***

---

### **Selecting Brokerage Firms**

Cox Wealth Management, LLC does not have a direct affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. Cox Wealth Management, LLC recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates and related services provided.

Cox Wealth Management, LLC recommends discount brokerage firms and trust companies (qualified custodians), such as American Portfolios Financial Services, Inc. and its clearing firm Pershing, LLC.

The custodians publish a list of their brokerage and transaction fees which are delivered to a client prior to opening an account.

Cox Wealth Management, LLC *does not* receive fees or commissions from any of these arrangements.

However, Richard Lee Cox, Sr. the Chief Investment Manager of Cox Wealth Management, LLC may receive commissions or service fees as a Securities Broker affiliated with American Portfolios Financial Services, Inc. and this is a conflict of interest. (*See the Affiliations Section*)

Since most of the portfolios are constructed with individual stocks, bonds, closed end funds and electronic traded funds the amount of such income would be negligible within such Advisory Services account.

---

## **Best Execution**

Cox Wealth Management, LLC reviews the execution of trades at the custodian each quarter. The review is documented per the Cox Wealth Management, LLC Compliance Manual. Trading fees charged by the custodians are also reviewed on a quarterly basis. Cox Wealth Management, LLC does not receive any portion of the trading fees. The fees charged may be higher or lower at other firms.

---

## **Soft Dollars**

Cox Wealth Management, LLC receives software and technology services from American Portfolios Financial Services, Inc. allowing the ability to electronically trade client accounts. Most client assets are custodied at American Portfolios Financial Services, Inc. and its clearing firm Pershing, LLC. This access offsets some of the annual maintenance and technology fees Cox Wealth Management, LLC would otherwise have to pay. The selection of American Portfolios Financial Services, Inc. as a custodian for clients is not affected by this nominal benefit, the primary benefits for using American Portfolios is the ability to trade all accounts in a single transaction (*otherwise known as aggregate trading or block trading*), and the overall transaction fee pricing, prospectus fulfillment, and electronic trading interface. These services may be higher or lower at other clearing firms.

All clients benefit from this arrangement as it reduces the firm's overall expenses.

---

## **Directed Brokerage**

Cox Wealth Management, LLC recommends that clients execute transactions through American Portfolios Financial Services, Inc. and its clearing firm Pershing, LLC for several business and regulatory reasons.

Richard Lee Cox, Sr. the Chief Investment Manager of the firm is affiliated with American Portfolios Financial Services, Inc. as a Securities Broker and Branch Manager and as such is required by the regulators to have his transactions supervised by their compliance and supervision department.

By using a single custodian client accounts can be block traded in aggregate potentially lowering costs or obtaining better pricing for the clients. By *not* directing brokerage to American Portfolios Financial Services, Inc. and its clearing firm Pershing, LLC it could potentially prevent Cox Wealth Management, LLC from obtaining the most favorable execution for client transactions and potentially increasing the cost.

Cox Wealth Management, LLC will provide investment advice to clients who wish to establish brokerage accounts with other custodians. These arrangements are priced under hourly agreements and no supervision or management services are provided for the held away assets. When using these types of brokerage arrangements it may result in higher brokerage commissions because the trades cannot be aggregated with other client accounts and the pricing may be less favorable.

The costs associated with conducting transactions through American Portfolios Financial Services, Inc. may be higher or lower at other brokerage firms.

---

## **Order Aggregation**

Cox Wealth Management, LLC may engage in aggregate trading when purchasing the same security for the benefit of more than one discretionary account at a time. If an order is filled, each participating client receives the same average share price for all the transactions in a given aggregated trade, on a given business day, with the transaction costs shared equally and on a pro-rata basis when custodied at the same brokerage firm.

---

## **Periodic Reviews**

Advisory Account reviews are performed quarterly by Richard Lee Cox, Sr., CFP® and may be performed more frequently when market conditions dictate.

Performance reports are mailed quarterly for those clients requiring paper delivery. These reports compare the performance of the portfolio against an equity index and a bond index over the previous year, the portfolio breakdown by class, the assets held in the account by value and percentage, the gain or loss in the portfolio over the time period measured and the beginning and ending value.

Cox Wealth Management, LLC provides daily updates to their client advisory accounts through their secure website. Clients have the ability to access their account information and run performance reports at any time by using their secure logon identification and password. This ability allows the client and the advisor the ability to review the account on a daily basis if needed.

Financial Planning reviews are provided on an as need basis with notices send annually as a reminder. Cox Wealth Management, LLC provides virtual planning services with the client's information accessible through their secure website. Clients can access their financial plan at any time by using their logon identification and password. This ability allows both the advisor and the client to collaborate and update information as needed.

Clients can view and print their financial plan online and contact their advisor with any updates or changes as required. If the client wishes a printed plan or report then one will be provided at no cost.

Cox Wealth Management, LLC contracts with third party providers to collect and aggregate the data on their secure website for both the Advisory and Planning clients. No warranty is expressed or implied as to accuracy of the data collected or presented. While the data is believed to be reliable it is provided as a courtesy for their clients on a best efforts basis by the third party providers.

---

## **Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

---

## **Regular Reports**

Clients receive periodic communications on at least an annual basis. *Pinnacle Advisory Service Agreement* clients, *Eagle Asset Management Account* clients, and *Retainer Agreement* clients receive written quarterly updates if requested. The written updates may include a portfolio statement, and/or a summary of objectives and progress towards meeting those objectives depending on the type of agreement. The reports may be delivered electronically by client request.

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

---

### **Incoming Referrals**

Cox Wealth Management, LLC has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these type of referrals.

Cox Wealth Management, LLC may directly or indirectly obtain client referrals from Richard Lee Cox, Sr. who is profiled in the Paladin Registry ([www.paladinregistry.com](http://www.paladinregistry.com)). Investors use the Registry's online services to learn about financial advisors, to learn how to avoid bad financial advice, to learn how to select quality advisors, to search for financial advisors, and to view advisor documentation. Paladin matches their listed financial professionals to investors who use the Registry's Self and Custom Search services and its documentation for their credentials, ethics, business practices, and financial services. Their professionals pay fixed monthly dues to be profiled in the Registry and to receive referrals. Paladin uses the dues to provide free information and search services to potential investors.

---

### **Referrals Out**

Cox Wealth Management, LLC does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

---

### **Other Compensation**

Cox Wealth Management, LLC does not receive any additional compensation for advisory services.

### ***Custody***

---

### **Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

---

### **Performance Reports**

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Cox Wealth Management, LLC.

---

### **Net Worth Statements**

Cox Wealth Management, LLC clients are frequently provided net worth statements and net worth graphs that are generated from their online financial planning system. Networth statements contain approximations of bank account balances provided by the client, as well as the estimated value of land and hard-to-price real estate and other hard to price assets as requested. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

## ***Investment Discretion***

---

### **Discretionary Authority for Trading**

Cox Wealth Management, LLC accepts discretionary authority to manage securities accounts on behalf of clients. Cox Wealth Management, LLC has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. This authority is granted by a limited power of attorney as described in the Client agreement. However, Cox Wealth Management, LLC consults with the client prior to each trade for those accounts where discretionary authorization has not been given.

The client approves the custodian to be used and the transaction fees, commission rates, and service fees paid to the custodian. Cox Wealth Management, LLC does not receive any portion of the fees paid by the client to the custodian.

Discretionary trading authority facilitates placing trades in accounts on behalf of a client so that Cox Wealth Management, LLC may promptly implement the investment policy that has been approved by the client in writing.

---

### **Limited Power of Attorney**

A limited power of attorney is a trading authorization to allow Cox Wealth Management, LLC discretion to only purchase and sell securities and limited as to the type of security selected, timing and amount. It does not allow funds to be withdrawn from the account or transferred to another account without express written permission from the client. Clients sign a limited power of attorney so that Cox Wealth Management, LLC may execute the trades as agreed.

## ***Voting Client Securities***

---

### **Proxy Votes**

Cox Wealth Management, LLC does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, Cox Wealth Management, LLC will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

## ***Financial Information***

---

### **Financial Condition**

Cox Wealth Management, LLC does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because Cox Wealth Management, LLC does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.

## ***Business Continuity Plan***

---

### **General**

Cox Wealth Management, LLC has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

---

### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

---

### **Alternate Offices**

Alternate offices would be identified to support ongoing operations in the event the main office is unavailable. It is their intention to contact all clients within five days of a disaster that dictates moving their office to an alternate location.

---

### **Loss of Key Personnel**

Cox Wealth Management, LLC has signed a Business Continuation Agreement with another financial advisory firm to support Cox Wealth Management, LLC in the event of Richard Lee Cox, Sr.'s serious disability or death.

---

## ***Information Security Program***

---

### **Information Security**

Cox Wealth Management, LLC maintains an information security program to reduce the risk that client's personal and confidential information may be breached.

---

### **Privacy Notice**

**Client privacy is important to us Cox Wealth Management LLC, ("CWM")**, along with its sister companies Cox Financial Centers, Inc. and Legacy Trust Administration Services, Inc. (*The Cox Financial Group of Companies*) is committed to protecting client privacy and maintaining client trust. That is why CWM wants their clients to understand how they protect client privacy when they collect and use information about their clients, and the steps that they take to safeguard that information.

**Please read this to learn how we will handle client (private) personal information:**

#### **Information CWM Collects (About their Clients):**

In connection with providing investment products, financial advice or other services, CWM obtains non-public (or private) personal information about clients, including:

- Information they receive from clients on account applications, such as their address, date of birth, social security number, occupation, financial goals, assets and income;

- Information about client transactions with CWM, their affiliates, or others; and
- Information received from credit or service bureaus or other third parties, such as a client's credit and medical history or Employment status.

**Categories of Information CWM Discloses:**

CWM may be required to disclose all information that they collect to regulators, government agencies and under court order. Cox Wealth Management LLC and its affiliates do not sell customer lists and will not sell or disclose a client's name or information to telemarketers.

**Disclosure of Client Information to Third Parties:**

In some cases, it may be beneficial to share financial information with a trusted third party, such as a family member or other professional(s) with whom a client may work with, such as their Attorney or CPA. As this information is protected by federal and state privacy laws, written permission is required to share client information with any third party. A signed Privacy Waiver Form must be obtained from the client prior to sharing any financial information with any third party as designated on the form. For joint accounts, each account owner needs to complete the form, and the information on each form must be the same. Signed forms must be maintained in CWM client files per regulations.

**(Third Parties to Whom CWM Discloses Client Information):**

CWM will disclose information regarding a client or their account with CWM, under the following circumstances:

- To American Portfolios Financial Services, Inc. ("APFS"), (a broker-dealer firm) and their Registered Representative and his or her manager for regulatory and supervision of client accounts;
- Cox Wealth Management LLC permits Registered Representatives of American Portfolios Financial Services, Inc. and Associated Persons of Cox Wealth Management LLC that terminate their affiliation with Richard L. Cox, Sr to make copies of their files,
- To CWM's sister companies or their affiliates, to extent permitted by law for processing client transactions;
- To entities that perform services for CWM or function for their behalf, including financial service providers, such as a clearing broker-dealer, (for example APFS or Pershing), an investment company, (such as a Mutual Fund Company), or an insurance company, (such as Jackson National Life);
- To consumer reporting agencies,
- To third parties who perform services or marketing on CWM's behalf,( such as Emerald Publications);
- To their attorneys, accountants or auditors; and
- To government entities or other third parties in response to subpoenas or other legal process as required by law or to comply with regulatory inquiries.

**How CWM Uses (Client) Information:**

Information may be used by American Portfolios Financial Services, Inc. and other companies that perform support services for CWM, such as billing, data processing, technical (computer) systems consultants and programmers, or companies that help them market products and services to clients for a number of purposes such as:

- **To protect client accounts** from unauthorized access or identity theft;
- **To process client requests** such as securities purchases and sales
- **To establish or maintain an account with an unaffiliated third party**, such as a clearing broker-dealer (APFS & Pershing) providing services to the client and/or Cox Wealth Management LLC;
- **To service client accounts**, such as by issuing checks and account statements;
- **To comply** with Federal, State and Self-Regulatory Organization requirements;
- **To keep clients informed** about financial services of interest to them.
- **For Supervision and Monitoring** for suitability and regulatory requirements.

#### **CWMs Security Policy:**

CWM restrict(s) access to nonpublic (or private) personal information about clients to those individuals who “**need to know**” that information to provide products or services to clients and perform their respective duties. CWM maintain(s) physical (locked doors), electronic (password protection, encryption and firewalls) and procedural (back up computer systems with data taken off-site) security measures to safeguard confidential client information.

#### **Closed or Inactive Accounts:**

If a client decide(s) to close their account(s) or become an inactive customer, (meaning they no longer respond to CWM contacts and do not execute transactions through CWM), this Privacy Policy will continue to apply to that client.

#### **Complaint Notification:**

Please direct complaints to: Cox Wealth Management LLC. 6031 Shallowford Road. Suite 109. Chattanooga. TN 37421-1984. Telephone: 423-894-3882

#### **Changes to this Privacy Policy:**

If any substantial changes are made in the way CWM use(s) or disseminate(s) confidential information, (each client will be notified). If there are any questions concerning this Privacy Policy, please write to: Cox Wealth Management LLC. 6031 Shallowford Road. Suite 109. Chattanooga. TN 37421-1984. Or Telephone: 423-894-3882

## **BROCHURE SUPPLEMENT**

(Part 2B of Form ADV)

December 31, 2010

**RICHARD L. COX, SR. QFP, CFP<sup>®</sup>, ChFC<sup>®</sup>, CWM<sup>™</sup>, MFP<sup>™</sup>, ATA<sup>®</sup>, CLU<sup>®</sup>, AEP**



6031 Shallowford Road • Suite 109  
Chattanooga • TN, 37421-1984

800-929-3574

423-894-3882 • 423-899-6502 fax • [Info@coxwealth.com](mailto:Info@coxwealth.com)  
[WWW.COXWEALTH.COX](http://WWW.COXWEALTH.COX)

This brochure supplement provides information about Richard Lee Cox, Sr. which supplements Cox Wealth Management, LLC's brochure. You should have received a copy of that brochure. Please contact us at (423) 894-3882 if you did not receive the Cox Wealth Management, LLC's brochure or if you have any questions about the contents of this supplement. Thank you.

Additional information about Richard Lee Cox, Sr. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

---

**Education and Business Standards:**

Cox Wealth Management, LLC requires that advisors in its employ have either a bachelor's degree or relevant business experience and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA®, a ChFC®, JD, CTFA, EA, ATA® or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

---

**RICHARD L. COX, SR. QFP, CFP®, ChFC®, CWM™, MFP™, ATA®, CLU®, AEP**

YEAR OF BIRTH 1953

---

**Executive Summary:**

Richard Lee Cox, Sr. began his financial services career in 1976 as a field agent for a regional insurance company. He earned recognition as outstanding agent of the year for several years, primarily as a result of his unique insurance analysis and review process he developed for use with his clients. He was eventually promoted to Unit Supervisor and managed a team of agents. He also collaborated with the Home Office as the chief designer in the construction of a specialized insurance product that was a competitive alternative to universal life insurance.

Not having a formalized college education after graduating high school in 1972 he enrolled in an advanced insurance educational program in 1977 and continued his education at the American College in Bryn Mawr, PA and the College for Financial Planning in Denver, CO, with a concentration in financial planning. He has earned several professional designations. In 2006 he challenged and passed the two day 10 hour Certified Financial Planner™ exam.

In 1984 he founded Cox Financial Centers, Inc. an independent insurance agency to enable him to offer insurance products to his clients. He became licensed as a securities representative in 1985 to offer mutual funds and variable products to his clients. In 1986 he became General Securities licensed to be able to offer individual stocks, bonds, and other securities to his planning clients.

In 1993 he founded Legacy Trust Administration Services, Inc. and serves as its CEO. Legacy provides trust, estate, and business accounting services to its clients.

In 1992 he became the Legal Agent and Managing Principal for FSC Advisory Corporation a wholly owned SEC Registered Investment Advisory firm of Financial Service Corporation, offering fee based investment advice to his clients. The experience gained in operating the fee based firm proved valuable in the design and build out of his own Registered Investment Advisory firm Cox Wealth Management, LLC which he founded in 1998 when FSC Advisory Corporation was merged into FSC Securities Corporation.

He founded Advisor Planning Corporation in 2001 as a consulting firm to other financial planners and financial services companies. He is frequently contacted by financial services firms for consulting engagements on the design and implementation of back office systems, processes and the technology necessary to create efficiencies in their operations. He has served as outside consultant to many of the firms which he has been associated as well as on various advisory boards in the industry.

Richard Lee Cox, Sr. chose the commission and fee combination form of compensation (also known as a Hybrid Model in the industry) because many times when instructing clients to purchase a specific commission product clients did not know where or how to acquire the recommended products. This resulted in skewed investment allocations, higher costs, and lessened opportunity to achieve the financial

## Form ADV Part 2B

goals established for the client. By offering commission products he is able to match the specific product needed to the financial plan recommendations and aid his clients through the process.

---

**Professional Education:**

<b>THE AMERICAN COLLEGE, Bryn Mawr, PA</b> ( <i>Graduate Course</i> ) <i>ACCREDITED ESTATE PLANNER CURRICULUM</i>	<b>2007</b>
<b>CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.,</b> <b>Washington, DC</b> <i>CERTIFIED FINANCIAL PLANNER™ EXAM</i> <i>10 Hour Challenge Exam, Georgia State University, Atlanta, GA</i>	<b>2006</b>
<b>THE AMERICAN COLLEGE, Bryn Mawr, PA</b> ( <i>Life Insurance</i> ) <i>CHARTERED LIFE UNDERWRITER CURRICULUM,</i>	<b>2001-2006</b>
<b>THE AMERICAN COLLEGE, Bryn Mawr, PA</b> ( <i>Financial Planning</i> ) <i>CHARTERED FINANCIAL CONSULTANT CURRICULUM,</i>	<b>1984-1996</b>
<b>COLLEGE FOR FINANCIAL PLANNING, Denver, Co,</b> <b><i>Institute of Tax Studies</i></b> ( <i>Masters of Science</i> ) <i>ACCREDITED TAX ADVISOR CURRICULUM,</i>	<b>1993-1995</b>
<b>THE AMERICAN COLLEGE, Bryn Mawr, PA</b> <i>LIFE UNDERWRITER TRAINING COUNCIL CURRICULUM,</i>	<b>1977-1988</b>

---

**Professional Designations:**

<b>ACCREDITED ESTATE PLANNER</b> <i>Awarded 2008</i> The National Association of Estate Planners & Councils, Cleveland, OH	<b>(AEP®)</b>
<b>CHARTERED LIFE UNDERWRITER®</b> <i>Awarded 2006</i> The American College, Bryn Mawr, PA	<b>(CLU®)</b>
<b>CERTIFIED FINANCIAL PLANNER™ PRACTITIONER</b> <i>Awarded 2006</i> The Certified Financial Planner Board of Standards, Inc. Washington, DC	<b>(CFP®)</b>
<b>CHARTERED WEALTH MANAGER™</b> <i>Awarded 2005</i> The American Academy of Financial Management Colorado Springs, CO	<b>(CWM™)</b>
<b>MASTER FINANCIAL PROFESSIONAL™</b> <i>Awarded 2005</i> The American Academy of Financial Management Colorado Springs, CO	<b>(MFP™)</b>

## Form ADV Part 2B

**QUALIFIED FINANCIAL PLANNER** (QFP)*Awarded 2003*The International Association of Qualified Financial Planners  
Beverly Hills, CA**CHARTERED FINANCIAL CONSULTANT**<sup>®</sup> (ChFC<sup>®</sup>)*Awarded 1996*The American College,  
Bryn Mawr, PA**ACCREDITED TAX ADVISOR**<sup>®</sup> (ATA<sup>®</sup>)*Awarded 1995*The Accreditation Council for Accountancy & Taxation,  
Alexandria, VA

---

*\*Richard Lee Cox, Sr has earned certifications and credentials that are required to be explained in further detail please refer to the explanations for each designation listed at the end of this document.*

---

**License and Registrations**

Richard Lee Cox, Sr. is licensed to sell securities and holds the following securities licenses:  
CRD # 1403565

**Series 65 (Uniform Investment Adviser Law)** 1996**Series 24 (General Securities Principal)** 1988**Series 7 (General Securities Representative)** 1987**Series 63 (Uniform Securities Agent State law)** 1985**Series 6 (Investment Representative)** 1985You can verify these licenses online at <http://www.finra.org/brokercheck>

Richard Lee Cox, Sr. is licensed to sell insurance and holds the following insurance licenses:

Tennessee Department of Commerce and Insurance

**Licensed Insurance Agent, Life, Health and Variable Contracts** 1976

TN License # 0026387

You can verify licenses online at <https://sbs-tn.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp>**Professional Experience****Cox Wealth Management, LLC, Chattanooga, TN,**

Chief Investment Manager, 1998 to Present

**Cox Financial Centers, Inc. Chattanooga, TN,**

President/CEO, 1984 to Present (Formerly Cox &amp; Associates)

**Legacy Trust Administration Services, Inc. Chattanooga, TN,**

CEO, 1993 to Present

**American Portfolios Financial Services, Holbrook, NY**

Registered\* Principal/ Branch manager, 2010 to Present

## Form ADV Part 2B

**FSC Securities Corporation, Atlanta, GA,**  
Registered\* Principal/ Branch manager, 1992 to 2010

**FSC Agency, Inc., Atlanta, GA,**  
Insurance Broker, 1992 to 2010

**Advisor Planning Corporation, Chattanooga, TN,**  
President/ CEO, 2001 to Present

**Cox Mortgage Advisors, Inc. Chattanooga, TN,**  
President/CEO, 1999 to 2002

**FSC Advisory Corporation, Atlanta, GA,**  
Legal Agent/Principal/Associated Representative, 1992 to 1998

**SunAmerica Securities, Phoenix, AZ,**  
Registered\* Principal/ Branch Manager, 1989 to 1992

**Southmark Financial Services, Dallas, TX**  
Registered\* Principal/ Branch Manager, *purchased by SunAmerica in 1989, 1986-1989*

**American United Life, Indianapolis, IN,**  
Agent / Broker, 1995 to Present

**The Columbus Mutual Life, Columbus, OH,**  
General Agent/ Broker, 1989 to Present

**The Guardian Life, New York, NY,**  
Agent/ Unit Supervisor/ Broker, 1986 to Present

**Principal Mutual, Des Moines, IA,**  
Agent/ Unit Supervisor/ Broker, 1984 to Present

**Bankers Life Equity Sales, Des Moines, IA,**  
Registered\* Representative, 1985-1986

**American General Life** (formerly **Life & Casualty Insurance Company of Tennessee, Nashville, TN**)  
Agent/ Unit Supervisor, 1976 to 1984

\* Registered does not imply a certain level of skill or training

---

## Affiliated Associations & Experience

**American Portfolios Financial Services, Inc** **2010**  
*Advisory Committee Member (2011-2014)*

**The American Academy of Financial Management** **2005**  
**Colorado Springs, CO**

**The Estate Planning Council of Chattanooga, Chattanooga, TN** **2003**  
*Board Member (2009-2012)*

## Form ADV Part 2B

<b>International Association of Qualified Financial Planners</b> <b>Beverly Hills, CA</b> <i>Board Member (2002-2004)</i> <i>Membership Chair (2002-2004)</i> <i>Awarded Life Membership for Service (2004)</i>	<b>2002</b>
<b>Financial Planning Association</b> <b>Washington, DC</b>	<b>2002</b>
<b>National Society of Accountants</b> <b>Alexandria, VA</b>	<b>1992</b>
<b>FSC Securities Corporation</b> <b>Atlanta, GA</b> <i>Advisory Board Member (1995-2001)</i>	<b>1992</b>
<b>Society of Financial Service Professionals</b> <b>Bryn Mawr, PA</b> <i>Chattanooga Chapter Board Member (2003-2007)</i> <i>Chattanooga Chapter Professional Development Chair (2004-2005)</i> <i>Chattanooga Chapter President (2005-2006)</i>	<b>1991</b>
<b>International Association for Financial Planning</b> <b>Atlanta, GA (Merged into Financial Planning Association)</b>	<b>1987</b>

---

### Item 3: Disciplinary Information

Cox Wealth Management, LLC is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of each investment person providing advice to you. Richard Lee Cox, Sr. has no information required to be disclosed under this Item.

---

### Item 4: Other Business Activities

In addition to his activities at Cox Wealth Management, LLC, Richard Lee Cox, Sr. is a Registered\* Principal of American Portfolios Financial Services, Inc. ("APFS") through which he manages and supervises a Branch Office. APFS is a registered broker-dealer with the Financial Industry National Regulatory Authority (FINRA), the Securities and Exchange Commission (SEC) and various states and a member of the Securities Investor Protection Corporation (SIPC). In this capacity, Mr. Cox may place clients in investment products sold through APFS and receives a usual and customary commission for doing so. Many such products have fixed commissions as they are sold through a prospectus. In this capacity, Mr. Cox spends approximately 20% of an average work week. Cox Wealth Management, LLC and APFS are unaffiliated companies.

Mr. Richard Lee Cox, Sr. is also the President/CEO of Cox Financial Centers, Inc. an Independent Insurance Brokerage agency which brokers Insurance products. Approximately 5% of an average work week is allotted by Mr. Richard L. Cox, Sr. to this activity.

Mr. Richard Lee Cox, Sr. is also the CEO of Legacy Trust Administration Services, Inc. a trust administration company that renders accounting and tax preparation services for trusts, estates, partnerships and businesses. Approximately 5% of an average work week is allotted by Mr. Richard L. Cox, Sr. to this activity.

**Form ADV Part 2B**

Mr. Richard Lee Cox, Sr. is also the President/CEO of Advisor Planning Corporation, a marketing and service company, which provides consulting and support services to other outside Financial Advisors. Approximately 15% of an average work week is allotted by Mr. Richard L. Cox, Sr. to this activity.

To the extent that Mr. Cox recommends the purchase of securities, insurance or other investment products, where he may receive commissions. A conflict of interest exists because Mr. Cox receives sales compensation even if such a recommendation is based on the best interest of the clients and their needs. Cox Wealth Management, LLC has adopted certain procedures designed to mitigate the effects of these conflicts.

For example, as part of Cox Wealth Management's fiduciary duty to clients, Mr. Cox will endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be suitable and in the best interests of the client. Additionally, material conflicts presented by these practices are disclosed to clients at the time of entering into any new advisory, brokerage or consultative arrangement.

In order to further mitigate these potential conflicts of interest, Richard Lee Cox, Sr. and Cox Wealth Management, LLC allow offsetting credits equal to any securities commissions earned in an advisory account, when both type of assets are held within the same account.

Accordingly, some accounts are designated as "commission accounts" where Mr. Cox receives commissions as compensation or as an "advisory account" where fees are based on a percentage of assets under management, *with no commissions charged*, but not both in the same account, unless a credit is given for the commissions earned against the fee charged. Insurance commissions are not credited due to the laws against rebating, however there is no requirement that any products be purchased from Richard Lee Cox, Sr. or his affiliated companies.

*Note that some clients may have 2 or more separate accounts that charge using these different methods; therefore, in order to mitigate the conflicts of interest, Mr. Cox only gets compensated from one method or the other, in any particular account, but not both.*

Service fees (sometimes called 12b-1 fees or marketing fees) paid by mutual fund or other companies are paid to Richard Lee Cox, Sr in his capacity as a Registered Representative and are not credited to any particular account and are not subject to offsetting in fee accounts. The amounts are so small and the transactions so numerous that the expense of tracking and crediting these charges would negate any economic benefit to either the client or Mr. Cox. Instead the funds received are used to lower the total cost of running his business and therefore do not benefit any particular client.

*\* Registered does not imply a certain level of skill or training*

---

**Item 5: Additional Compensation**

As a member and investment adviser representative of Cox Wealth Management, LLC Mr. Cox may be entitled to an end of year discretionary bonus based on overall firm profitability. As mentioned in Item 4, above, Mr. Cox may also receive commissions for the sale of certain investment and insurance products to clients.

---

**Item 6: Supervision**

Richard Lee Cox, Sr. is the Chief Investment Manager, Chief Compliance Officer and the Managing Member of Cox Wealth Management, LLC and is responsible for all advice provided to clients and for providing supervisory oversight to the Cox Wealth Management, LLC employees. Mr. Cox has his advice

## Form ADV Part 2B

reviewed by Charles Wayne Cordle, Jr his administrative assistant. Both Mr. Cox and Mr. Cordle can be contacted at (423) 894-3882.

Richard Lee Cox, Sr. trading practices are also overseen by American Portfolios Financial Services, Inc and their Supervising Principal, Timothy O'Grady or his designated alternate per FINRA regulations. Mr. O'Grady can be reached by calling 1-800-889-3914 ext. 285.

---

## Additional Information Required for Designations

---

**The CERTIFIED FINANCIAL PLANNER™, CFP®** and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and

## Form ADV Part 2B

- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Consumers can check a Certificant's status online at <http://www.cfp.net/search/>

**The CHARTERED FINANCIAL CONSULTANT®, ChFC®** is a professional designation granted in the United States by The American College, Bryn Mawr, Pennsylvania ("The American College") chartered in 1927 and receiving its accreditation as an educational institution of higher learning by the Middle States Commission on Higher Education in 1978.

The ChFC® designation is a voluntary designation; no federal or state law or regulation requires financial planning professionals to hold a ChFC® designation. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) code of conduct and standards of practice; and (3) ethical requirements. Currently, more than 41,000 individuals have obtained the ChFC® designation in the United States.

To attain the right to use the ChFC® designation, an individual must satisfactorily fulfill the following requirements:

Education – The ChFC® curriculum is more extensive than that of any other financial planning credential, requiring seven core courses and two electives for a total of nine. Topics include the financial planning process and environment, insurance planning, taxation, estate planning, investments, macroeconomics, estate planning applications, and financial planning process. Professionals who have earned their CHARTERED FINANCIAL CONSULTANT®, ChFC® need only complete three additional courses to earn the CHARTERED LIFE UNDERWRITER®, CLU® designation also offered through The American College.

- Examination – Each program represents over 400 hours of study time and requires nine separate closed-book, proctored exams. The majority of course textbooks in the program are written by The American College faculty. These same texts are preferred by other leading colleges and universities across the country;
- Experience – Each designee must meet a professional requirement of three years of relevant full-time experience within the past five years prior to the designations being awarded (2,000 hours representing the equivalent of one year full-time experience); and
- Ethics – Every designee must adhere to a robust ethical code that requires professionals to, in light of all conditions surrounding those clients they serve, which they shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, the advisor would render to themselves.
- Individuals who matriculated with the college after June 30, 1989 are subject to the PACE Recertification Program and must complete the following ongoing education requirements in order to maintain the right to continue to use the ChFC® designation:

## Form ADV Part 2B

- Continuing Education – Complete 30 hours of continuing education hours every two years, maintain competence and keep up with developments in the financial planning field; and

Consumers can report ethical violations of any ChFC® professional by emailing [registrar@theamericancollege.edu](mailto:registrar@theamericancollege.edu). The College Registrar, in conjunction with the Certification Committee of the Board, addresses all complaints in a timely and professional fashion and takes the appropriate disciplinary action, up to removal of the designation.

**The CHARTERED LIFE UNDERWRITER®, CLU®** is a professional designation granted in the United States by The American College, Bryn Mawr, Pennsylvania (“The American College”) chartered in 1927 and receiving its accreditation as an educational institution of higher learning by the Middle States Commission on Higher Education in 1978.

The CLU® designation is a voluntary designation; no federal or state law or regulation requires Insurance Professionals to hold a CLU® designation. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) professional code of conduct; and (3) ethical requirements. Currently, more than 117,000 individuals have obtained the CLU® designation in the United States.

To attain the right to use the CLU® designation, an individual must satisfactorily fulfill the following requirements:

- Education – The CLU® curriculum is more extensive than that of any other Life Insurance credential, requiring five core courses and three electives for a total of eight. Topics include the fundamentals of insurance planning, individual life insurance, life insurance law, fundamentals of estate planning, planning for business owners and professionals, retirement and estate planning applications, and financial planning process and environment. Professionals who have earned their CHARTERED FINANCIAL CONSULTANT®, ChFC® also offered through The American College need only complete three additional courses to earn the CLU® designation.
- Examination – Each program represents over 400 hours of study time and requires eight separate closed-book, proctored exams. The majority of course textbooks in the program are written by The American College faculty. These same texts are preferred by other leading colleges and universities across the country;
- Experience – Each designee must meet a professional requirement of three years of relevant full-time experience within the past five years prior to the designations being awarded (2,000 hours representing the equivalent of one year full-time experience); and
- Ethics – Every designee must adhere to a robust ethical code that requires professionals to, in light of all conditions surrounding those clients they serve, which they shall make every conscientious effort to ascertain and understand, render that service which, in the same circumstances, the advisor would render to themselves.
- Individuals who matriculated with the college after June 30, 1989 are subject to the PACE Recertification Program and must complete the following ongoing education requirements in order to maintain the right to continue to use the CLU® designation:

## Form ADV Part 2B

- Continuing Education – Complete 30 hours of continuing education hours every two years, maintain competence and keep up with developments in the financial planning field; and

Consumers can report ethical violations of any CLU<sup>®</sup> professional by emailing [registrar@theamericancollege.edu](mailto:registrar@theamericancollege.edu). The College Registrar, in conjunction with the Certification Committee of the Board, addresses all complaints in a timely and professional fashion and takes the appropriate disciplinary action, up to removal of the designation.

---

**The QUALIFIED FINANCIAL PLANNER, QFP** is a professional designation granted in the United States by the International Association of Qualified Financial Planners, Beverly Hills, CA (“IAQFP” & “IAQFP.org”), which was formed in 2003 as a 501(c)(6) not-for-profit, professional business league organization of professional financial planners. The QFP designation is awarded to recognized financial planning professionals who are qualified through IAQFP Standards of education, exam, experience, and ethics and serves as the single, unifying moniker, of the profession and its’ professionals.

To attain the right to use the QFP designation, an individual must satisfactorily fulfill the following requirements:

- Credential Requirement – To be eligible to be considered for the QFP designation, the applicant must provide documentation of holding, as of this writing, at least one of the following five designations specific to the methodology and profession of financial planning, or been granted use via honorary conferment in unique and limited circumstances: The American College, Chartered Financial Consultant (ChFC<sup>®</sup>); the AICPA, Personal Financial Specialist (PFS<sup>SM</sup>); The American College, Masters of Science in Financial Services with a financial planning concentration (MSFS); the College for Financial Planning, Masters of Science with a financial planning concentration (MS), or the CFP Board, Certified Financial Planner (CFP<sup>®</sup>), in any jurisdiction of the United States of America and/or to any other country where re-certification is made available by the issuers of said designations and so accepted by IAQFP.
- Commitment to IAQFP Code of Ethics & Professional Conduct – The applicant must sign a declaration statement to continuously abide by the IAQFP Code of Ethics and Professional Code of Conduct.
- Continuing education requirement – The applicant must satisfy a minimum of thirty (30) hours of continuing education each two years anniversary or at least fifteen (15) hours annually covering a wide-spectrum of financial planning practice areas.
- Professional Oversight and Discipline – The applicant agrees to regulatory oversight by the IAQFP Ethics Committee & Board of Directors, and agrees to be bound by all IAQFP Standards, including but not limited to, enforcement of the organizations Disciplinary & Complaint Procedures Process.

Consumers can verify a Professional’s status or file a complaint online at: <http://www.iaqfp.org>

---

**The MASTER FINANCIAL PROFESSIONAL™, MFP™** is a professional certification granted in the United States by The American Academy of Financial Management Board of Standards; Colorado Springs, CO (“AAF<sup>M</sup>”) founded in 1996, via a merger between the American Academy of Financial Management & Analysts (AAFMA) and the Founders Advisory Committee of the Original Tax and Estate Planning Law Review. The AAFM is a graduate professional Certifying Body and Society governed by a Board of Standards and Presidential Advisors and a membership code of ethics and standards of practice.

## Form ADV Part 2B

To attain the right to use the MFP™ designation, an individual must satisfactorily fulfill the following requirements:

- Experience – The Candidate must have three years' experience in financial planning and financial management or related industry.
- Education – Eligible candidates must successfully complete at least one of the following:
  - a) AAFM-approved degree (graduate or undergraduate) in finance, tax, accounting, financial services, law or a CPA, MBA, MS, PhD, or JD from an accredited school or organization
  - b) 5 or more approved and related courses from an AACSB ; ACBSP , Equis or ABA accredited business school, law school, or AAFM sanctioned program
  - c) AAFM Executive Certification Course: Accredited Law Program - International Courses Online

*\*Examination Type Varies according to educational requirement above*

- Commitment to AAFM Professional Code of Ethics requirement – The applicant must sign a declaration statement to continuously abide by the AAFM Professional Code of Ethics.
- Continuing education requirement – The applicant must satisfy a minimum of fifteen (15) hours or more of continuing education CE Credits.

Consumers can check a Professional's status online at <http://www.internationalboardofstandards.com/>

**The CHARTERED WEALTH MANAGER®, CWM®** is a professional certification granted in the United States by The American Academy of Financial Management Board of Standards; Colorado Springs, CO ("AAFM") founded in 1996, via a merger between the American Academy of Financial Management & Analysts (AAFMA) and the Founders Advisory Committee of the Original Tax and Estate Planning Law Review. The AAFM is a graduate professional Certifying Body and Society governed by a Board of Standards and Presidential Advisors and a membership code of ethics and standards of practice.

To attain the right to use the CWM® certification, an individual must satisfactorily fulfill the following requirements:

- Experience – The Candidate must have three years' experience in wealth management or related industry.
- Credential Requirement – To be eligible to be considered for the CWM® certification, the applicant must provide documentation of holding an accredited master's degree, law degree, CPA, PhD or specialized executive training from an ABA accredited law school or other approved program in Asia, Europe, India, Latin America or Africa.
- Knowledge Requirement– The CWM Chartered Wealth Manager Board Certification from AAFM USA requires knowledge in 12 key areas;

Estate Planning and Trusts, Asset Management, Portfolio Management, International Taxation, Retirement Law, Economics, Investments, Money and Banking, High Net Worth Consulting, Relationship Management, Compliance, and Ethics, Business Entities & Organizations, Risk Management and Insurance

- Professional discipline engaged in Wealth Management – The applicant must be presently and significantly engaged in "Wealth Management". The CWM wealth management certification & designation is similar to financial planning certification but

## Form ADV Part 2B

is as a graduate certification and curriculum in high net worth consulting and requires a government recognized education and degree.

- Education – The primary method of certification in the USA is the completion of a recognized AAFM training program through the qualified programs of the AACSB, ACBSP or one of our other numerous Executive training providers. In exceptional circumstances primarily in the USA, the AAFM Board of Standards may offer exemption from further courses and assessment criteria for Graduate Certification. Board review is required for advanced standing qualifications, but the following are some of the criteria for exemption status:
  - a) An AACSB or ACBSP Financial Related Graduate Degree, or EQUIS or ABA Degree
  - b) Vast Professional experience or Recognized Industry Expert (As per Board Policy)
  - c) MBA/MASTERS or Law Degree, PhD, or CPA, Recognized Graduate Designations, & specialization work,
  - d) Professors and Academic Researchers (Professor/Doctorate Level) or Accredited Programs such as: ACBSP, AACSB, or ABA Accredited Programs, Government Recognized Education, Exams, Programs, Exams from Accredited Degree Programs or Institutions, Courses and Exams from a Business School with Double Accreditation, Government Licenses - CPA, FINRA, NASD, EA, Law Licenses, or related.
- Commitment to AAFM Professional Code of Ethics requirement – The applicant must sign a declaration statement to continuously abide by the AAFM Professional Code of Ethics.
- Continuing education requirement – The applicant must satisfy a minimum of thirty (15) hours or more of continuing education CE Credits.

Consumers can check a Professional's status or report a complaint online at <http://www.internationalboardofstandards.com/>

---

**The ACCREDITED ESTATE PLANNER<sup>®</sup>, AEP<sup>®</sup>** is a professional designation granted in the United States by The National Association of Estate Planners & Councils; Cleveland, OH ("NAEPC") which was incorporated in 1963 as a non-profit business league and is a national organization of professional estate planners and affiliated Estate Planning Councils. The AEP<sup>®</sup> designation is awarded to recognized estate planning professionals who meet special requirements of education, experience, knowledge, professional reputation, and character.

To attain the right to use the AEP<sup>®</sup> designation, an individual must satisfactorily fulfill the following requirements:

- Credential Requirement – To be eligible to be considered for the AEP<sup>®</sup> designation, the applicant must provide documentation of being licensed to practice law as an Attorney (JD) or to practice as a Certified Public Accountant (CPA), or of being currently designated as a Chartered Life Underwriter<sup>®</sup> (CLU<sup>®</sup>), Chartered Financial Consultant<sup>®</sup> (ChFC<sup>®</sup>), Certified Financial Planner (CFP<sup>®</sup>), or Certified Trust & Financial Advisor (CTFA), in any jurisdiction of the United States of America.
- Professional discipline engaged in estate planning – The applicant must be presently and significantly engaged in "estate planning activities" as an attorney, an accountant, an insurance professional and financial planner, or a trust officer.
- Experience – A minimum of five (5) years of experience engaged in estate planning and estate planning activities is required in one or more of the professional disciplines described above.

## Form ADV Part 2B

- Education – NAEPC has designated The American College, Bryn Mawr, Pennsylvania, (“The American College”), as the primary provider of the education courses required for the AEP® designation. Applicants for the AEP® designation must successfully complete two graduate courses through the Richard D. Irwin Graduate School of The American College.
- Alternative Equivalent Education Provided Through Other Colleges and Universities – As an alternative to successfully completing two graduate level courses through The American College, applicants may complete the graduate educational course requirements through other colleges, universities and schools of law, provided the educational courses through such institutions, meet the same academic accreditation for graduate courses through a school of business and are of similar content and subject matter as those offered through The American College.
- 15 Years’ Experience Exemption – AEP® applicants who have at least fifteen (15) years of experience engaged in estate planning and/or estate planning activities in one or more of the professional disciplines described above are not required to take the educational course work and are exempt from the education requirements described in this section.
- Membership requirement – AEP® applicants are required to be members of, and continuously maintain membership in, an affiliated local or regional estate planning council where such membership is available or At-Large individual membership in the National Association of Estate Planners & Councils.
- Professional reputation and character requirement– An applicant must continuously be in good standing with the applicant’s respective professional organization and/or license authority (e.g., State Bar Association for attorneys, etc.) and applicant must provide the names and addresses of three estate planning professionals as references who will attest to their estate planning experience.
- Commitment to NAEPC Code of Ethics requirement – The applicant must sign a declaration statement to continuously abide by the NAEPC Code of Ethics.
- Dedicated to team concept requirement – The applicant must acknowledge a commitment to the team concept of estate planning by signing a declaration statement.
- Continuing education requirement – The applicant must satisfy a minimum of thirty (30) hours of continuing education during the previous two calendar years, of which at least fifteen (15) hours MUST have been in estate planning. Applicants may be requested to produce documentation to substantiate any activity claimed by random audit.

Consumers can check a Professional’s status online at [http://www.naepc.org/search\\_planning.web](http://www.naepc.org/search_planning.web).

---

**The ACCREDITED TAX ADVISOR®, ATA®** is a professional designation granted in the United States by The Accreditation Council for Accountancy and Taxation® Alexandria, VA (“ACAT”) established in 1973 as a non-profit independent testing, accrediting and monitoring organization. ATA® credential holders have demonstrated the ability to handle sophisticated tax planning issues, including planning for owners of closely held businesses, planning for the highly compensated, choosing qualified retirement plans and performing estate tax planning.

To attain the right to use the ATA® designation, an individual must satisfactorily fulfill the following requirements:

## Form ADV Part 2B

- Experience – A minimum of five (5) years of experience in tax preparation, compliance, tax planning and consulting, of which 40% must be in tax planning and consulting. A tax-season (January through April) is considered one year.
- Education – The Accredited Tax Advisor Preparatory Course, written by experts in the field, comprehensively covers taxes and tax planning for businesses, corporations and partnerships, estates and trusts, consulting and ethics. *The ATA Preparatory Course will also provide participants with the tax knowledge necessary to easily pass the IRS minimum competency exam for the level of tax returns they prepare.*
- Commitment to ACAT Code of Ethics requirement – The applicant must sign a declaration statement to continuously abide by the ACAT Code of Ethics. The Code is a written commentary on the ideals of high professional standards the Accreditation Council expects of every credentialed individual and is among the highest standards of practice in the financial and taxation profession. Compliance with this standard of professional integrity is required of all those with accreditation.
- Continuing education requirement – The applicant must satisfy a minimum of ninety (90) hours of continuing professional education during each three year cycle or 30 hours per year, Of the total 90 hours of CPE, there must be at least 86 hours in taxation or related subjects (such as accounting, finance, technology, or business law) or subjects that relate to designee's particular area of practice or employment; plus 4 hours in ethics.

Consumers can check a Professional's status online at <http://www.acatcredentials.org/>

---