

Firm Brochure (Part 2A of Form ADV)
Item 1 – Cover Page



2206 Plaza Drive, Suite 300
Rocklin, CA 95765
(916) 781-8733

December 31, 2010

www.bowerswealth.com

This brochure provides information about the qualification and business practices of Bowers Wealth Management, Inc. If you have any questions about the contents of this brochure, please contact us at: (916) 781-8733, or by email at: service@bowerswealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Bowers Wealth Management, Inc. is available on the SEC's website at www.adviserinfo.sec.gov

Item 2 Summary of Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated December 31, 2010 is a new document prepared according to the SEC's new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

The only changes from the 10-13-2009 filing of Bowers Wealth Management, Inc's Brochure and Schedule F are:

We added one lower cost fee tier to each of the major investment strategies (stock or stock/bond strategies, and bond only strategies). The result of this change is lower fees being charged on all assets under management above \$400,000.

We revised this Brochure to meet the new SEC Amendment to Form ADV Part 2 (Plain English).

Since this is a major format change and new content has been included, we recommend clients and prospective clients review the entire brochure and its supplements.

We will further provide you with a new Brochure, free of charge, as necessary based on changes or new information, at any time.

Currently, our Brochure may be requested, free of charge, by contacting Wayne Foster, Chief Compliance Officer at (916) 781-8733 or wayne.foster@bowerswealth.com. Our Brochure is also available on our web site www.bowerswealth.com.

Additional information about Bowers Wealth Management, Inc. is also available via the SEC's web site www.adviserinfo.sec.gov. (Important notice: **There are currently two Bowers Wealth Management, Inc. firms listed. Please note that our firm is the Rocklin, California based Advisor with the IARD/CRD number: 145476. *The Wyoming based firm is a separate and completely unaffiliated company.***)

The SEC's web site also provides information about any persons affiliated with Bowers Wealth Management, Inc. who are registered, or are required to be registered, as investment adviser representatives of Bowers Wealth Management, Inc.

Item 3 Table of Contents

Item 1 – Cover Page	i
Item 2 – Material Changes	ii
Item 3 – Table of Contents	iii
Item 4 – Advisory Business	1
Types of Advisory Services	1
Tailored Services and Client Imposed Restrictions	1
Wrap Fee Programs	1
Discretionary and Non-Discretionary Assets	1
Item 5 – Fees and Compensation	1
Fee Schedule – Stock or Stock/Bond Strategies	1
Fee Schedule – Bond Only Strategies	2
Fee Payment Methods and Frequency	2
Other Types of Fees	2
Refunds of Pre-Paid Fees	2
Item 6 – Performance-Based Fees and Side-By-Side Management	2
Item 7 – Types of Clients	3
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	3
Methods of Analysis	3
BWM Portfolio Strategies Overview	3
Risk	3
Item 9 – Disciplinary Information	4
Item 10 – Other Financial Industry Activities and Affiliations	4
Broker-Dealer / Commodity Registrations	4
Material Relationships or Affiliations	4
Item 11 – Code of Ethics	4
Introduction	4
Summary of Restrictions	4-5
Trading Securities in which BWM or its Employees have Financial Interests	5
Investing by BWM and Its Employees	5
BWM and Its Employees Trading at the Same Time with Clients	5

<u>Item 12 – Brokerage Practices</u>	5
<u>Research and Other Soft Dollar Benefits</u>	5
<u>Brokerage for Client Referrals</u>	6
<u>Directed Brokerage</u>	6
<u>Aggregation of the Purchase or Sale of Securities</u>	6
<u>Item 13 – Review of Accounts</u>	6-7
<u>Item 14 – Client Referrals and Other Compensation</u>	7
<u>Item 15 – Custody</u>	7
<u>Item 16 – Investment Discretion</u>	7
<u>Item 17 – Voting Client Securities</u>	7
<u>Item 18 – Financial Information</u>	7
<u>Item 19 – Requirements for State-Registered Advisers</u>	8
<u>Principle Executive Officers and Management Persons</u>	8
<u>Other Business Activities</u>	9
<u>Performance-Based Fees</u>	9
<u>Arbitration/Other Event Disclosures</u>	9
<u>Relationships with Issuers of Securities</u>	9
<u>Additional State Information</u>	9-10

Brochure Supplement Attachments:

- 1.) Supplemental information for John Wilson Bowers
- 2.) Supplemental information for Wayne Allen Foster
- 3.) Supplemental information for Tim (no middle name) Hastrup
- 4.) Supplemental information for Karsten Austin Dornseif

Item 4 Advisory Business

- A. Bowers Wealth Management, Inc. ("BWM") is registered investment advisor located in and registered with the state of California. BWM is also registered as an investment advisor in the states of Washington, Michigan and Texas.

BWM is solely owned by Jack Bowers and has been in business since January of 2008.

- B. BWM provides continuous investment management services for client accounts. BWM specializes in analyzing Fidelity Investments' Mutual Funds and creating investment portfolios optimized to satisfy different risk levels, using Fidelity mutual funds. BWM limits its investment advice to Fidelity Mutual funds and BWM managed accounts are invested in portfolios made up of Fidelity mutual funds.
- C. The investment management of a client's account(s) is based on the development of a personalized investment policy. When a client opens an account with BWM, he or she completes an "Investment Questionnaire" which provides personal financial information and also describes the investment goals which the client seeks to achieve. By using the information in the "Investment Questionnaire" and through personal discussions with the client, Jack Bowers recommends a personalized investment strategy using BWM's "Portfolio Strategies".

Each BWM "Portfolio Strategy" is documented and sets forth the investment strategies which will be used by BWM in the client's account for the purpose of achieving the agreed upon investment objectives. Clients may impose restrictions on investing in certain security types or market sectors through the BWM Portfolio Strategy they agree upon. Periodically BWM reviews the current investment strategy with the client and will make revisions based on their changing circumstances.

- D. BWM does not participate in, or manage any wrap fee programs or accounts.
- E. All client accounts are managed on a discretionary basis, using a limited trading authorization agreement which each client signs and approves when an account is opened or BWM is added as an Advisor to an existing Fidelity Investments, Inc. account.

As of December 31st, 2010 BWM had a total of \$44,945,704.93 of assets under management on a discretionary basis. BWM has no non-discretionary basis accounts under management.

Item 5 Fees and Compensation

- A. BWM is a fee based advisor. Fees are based on a percentage of the dollar value of the assets under management. BWM's detailed fee schedule follows:

On an annualized basis, BWM's fees for continuous and regular investment advice and portfolio management services are as follows:

For accounts aligned with **stock strategies or stock/bond strategies**, all funds in the account will be billed at annual rates as follows:

- 1.2% for the first \$100,000
- 1.0% for the next \$100,000
- 0.8% for the next \$100,000
- 0.6% for the next \$100,000
- 0.4% for amounts above \$400,000

For accounts aligned with **bond strategies**, all funds in the account will be billed at annual rates as follows:

- 0.90% for the first \$100,000
- 0.75% for the next \$100,000
- 0.60% for the next \$100,000
- 0.45% for the next \$100,000
- 0.30% for amounts above \$400,000

Fees for managed investment accounts may be negotiated at a lower rate than the published fee schedule above for individual accounts with assets of \$5 million or more, or a group of related accounts totaling \$5 million or more in assets under management.

- B. BWM's clients typically authorize the account custodian to debit their client account for the amount of BWM's investment advisory fee and to directly remit that management fee to BWM. Clients may also choose to be billed for fees incurred, instead of deducting fees from their assets under management.

BWM invoices client accounts in advance, at the beginning of each calendar quarter, based on the value of the assets held in the account as of the last business day of the previous quarter. If a client has multiple accounts under management, each account will be charged fees based on its asset value.

- C. In addition to BWM's investment advisory fee, clients will also incur, relative to mutual fund investments, normal expenses and advisory fees imposed by the mutual funds held in the account (expense ratios are listed in each fund's annual report).

Also, the account custodian/broker will charge commissions for trading of non-mutual fund assets. Some mutual funds impose fees if they are sold prior to their short term holding periods. Short term trading fees are detailed in each mutual fund's prospectus. Item 12 further describes the factors that BWM considers in selecting broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

- D. Since BWM's fees must be paid in advance, BWM's investment advisory fee will be prorated through the date of termination, and any remaining balance paid in advance will be refunded to the client. A client may terminate his or her investment management agreement with BWM at any time and without penalty by sending a written notice to BWM.

The prorated refund is determined by verifying the date of termination and how many days are in the current billing quarter. The fraction of prepaid quarterly fees to be refunded is calculated with the following formula:

$$\frac{\text{Number of days left in current quarter}}{\text{Total number of days in the current quarter}} \times \$\text{Fees Paid} = \$\text{Refund}$$

- E. BWM and its employees don't receive any compensation for the sale of securities or other investment products, including mutual funds.

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

BWM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 Types of Clients

BWM provides investment advice to individuals, high net worth individuals, trusts, estates, charitable organizations and corporations. BWM doesn't advise pension plans, but will manage fund selection for individuals whose 403b plan administrators use mutual fund plans managed by Fidelity Investments that allow adding an advisor to such an account.

Jack Bowers specializes in tracking and analyzing Fidelity Investments' mutual funds and in building portfolio strategies made up of Fidelity mutual funds. BWM is not affiliated in any way with Fidelity Investments, but Fidelity Brokerage Services serves as the broker-dealer for all fund transactions and as the custodian for all securities and cash held in client accounts.

To open a BWM managed account, there is a minimum opening balance of \$100,000. Under certain circumstances, this minimum requirement may be waived.

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

- A. Mr. Bowers looks for funds that have over weighted positions in industry groups that are being recognized for their long-term potential, while at the same time avoiding funds that carry heavy exposure to sectors that may carry more risk than usual. He attempts to identify these sectors through the use of volatility models that evaluate standard deviation of gains and losses for various industry groups for periods of time meaningful to the sectors. The models compare each sector's recent volatility with a baseline period of up to 10 years. Finally, all non-gold sectors are ranked according to their volatility ratio. This approach provides a view of what may be favorable and unfavorable industry groups. It's not foolproof, but he believes it may provide an edge in long-term performance. Other factors he considers include: historical performance, overall volatility, stylebox position, industry sector weighting, cash level, foreign exposure, expense ratio, and manager history.
- B. BWM specializes in building managed portfolios of Fidelity Investments' mutual funds to meet our clients Risk/Return objectives. BWM's strategies emphasize long-term growth. BWM doesn't participate in market timing or short term trading. BWM utilizes Fidelity's No-Load funds, so there are no trading costs associated with long-term trades. Our long-term approach minimizes the chance of incurring short term fees that some Fidelity Funds impose.

Portfolios address four strategic areas: Conservative Income portfolios, Diversified Stock Fund and Asset Allocation Portfolios without dedicated sector funds (Fidelity Selects), and Diversified Stock Fund, Asset Allocation Portfolios that include dedicated sector funds and Tax Efficient Portfolios. BWM's portfolios provide a way to invest with a wide range of risk levels that best match each client's goals and financial situation.

BWM's Tax Efficient Portfolios strive to achieve a higher level of tax efficiency. They attempt to hold profitable positions long enough to qualify for long-term capital gains treatment. Less often, they may sell losing positions and move to a substitute sector, if an opportunity exists to book a short-term loss with minimum risk of a wash sale. On occasion, the portfolios may still book short-term gains in an attempt to maximize after-tax performance if we expect offsetting short-term losses. The portfolios make some effort to minimize the tax impact of capital gains distributions, but this is not a major focus because Fidelity funds tend to distribute most of their profits in the form of long-term capital gains.

- C. The portfolios typically hold actively managed funds, but may invest in index funds during periods of uncertainty or when we believe indexing has the potential to reduce portfolio risk.

As always, investing in securities involves risk of loss that clients should be prepared to bear.

Item 9 Disciplinary Information

9.A, 9.B, and 9.C:

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of BWM or the integrity of BWM's management. BWM and its management have no legal or disciplinary events to report.

Item 10 Other Financial Industry Activities and Affiliations

- A. BWM and its management are not registered as a broker-dealer and do not have any applications pending to register as a broker-dealer or as representative of a broker-dealer.
- B. BWM and its management are not registered as a futures commission merchant and do not have any applications pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of the foregoing entities.
- C. Mr. Bowers serves as Chief Investment Strategist for Weber Asset Management, Inc. (WAM), an independent SEC Registered Investment Advisor based in Lake Success, New York. Mr. Bowers receives compensation for his services through a profit sharing agreement. WAM also specializes in Fidelity Investments Mutual Funds, utilizing Mr. Bowers' portfolio strategies. Mr. Bowers provides WAM with daily updates on portfolio performance and strategic changes. This usually provides BWM and WAM with the ability to make the same portfolio investments/changes on the same trading day, for the same closing NAV price on the day of trade execution.
- D. BWM and WAM have an informal agreement that clients in New York and certain other states will be referred to WAM for asset management. Investment strategies will be the same for clients of either firm, but fee schedules are independent and may differ between the two firms, for the same amount of assets under management.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal trading

- A. BWM has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at BWM must acknowledge the terms of the Code of Ethics annually, or as amended. As any of the following situations may represent a conflict of interest, BWM has established the following restrictions in order to ensure its fiduciary responsibilities:
 - BWM emphasizes the unrestricted right of the client to specify investment objectives, guidelines, and/or conditions on the overall management of their account.
 - No associates of BWM or their immediate family members may buy or sell securities for their personal portfolio(s) if their decision is derived in whole or in part, by reason of the associated person's employment, unless the information is publically available.
 - No associate of the Firm will put his or her own interests ahead of their client.
 - BWM and its associates generally may not purchase or sell individual stocks, bonds, or closed-end mutual funds being considered for, or held by client accounts, without pre-clearance of the Firm's Compliance Officer.

- BWM and its employees generally may not participate in private placements or initial public offerings (IPOs) without pre-clearance from the Firm's Compliance Officer.
- The Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
- Records will be maintained of all non-exempt securities bought or sold by the Firm, associated persons of the Firm, and related entities. Mr. Bowers will review these records on a regular basis.
- In accordance with Section 204-A of the Investment Advisers Act of 1940, BWM also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by BWM or any person associated with the Firm.

Any individual not in observance of the above may be subject to termination.

BWM's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Wayne Foster (service@bowerswealth.com).

- B. BWM and our employees don't recommend, buy or sell any securities for our client's accounts in which we have a material financial interest.
- C. BWM, our employees and related persons are allowed to invest in the same mutual funds that are recommended, bought and sold for our client's accounts. There are no conflicts of interest created by this practice, due to the way open-ended mutual funds operate.
- D. BWM and its employees are allowed to buy and sell mutual funds for client's accounts and their own accounts at the same time. This doesn't create a conflict of interest, since all orders are traded for the same closing NAV price on the day of trade execution. All parties will receive the same execution pricing on these transactions.

Item 12 Brokerage Practices

- A. BWM establishes investment management accounts with Fidelity Institutional Wealth Services ("FIWS") through Fidelity Brokerage Services ("FBS"), an unaffiliated service provider (or is added as an advisor to existing FIWS accounts). Factors which BWM considers in choosing FBS for client's accounts include its financial strength, reputation, execution, pricing, reporting, research, and service. BWM, at its discretion, buys and sells Fidelity mutual funds in various amounts.

- 1) Research and Other Soft Dollar Benefits:

- a. BWM receives research, sponsored seminars and execution related services from FIWS or FBS to assist BWM in managing its accounts. These services and products include financial publications, pricing information, periodic phone conferences on market topics and periodic seminars. Such research and execution related services are offered to all investment advisers who utilize these firms.

The combination of FIWS/FBS and BWM's no-load mutual fund portfolio strategy eliminates commissions and trading fees for the majority of our transactions. Fidelity Brokerage Services' commissions for stock and bond trades are in line with industry rates and are only incurred when bringing a new client's account (holding non-mutual fund securities) into alignment with a mutual fund portfolio.

Further trading of Fidelity mutual funds is free of commissions and will occur at the close of market NAV.

- b. The commissions charged by FBS as broker-dealer may be higher (on non-mutual fund trades) than those charged by a broker-dealer who does not provide the aforementioned research and execution related services.
 - c. BWM's mutual fund portfolio strategy significantly reduces trading expenses, as well as best execution and front running risks for our clients. Soft dollar benefits received by BWM very rarely result in clients paying a FBS trading cost higher than those charged by other broker-dealers.
 - d. BWM uses these soft dollar benefits equally to manage all of its client accounts. FIWS and FBS provide BWM with all of these soft dollar benefits regardless of commission trading volume.
 - e. Examples of soft dollar benefits BWM received within its last fiscal year are Fidelity Webinars and phone conferences including: Quarterly Outlooks on U.S. and International Financial Markets, Overview of Today's Fixed-Income Markets, Rule 206-4(2) Webinar: Understanding the New Requirements Affecting RIAs, Conference call with Benjamin Hesse, Portfolio Manager of the Fidelity Advisor and Fidelity Select Financial Services Funds and other similar presentations.
- 2) Brokerage for Client Referrals:
BWM doesn't receive client referrals from FIWS or FBS. BWM doesn't consider obtaining referrals as a criterion in its selection of a broker-dealer.
- 3) Directed Brokerage:
BWM doesn't permit clients to direct brokerage through a specific broker-dealer. FBS serves as the broker-dealer for all fund transactions and as the custodian for all securities and cash held in client accounts. BWM's discretion is based upon a "limited trading authorization agreement" that the client approves when the client's account is opened, or when BWM is added as Advisor to the account. All existing or newly opened accounts are registered in the name of the client.

B. Aggregation of the Purchase or Sale of Securities

BWM doesn't aggregate trades of securities. Mutual fund buy and sell orders execute at the end of each trading day, receiving the closing NAV of the funds. Because of BWM's mutual fund strategy, there are no benefits or opportunity costs created for BWM clients by order aggregation.

Item 13 Review of Accounts

- A. BWM President, John (Jack) Bowers, along with the client's Account Executive, will review all client accounts at least quarterly. Annually, the current investment strategy will be reviewed with each client, and revisions will be made, if needed, based on a client's changing circumstances. This review is conducted by the client's account executive and/or Mr. Bowers.
- B. More frequent reviews may be requested by the client, or be suggested by Mr. Bowers, based on factors such as the general economy, market conditions, changes in client circumstances, etc. Requests for reviews may be made by phone call, mail, or email. Requested reviews will be performed by the client's account executive and/or Mr. Bowers.

- C. Clients will be given written quarterly billing statements and performance reports for each account they hold with BWM as advisor. The performance report includes a statement of: Contributions, Withdrawals, Realized Gains, Unrealized Gains, Interest, Dividends, Management Fees, the Portfolio Value as of the date of the report, the Total Gain after Fees and the IRR for the period.

Item 14 Client Referrals and Other Compensation

BWM does not pay for, or provide any other forms of compensation for client referrals.

Item 15 Custody

Clients should receive at least quarterly statements from FIWS/FBS (the qualified custodian that holds and maintains client's investment assets). BWM urges its clients to carefully review such statements and compare such official custodial records to the account statements that we provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain non-mutual fund securities.

Item 16 Investment Discretion

BWM receives discretionary authority from the client at the outset of the advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client's account.

When selecting securities and determining amounts, BWM observes the investment policies, limitations and restrictions of the clients for which it advises. Investment limitations and restrictions must be provided to BWM in writing.

Item 17 Voting Client Securities

As a matter of firm policy and practice, BWM does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. BWM may provide advice to clients regarding the clients' voting of proxies.

Item 18 Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Bowers Wealth Management, Inc.'s financial condition. BWM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 Requirements for State-Registered Advisors

A. Principal Executive Officers and Management Persons

John Wilson Bowers

Year of Birth: 1958

Education:

Washington State University, Pullman, WA -1980, B.S. Electrical Engineering;

Business Background:

Bowers Wealth Management, Inc., Rocklin, CA – 1/08 to present, PRESIDENT, CHIEF EXECUTIVE OFFICER and CHIEF INVESTMENT STRATEGIST

Independent Fidelity Investors, Inc., Rocklin, CA - 6/86 to present, EDITOR AND OWNER

Weber Asset Management, Inc., Lake Success, NY - 9/92 to present, CHIEF INVESTMENT STRATEGIST

Tim Hastrup

Year of Birth: 1956

Educational Background:

California State University, Fresno - May 1978, B.S. Electrical Engineering;

University of California, Davis - March 1980, M.S. Electrical Engineering

Business Background:

Bowers Wealth Management, Inc., Rocklin, CA – 1/08 to present, CHIEF FINANCIAL OFFICER and ACCOUNT EXECUTIVE

Independent Fidelity Investors, Inc., Rocklin, CA - 1/06 to present, ANALYST

Hewlett Packard Company, Roseville, CA - 4/80 to 6/05, PROJECT MANAGER

Wayne Allen Foster

Year of Birth: 1954

Educational Background:

University of California, Santa Barbara - March 1979, B.S. General Psychology with Business emphasis

Business Background:

Bowers Wealth Management, Inc., Rocklin, CA – 1/08 to present, CHIEF COMPLIANCE OFFICER

Independent Fidelity Investors, Inc., Rocklin, CA - 6/07 to present, SYSTEMS MANAGER

Boundless Applications, Inc., Rocklin, CA 3/02 to 12/06, PRESIDENT and CHIEF EXECUTIVE OFFICER

Hewlett Packard Company, Roseville, CA - 6/75 to 10/05, QUALITY ENGINEERING AND REGULATORY COMPLIANCE MANAGER

- B. Mr. Bowers serves as editor and publisher of two independent investment strategy newsletters. His role at the newsletters is his primary business activity and accounts for 75% of his time. Mr. Bowers does not promote advisory services in his newsletters.
- C. BWM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).
- D. BWM nor any of its managed persons, has been involved with, charged with, or found liable in any arbitration claims, or in any Civil, Self-regulatory, or Administrative Proceedings involving any of the following:
 - a. fraud, false statement(s) or omissions;
 - b. theft, embezzlement, or other wrongful taking of property;
 - c. bribery, forgery, counterfeiting, or extortion; or
 - d. dishonest, unfair, or unethical practices.
- E. BWM and its managed persons have no relationships or arrangements with any issuer of securities.

Additional State Information

BWM's Investment Advisory Agreement and the custodial/clearing agreement may authorize the account custodian to debit the client account for the amount of BWM's investment advisory fee and to directly remit that management fee to BWM in accordance with required state procedures.

- (1) The client must provide written authorization permitting direct payment from all accounts maintained by a custodian who is independent of the adviser;
- (2) The adviser must send a statement to the client showing the amount of the fee, the value of the client's assets upon which the fee was based. and the specific manner in which the fee was calculated;
- (3) The Adviser must disclose to clients that it is the client's responsibility to verify the accuracy of the fee calculation, and that the custodian will not determine whether the fee is properly calculated; and
- (4) The custodian must agree to send the client a statement, at least quarterly, showing all disbursements from the account, including advisory fees.

Investment advisers are acting in accordance with Section 102(e) of the Michigan Uniform Securities Act where access to a client's account is obtained pursuant to express written authorization and the following requirements are satisfied:

- a) The authorization or agreement must be limited to withdrawing contractually agreed upon investment adviser fees.
- b) The investment adviser must notify the client, in writing by at least first class mail not less than seven (7) days prior to the proposed date of withdrawal, of the exact amount of the proposed withdrawal and the specific manner or basis on which the fee has been calculated. The notice shall advise the client of the opportunity to object to the invoiced amount and the manner in which the objection shall be made.
- c) The frequency of fee withdrawal must be specified in the written authorization or agreement.
- d) The custodian of the account must be advised in writing of the limitation on the adviser's access to the account. This requirement may be satisfied by furnishing to the custodian a copy of the authorization or agreement.
- e) The custodian must provide the client, not less than quarterly, a statement indicating all amounts disbursed from the account including, separately, the amount of advisory fees paid. This may be contained in the custodian's regular periodic report to the client.
- f) The client must be able to terminate the written billing authorization or agreement required by this release at any time.

Pursuant to California Code of Regulations, CCR Section 260.238(j), BWM hereby discloses that Clients may receive the same or comparable services from other Financial Advisors at a lower fee.

Pursuant to California Code of Regulations, Title 10, CCR Section 260.235.2, BWM discloses that it may utilize various firms for the execution of securities transactions and to custody assets.

All material conflicts of interest under California Code of Regulations, CCR Section 260.238(k) are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.