Item 1 – Cover Page

Tyler-Stone Wealth Management, LLC
Also doing business as Schonfeld Financial Services

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Date of Disclosure Brochure: March 2023

This disclosure brochure provides information about the qualifications and business practices of Tyler-Stone Wealth Management, LLC (also referred to as we, us and Tyler-Stone Wealth Management throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Marc H. Stone at 216-295-0945 or marc.stone@tyler-stone.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Tyler-Stone Wealth Management, LLC is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for Tyler-Stone Wealth Management, LLC or our firm's CRD number 173667.

*Registration as an investment adviser does not imply a certain level of skill or training.

Item 2 – Material Changes

Since the last annual amendment to this brochure was filed in March 2022, the changes made to this disclosure brochure include:

- We removed references to quarterly statements from all sections;
- We have updated our assets under management, please refer to ***Item 4 – Advisory Business*** for more information;
- We updated investment adviser representative relationships in ***Item 4 – Advisory Business*** to explain trade names and separate entities operating under the supervision of Tyler-Stone Wealth Management;
- We changed the *ordering* of ***Item 4 – Advisory Business*** and ***Item 5 – Fees and Compensation***; (from: Tyler-Stone Wealth Management MAP, Financial Planning, LPL Programs to: Tyler-Stone Wealth Management MAP, LPL Programs, Financial Planning)
- We have rewritten the portion of ***Item 4 – Advisory Business*** that describes advisory services provided through LPL programs to provide more information about the programs.
- We have consolidated redundant language describing advisory services from ***Item 5 – Fees and Compensation*** and moved it to ***Item 4 – Advisory Business***; and
- We added a second scenario under ***Item 5 – Custody.***

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

Tyler-Stone Wealth Management, LLC is an investment adviser registered with the United States Securities and Exchange Commission ("SEC") and is a corporation formed under the laws of the State of Ohio.

- Marc Stone is a Member and a 50% owner of Tyler-Stone Wealth Management.
- William Tyler is a member and a 50% owner of Tyler-Stone Wealth Management.
- Tyler-Stone Wealth Management was approved as a registered investment adviser in January 2015.

Introduction

The investment advisory services of Tyler-Stone Wealth Management are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Tyler-Stone Wealth Management (referred to as your investment adviser representative throughout this brochure).

Your investment adviser representative typically is not an employee of Tyler-Stone Wealth Management; rather, your investment adviser representative typically is an independent contractor of Tyler-Stone Wealth Management.

Investment adviser representatives at Tyler-Stone Wealth Management may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials and/or client statements. These businesses are legal entities of the investment adviser representative and are separate and distinct from Tyler-Stone Wealth Management. The investment adviser representatives are under the supervision of Tyler-Stone Wealth Management, and the advisory services of the Investment adviser representative are provided through Tyler-Stone Wealth Management. These arrangements are listed in Schedule D of Form ADV.

Your investment adviser representative is limited to providing the services and charging investment advisory fees in accordance with the descriptions detailed in this brochure. However, the exact services you receive and the fees you will be charged will be specified in your advisory services agreement. For more information about the investment adviser representative providing advisory services, you should refer to the Brochure Supplement (Form ADV Part 2B) for his or her IAR.

Description of Advisory Services

The following are descriptions of the primary advisory services of Tyler-Stone Wealth Management. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and Tyler-Stone Wealth Management before we can provide you the services described below.

Asset Management Services – Tyler-Stone Wealth Management offers asset management services, which involves Tyler-Stone Wealth Management providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the "Account"). The Account consists only of separate account(s) held by LPL Financial, LLC ("LPL Financial") under your name. LPL Financial maintains physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

Tyler-Stone Managed Asset Program

We are the sponsor of the Tyler-Stone Wealth Management Managed Asset Program ("Tyler-Stone MAP"), a wrap fee or non-wrap fee asset management program developed through an arrangement with LPL Financial's Strategic Wealth Management Platform. Through the Tyler-Stone MAP, we provide investment management services, including investment selection based on your individual needs and continuous investment monitoring. Through this service, we offer a customized and individualized investment program. A specific asset allocation strategy and suitability profile is designed to focus on your specific goals and objectives. Your information should be updated regularly, but at a minimum every 2 years.

Tyler-Stone MAP accounts are custodied at LPL Financial in its capacity as a registered broker-dealer, member FINRA/SIPC. LPL Financial is also an investment adviser registered with the SEC, but does not serve as an investment adviser for you through the Tyler-Stone MAP. LPL Financial provides clearing, custody and other brokerage services for accounts established through the Tyler-Stone MAP. Therefore, you are required to establish a brokerage account(s) through LPL Financial's Strategic Wealth Management platform. Separate accounts are maintained for you, and you retain all rights of ownership of you accounts (e. g., the right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

Tyler-Stone MAP accounts allow you to authorize us to purchase and sell, on either a discretionary basis or non-discretionary basis, portfolios consisting of securities and investments. We may limit our discretion with respect to your account and the securities eligible to be purchased for your account. *(See, Limits Advice to Certain Types of Investments under Item 4 - Advisory Business, relative to possible securities and investments utilized. See Item 16 - Investment Discretion, for information concerning discretionary authority.)*

During any month that there is activity in the Tyler-Stone MAP account, you receive a monthly account statement from LPL Financial showing account activity as well as positions held in the account at month end. Additionally, you receive a confirmation of each transaction that occurs within the Tyler-Stone MAP account unless the transaction is the result of a systematic purchase, redemption or exchange. All account data and statements are also available on-line through the account view portal through LPL Financial.

Referral of LPL Sponsored Advisory Programs - Tyler-Stone Wealth Management may provide advisory services by referring clients to LPL Financial. If you enter into an LPL Financial advisory program, LPL Financial will serve as the investment adviser. As investment adviser LPL Financial is responsible for continuously monitoring client accounts and making trades in client accounts when necessary. Tyler-Stone Wealth Management will work directly with you as the referring investment adviser. If necessary we act as the communication conduit between you and LPL Financial. You must also establish a brokerage account through LPL Financial which serves as the broker/dealer and qualified custodian. The LPL Financial advisory program manager will act with discretionary authority to determine the securities to be purchased and sold for your account. We do not have any trading authority with respect to your account.

As a result of the referral, we are paid a portion of the fee charged and collected by LPL Financial in the form of solicitor fees. The solicitation arrangement is performed pursuant to a written solicitation agreement between LPL and Tyler-Stone Wealth Management and is in compliance with SEC Rule 206(4)-1 and applicable state securities rules and regulations.

Tyler-Stone wealth management will obtain your necessary financial data and assist you with identifying your risk tolerance and investment objectives. We then recommend the LPL Financial program that we believe is best suited to your stated investment objectives and risk tolerance. We assist you with opening an account and determining an investment portfolio. Once the program minimum has been reached and a portfolio selected, LPL Financial purchases securities in amounts appropriate for the program and portfolio selected. LPL Financial is responsible for rebalancing the account on the frequency selected jointly by you and us. We are available to answer any questions that you may have regarding your account, the LPL Financial program, and the investments held in your account.

Any LPL Financial program recommended by us must be registered or exempt from registration in the state where you reside. You are advised that our representatives may have a conflict of interest by offering an LPL Financial advisory program since LPL Financial has agreed to pay a portion of their advisory fee to us. You are advised that there may be other managed programs that may be suitable to you and that may be more or less costly. No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered. Investments involve risk, including the possible loss of principal.

With the exception of GWP, LPL Financial serves as program sponsor, investment advisor and broker-dealer for the LPL advisory programs. LPL Financial will directly provide you with monthly account statements (when activity occurs in the account), confirmations and performance reports. In addition to the LPL Financial Form ADV Part 2A brochure there is a Form ADV Part 2A brochure for each LPL program (with the exception of MAN) which provides detailed information about the program. You may also request copies from your investment advisory representative.

Below is a brief description of the OMP, MWP, MAS, MAN, GWP, and PWP programs, including the advisory services specific to each program, the fees that apply, the types of investments available, and the potential conflicts of interest presented by each program.

Optimum Market Portfolios (OMP)

OMP is a professionally managed asset allocation program which invests exclusively through the Optimum Mutual Fund family using Class I shares. If you participate in OMP, you must execute the OMP Market Portfolios Client Agreement which authorizes LPL Financial to act on a discretionary basis to purchase and sell Optimum mutual funds, liquidate previously purchased Optimum funds and rebalance the account. A minimum account value of $10,000 is required for OMP.

There are several OMP funds that may be purchased within an OMP account. LPL Financial follows a strategic asset allocation investment style in constructing portfolios for OMP clients. Asset allocation methodology is implemented by combining investments representing various asset classes that react differently to varying market conditions. Thus, if one asset class reacts negatively to certain market events, the potential exists for another asset class to react positively. However, there is no guarantee that the use of an asset allocation strategy will produce favorable results.

LPL Financial provides investment consulting services to the investment adviser to the Optimum mutual fund family. LPL Financial assists the adviser in determining whether to engage sub-advisers for the Optimum Funds, along with providing other services. As compensation for these services, LPL Financial receives investment consulting fees.

Model Wealth Portfolios (MWP)

MWP offers clients a professionally managed mutual fund asset allocation program. If you participate in MWP, you must execute the MWP Client Agreement. A minimum account value of $25,000 is required for MWP, although in certain instances, a lower minimum for a portfolio is permitted.

LPL Financial’s Research Department, a third-party portfolio strategist and/or Advisor, through its IAR, may act as a portfolio strategist responsible for selecting the mutual funds or ETFs within a model portfolio and for making changes to the mutual funds or ETFs selected. LPL Financial follows a dynamic asset allocation investment style in constructing portfolios for MWP clients. Asset allocation methodology is implemented by combining investments representing various asset classes that respond differently to varying market conditions. Thus, if one asset class reacts negatively to certain market events, the potential exists for another asset class to react positively. However, there is no guarantee that the use of an asset allocation strategy will produce favorable results.

Manager Access Select (MAS)

The Manager Access Select ("MAS") program provides a) separately managed accounts (SMA) and b) model portfolios. You are required to execute a Manager Access Select Client Agreement. In MAS we assist you in identifying third-party investment advisors from a list of SMAs and model portfolios made available through LPL Financial. At your request, LPL Financial may also act as a portfolio manager. Portfolio managers may also hire one or more sub-advisors to manage all or part of your MAS account. LPL Financial is responsible for conducting due diligence on SMAs and model portfolios and approving them for inclusion in MAS. We conduct our own due diligence and approval process prior to recommending SMAs and model portfolios to you. The required minimum account value will vary based on money manager and strategy, starting at $50,000.

Third party investment advisors seek to obtain the best execution possible given the direction to trade through LPL Financial. In some cases, third party investment advisors, in connection with their duty to seek to achieve best execution, may choose to execute transactions through a broker-dealer other than LPL Financial.

In considering whether or not to restrict the execution of transactions through LPL Financial, LPL Financial evaluated its capacities to execute, clear and settle transactions. When securities transactions are effected through LPL Financial, there are no brokerage commissions charged to the account. If the third party investment advisor chooses to execute a transaction through a broker-dealer other than LPL Financial, the execution price may include a commission or fee imposed by the executing broker/dealer. In evaluating whether to execute a trade through a broker/dealer other than LPL Financial, the third party investment advisor considers the fact that the account is not charged a commission if it is effected through LPL Financial.

You should consider whether or not appointing LPL Financial as the broker-dealer may or may not result in certain costs or disadvantages to you as a result of possibly less favorable executions. In particular, you should understand that your MAS account may not be able to participate in block trades effected by a third party investment advisor for its other accounts, which may result in a difference between prices charged to a MAS account and the third-party investment advisor's other accounts.

Transactions in fixed income securities may involve mark-ups, mark-downs or other charges in addition to the advisory fee. LPL Financial may act as a principal on fixed income trades in MAS accounts. In cases where LPL Financial acts as a principal on fixed income trades, LPL Financial may receive additional compensation to the extent it is able to sell fixed income securities for a price higher than what is paid. This may result in higher costs and lower performance than you would have otherwise received.

LPL Financial may aggregate your transactions with other clients' to improve the quality of execution. When transactions are aggregated, the actual prices applicable to the aggregated transactions are averaged, and your account is deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained.

Manager Access Network (MAN)

The Manager Access Network ("MAN") program provides a greater number of separately managed accounts than the MAS program. You are required to execute a Manager Access Network (MAN) client agreement. In MAN we assist you in identifying third-party investment advisors from a list of third party advisors made available through LPL Financial to assist you with respect to investment of your funds. LPL Financial does not conduct due diligence on SMAs provided through the MAN program. Portfolio managers may also hire one or more sub-advisors to manage all or part of your MAN account. We conduct due diligence prior to recommending a third party investment advisor to you. The required minimum account value will vary based on money manager and strategy, starting at $100,000.

Third party investment advisors seek to obtain the best execution possible given the direction to trade through LPL Financial. In some cases, third party investment advisors, in connection with their duty to seek to achieve best execution, may choose to execute transactions through a broker/dealer other than LPL Financial.

In considering whether or not to restrict the execution of transactions through LPL Financial, LPL Financial evaluated its capacities to execute, clear and settle transactions. When securities transactions are effected through LPL Financial, there are no brokerage commissions charged to the account. If the third party investment advisor chooses to execute a transaction through a broker/dealer other than LPL Financial, the execution price may include a commission or fee imposed by the executing broker/dealer. In evaluating whether to execute a trade through a broker/dealer other than LPL Financial, the third party investment advisor considers the fact that the account is not charged a commission if it is effected through LPL Financial.

You should consider whether or not appointing LPL Financial as the broker/dealer may or may not result in certain costs or disadvantages to you as a result of possibly less favorable executions. In particular, you should understand that your MAN account may not be able to participate in block trades effected by a third party investment advisor for its other accounts, which may result in a difference between prices charged to a MAN account and the third-party investment advisor's other accounts.

Transactions in fixed income securities may involve mark-ups, mark-downs or other charges in addition to the advisory fee. LPL Financial may act as a principal on fixed income trades in MAN accounts. In cases where LPL Financial acts as a principal on fixed income trades, LPL Financial may receive additional compensation to the extent it is able to sell fixed income securities for a price higher than what is paid. This may result in higher costs and lower performance than you would have otherwise received.

LPL Financial may aggregate your transactions with other clients' to improve the quality of execution. When transactions are aggregated, the actual prices applicable to the aggregated transactions are averaged, and your account is deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained.

Guided Wealth Portfolios (GWP)

The Guided Wealth Portfolio ("GWP") program sponsored by LPL Financial offers clients the ability to participate in a centrally managed, algorithm-based investment program, which is made available to users and clients through a web-based, interactive account management portal ("Investor Portal"). Investment recommendations to buy and sell open-end mutual funds and exchange-traded funds are generated through proprietary, automated, computer algorithms (collectively, the “Algorithm”) of Xulu, Inc., doing business as FutureAdvisor (“FutureAdvisor”), based upon model portfolios constructed by LPL Financial and selected for the account. Communications concerning GWP are intended to occur primarily through electronic means (including but not limited to, through email communications or through the Investor Portal), although Tyler-Stone Wealth Management will be available to discuss investment strategies, objectives or the account in general in person or via telephone. A minimum account value of $5,000 is required to enroll in the Managed Service.

In the Managed Service of GWP, LPL Financial is appointed by each client as custodian of account assets and broker-dealer with respect to processing securities transactions for the accounts. In general, FutureAdvisor, in its capacity as investment advisor, will submit transactions through LPL Financial; however, FutureAdvisor may choose to execute transactions through a broker-dealer other than LPL Financial, subject to its duty to seek to achieve best execution. When securities transactions are effected through LPL Financial, there are no brokerage commissions charged to the account. If FutureAdvisor chooses to execute a transaction through a broker-dealer other than LPL Financial, the execution price may include a commission or fee imposed by the executing broker-dealer. In evaluating whether to execute a trade through a broker-dealer other than LPL Financial, Future Advisor will consider the fact that the account will not be charged a commission if the transaction is effected through LPL Financial.

A preview of the Program (the “Educational Tool”) is provided for a period of up to forty-five (45) days to help users determine whether they would like to become advisory clients and receive ongoing financial advice from LPL Financial, FutureAdvisor and Tyler-Stone Wealth Management by enrolling in the advisory service (the “Managed Service”). The Educational Tool and Managed Service are described in more detail in the GWP Program Brochure. Users of the Educational Tool are not considered to be advisory clients of LPL Financial, FutureAdvisor or Tyler-Stone Wealth Management, do not enter into an advisory agreement with LPL Financial, FutureAdvisor or Tyler-Stone Wealth Management, do not receive ongoing investment advice or supervisions of their assets, and do not receive any trading services.

Personal Wealth Portfolios (PWP)

The Personal Wealth Portfolios (PWP) program allows clients to invest in asset allocation portfolios designed by LPL Financial’s Research Department. If you participate in MWP, you must execute the MWP Client Agreement. Tyler-Stone wealth management will assist you in selecting an asset allocation model. We will also assist you with selecting appropriate mutual funds, exchange-traded funds and third party money managers ("PWP Advisors") for each asset allocation within the model. LPL Financial will act as the overlay portfolio manager (“OPM”) on all PWP accounts, and has primary responsibility for purchasing and selling securities in the account, and coordinates trades among the various securities and sleeves of a PWP account. A minimum account value of $250,000 is required for PWP. In certain instances, LPL Financial will permit a lower minimum account size.

Financial Planning & Consulting Services - Tyler-Stone Wealth Management offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics.   When providing financial planning and consulting services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Written financial plans prepared by us do not include specific recommendations of individual securities.

We also offer consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. We also offer "as-needed" consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made by you. Under an "as-needed" consultation, it will be incumbent upon you to identify those particular issues for which you are seeking our advice or consultation on.

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning and consulting recommendations. To the extent that you would like to implement any of our investment recommendations through Tyler-Stone Wealth Management or retain Tyler-Stone Wealth Management to actively monitor and manage your investments, you must execute a separate written agreement with Tyler-Stone Wealth Management for our asset management services.

<u>Limits Advice to Certain Types of Investments</u>

Tyler-Stone Wealth Management provides investment advice on the following types of investments:

- Mutual Funds
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Foreign Issues
- Certificates of Deposit
- Municipal Securities
- Variable Annuities
- Variable Life Insurance
- US Government Securities
- Options Contracts on Securities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests
- Real Estate Investment Trusts

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

<u>Participation in Wrap Fee Programs</u>

Tyler-Stone Wealth Management offers services through both wrap fee programs and non-wrap fee programs. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and transaction costs associated with the execution of client transactions are paid for by Tyler-Stone Wealth Management. Whenever a fee is charged to a client for services described in this brochure (whether wrap fee or non-wrap fee), we will receive all or a portion of the fee charged. Please see the separate Wrap Fee Program Brochure, *Tyler-Stone Wealth Management ADV Part 2A (Appendix 1)* for more information about this program.

Wrap Fee Program Disclosure

As representative of LPL Financial, the investment advisor representatives of Tyler-Stone Wealth Management have the ability to offer the WRAP account services conducted under the Tyler-Stone MAP II through the LPL Financial SWM II program. Although clients do not pay a transaction charge for transactions in a SWM II account, clients should be aware that Tyler-Stone Wealth Management pays LPL Financial transaction charges for those transactions. The transaction charges paid by Tyler-Stone Wealth Management vary based on the type of transaction (e.g., equity, ETF, etc.) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL Financial. Transaction charges paid by the Advisor for equities and ETFs are $9. For mutual funds, the transaction charges range from $0 to $26.50. Because Tyler-Stone Wealth Management pays the transaction charges in SWM II accounts, there is a conflict of interest in cases where the mutual fund is offered at both $0 and $26.50. Clients should understand that the cost to Advisor of transaction charges may be a factor that Tyler-Stone Wealth Management considers when deciding which securities to select and how frequently to place transactions in a SWM II account.

In many instances, LPL Financial makes available mutual funds in a SWM II account that offer various classes of shares, including shares designated as Class A Shares and shares designed for advisory programs, which can be titled, for example, as "Class I," "institutional," "investor," "retail," "service," "administrative" or "platform" share classes ("Platform Shares"). The Platform Share class offered for a particular mutual fund in SWM II in many cases will not be the least expensive share class that the mutual fund makes available, and was selected by LPL Financial in certain cases because the share class pays LPL Financial compensation for the administrative and recordkeeping services LPL Financial provides to the mutual fund. Client should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through SWM II. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers Platform Shares. Class A Shares typically pay LPL Financial a 12b-1 fee for providing brokerage-related services to the mutual funds. Platform Shares generally are not subject to 12b-1 fees. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for a client to own Class A

Shares than Platform Shares. An investor in Platform Shares will pay lower fees over time and keep more of his or her investment returns than an investor who holds Class A Shares of the same fund.

Tyler-Stone Wealth Management has a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. Although the client will not be charged a transaction charge for transactions, Advisor pays LPL Financial a per transaction charge for mutual fund purchases and sales in the account. Tyler-Stone Wealth Management generally does not pay transaction charges for Class A Share mutual fund transactions accounts, but generally does pay transaction charges for Platform Share mutual fund transactions. The cost to Tyler-Stone Wealth Management of transaction charges generally may be a factor Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to Tyler-Stone Wealth Management for Class A Share purchases and sales, together with the fact that Platform Shares generally are less expensive for a client to own, present a significant conflict of interest between Tyler-Stone Wealth Management and the client. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with your Advisor the advisory fee for management of an account.

IRA Rollovers

When recommending that a client rollover his or her account from current retirement plan to an IRA, Tyler-Stone Wealth Management and its investment adviser representatives have a conflict of interest. Tyler-Stone Wealth Management and its representatives can earn investment advisory fees by recommending that a client rollover his or her account at the retirement plan to an IRA; however, Tyler-Stone Wealth Management and its investment adviser representatives will not earn any investment advisory fee if client does not rollover the funds in the retirement plan (unless a client retained Tyler-Stone Wealth Management to provide advice about the client's retirement plan account). Thus, Tyler-Stone Wealth Management and its investment adviser representatives have an economic incentive to recommend a rollover of the retirement plan account, which is a conflict of interest. Tyler-Stone Wealth Management has taken steps to manage this conflict of interest arising from rolling over funds from an ERISA covered retirement plan to an IRA and has adopted an impartial conduct standard through its code of ethics whereby Tyler-Stone Wealth Management and its investment adviser representatives will (i) provide investment advice to ERISA covered retirement plan participant regarding a rollover of funds from the ERISA covered retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in Tyler-Stone Wealth Management receiving unreasonable compensation related to the rollover of funds from the ERISA covered retirement plan to an IRA, and (iii) fully disclose compensation received by Tyler-Stone Wealth Management and its supervised persons and any material conflicts of interest related to Tyler-Stone Wealth Management recommending the rollover of funds from the ERISA covered retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

To the extent Tyler-Stone Wealth Management provides investment advice to a participant in a retirement plan under Employee Retirement Income Security Act of 1974 as amended ("ERISA") regarding whether to maintain investments and/or proceeds in an ERISA retirement plan, rollover such investment/proceeds from the ERISA retirement plan to an individual retirement account ("Rollover IRA account") or make a distribution from the ERISA retirement plan, Tyler-Stone Wealth Management hereby acknowledges its fiduciary obligations with regard to its investment advice about whether to maintain, rollover or distribute proceeds from those ERISA retirement plans, and as such a fiduciary with respect to its investment advice about whether to maintain, rollover or distribute proceeds from those ERISA retirement plans, Tyler-Stone Wealth Management and its representatives shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of Tyler-Stone Wealth Management or its affiliates.

<u>Tailor Advisory Services to Individual Needs of Clients</u>

Tyler-Stone Wealth Management's advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information. Our financial planning and consulting services are always provided based on your individual needs. When providing financial planning and consulting services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

<u>Client Assets Managed by Tyler-Stone Wealth Management, LLC</u>

As of December 30, 2022, Tyler-Stone Wealth Management managed $390,737,607 of client assets; $390,384,934 is managed on a discretionary basis and $352,673 is managed on a non- discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides further detail regarding our firm's services along with descriptions of each service's fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Tyler-Stone Wealth Management, LLC.

Tyler-Stone Wealth Management allows your investment adviser representative to set fees within ranges set by the firm. As a result, your investment adviser representative may charge more or less for the same service than another investment adviser representative of Tyler-Stone Wealth Management.

<u>Tyler-Stone Managed Asset Program</u>

The maximum annual fee for asset management services will be 2.50% of the assets held in the account.

Prior to engaging Tyler-Stone Wealth Management to provide investment management services, you are required to enter into a formal investment advisory agreement with us setting forth the terms and conditions, including the amount of investment advisory fees, under which we manage your assets and also a separate custodial/clearing agreement with LPL Financial.

The investment advisory fees will be deducted from your account and paid directly to our firm by LPL Financial. You will authorize LPL Financial to deduct fees from your account and pay such fees directly to our firm. You should review your account statements received from LPL Financial and verify that appropriate investment advisory fees are being deducted. LPL Financial will not verify the accuracy of the investment advisory fees deducted.

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed.

The asset management services continue in effect until terminated by either party (i.e., Tyler-Stone Wealth Management or you) by providing written notice of termination to the other party. Any prepaid, unearned fees will be promptly refunded by LPL Financial to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Fees charged for our asset management services are negotiable based on the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

Tyler-Stone Wealth Management believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

You can open a Tyler-Stone MAP I or Tyler-Stone MAP II account. A Tyler-Stone MAP I account is a non-wrap or traditional account. This means in addition to our investment advisory fee, you also pay certain transaction charges to defray the costs associated with trade execution. These costs are set out in the LPL Financial Strategic Wealth Management platform brokerage account and application agreement. The Tyler-Stone MAP II account is a wrap fee account, meaning you do not pay transaction charges associated with trade execution.

You may incur certain charges imposed by third parties other than Tyler-Stone Wealth Management in connection with investments made through the account including, but not limited to, 12b-1 fees and surrender charges, and IRA and qualified retirement plan fees. Our management fees (which include transaction and execution fees charged by LPL Financial for Tyler-Stone MAP II accounts) are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

The Tyler-Stone MAP I and Tyler-Stone MAP II may cost you more or less than if the assets were held in a traditional brokerage account. In a brokerage account, you are charged commissions for each transaction, and the registered representative assigned to the account, if any, has no duty to provide ongoing advice with respect to the account. If you plan to follow a buy and hold investment strategy for the account or do not wish to purchase ongoing investment advice or management services, you should consider opening a brokerage account rather than a Tyler-Stone MAP I or Tyler-Stone MAP II account.

The cost for a Tyler-Stone MAP II account is typically higher than a MAP I account. This is because transaction costs are passed along to you in Tyler-Stone MAP I accounts while the transaction costs are covered under the overall fee charged for Tyler-Stone MAP II accounts. We do not always charge a lower advisory fee for Tyler-Stone MAP I accounts versus Tyler-Stone MAP II accounts.

Either party may terminate the agreement for services at any time. If services are terminated within five business days of executing the agreement, services are terminated without penalty and a full refund of all fees paid in advance is provided. If services are terminated after the initial five day period, we provide you with a prorated refund of fees paid in advance. The refund is based on the number of days service is actually provided during the final billing period. Termination is effective from the time the other party receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final refund of advisory fees. There is no penalty charge on termination.

Certain investment adviser representatives of Tyler-Stone Wealth Management are also associated with LPL Financial as broker-dealer registered representatives ("Dually Registered Persons"). They do not earn commissions on the sale of securities or investment products recommended or purchased in advisory accounts through Tyler-Stone wealth management. See *Item 10 – Other Financial Industry Activities and Affiliations* for further information regarding our investment advisor representatives' affiliation as registered representatives of LPL Financial.

This section is intended to be a summary of the Tyler-Stone MAP. If you select Tyler-Stone MAP services you are provided with a copy of the Tyler-Stone Wealth Management firm brochure Form ADV Part 2A and the Tyler-Stone Wealth Management wrap brochure Form ADV Part 2A (Appendix 1).

<u>LPL Financial Advisory Programs</u>

Account minimum requirements vary among the LPL Financial Advisory programs based on the services offered by each program.

The annual account fee is divided and paid quarterly in advance through a direct debit in your account. LPL Financial is responsible for calculating and debiting all fees from your accounts. You must provide LPL Financial written authorization to debit advisory fees from your account(s). Part of the fee will be retained by LPL Financial, part of the fee will be paid to Tyler-Stone Wealth Management, and if applicable, part of the fee may be used to pay a third party subadvisor (MAS, MAN, MWP and GWP programs). The account quarter begins on the first day of the month in which the account is accepted.

You can terminate an account in an LPL Financial Advisory Program by providing written notice to LPL Financial. Upon termination, you are entitled to a prorated refund of any pre-paid quarterly fees based on the number of days remaining in the quarter after termination. If you close the account within the first six months as a result of withdrawals bringing the account value below the required minimum, we, along with LPL Financial, reserve the right to retain the pre-paid quarterly fees for the current quarter in order to cover the administrative cost of establishing the account.

Under these programs, you may incur additional charges including but not limited to, mutual fund management fees, mutual fund sales loads, 12b-1 fees and surrender charges, omnibus processing fees, sub-transfer agent fees, networking fees and IRA and qualified retirement plan fees, administrative servicing fees for trust accounts, and other charges required by law. LPL Financial may receive a certain portion of these third party fees.

Tyler-Stone Wealth Management may receive other compensation for participating in LPL Financial Programs such as bonuses, awards, or other things of value. The amount of this compensation may be more or less than if you had participated in our other advisory programs or if you paid separately for investment advice, brokerage and other client services.

We have a conflict of interest by only offering those third-party money managers available through LPL Financial Programs (MAS, MAN, GWP). There may be other third-party money managers that may be suitable for you that may be more or less costly.

The account fee charged to the client for each LPL Financial advisory program is negotiable, dependent on the market value of the account, asset types, your financial situation and trading activity, and subject to the following maximum account fees:

Optimum Market Portfolios (OMP)	2.5%
Model Wealth Portfolios (MWP)	2.65%*
Manager Access Select (MAS)	2.5%**
Manager Access Network (MAN)	3.0%
Guided Wealth Portfolios (GWP)	1.35%***
Personal Wealth Portfolios (PWP)	2.95%

* The MWP account fee consists of an LPL Financial program fee, a strategist fee (if applicable) and an advisor fee of up to 2.00%. Accounts remaining under the legacy fee structure may be charged one aggregate account fee, for which the maximum account fee is 2.50%. See the MWP program brochure for more information.

** The maximum Manager Access Select account fee for new accounts was reduced to 2.5% effective July 3, 2017.

*** GWP Managed Service clients are charged an account fee consisting of an LPL Financial program fee of 0.35% and an advisor fee of up to 1.00%. In the future, a strategist fee may apply. However, LPL Financial Research currently serves as the sole portfolio strategist and does not charge a fee for its services. FutureAdvisor is compensated directly by LPL Financial for its services, including the Algorithm and related software, through an annual sub-advisory fee (tiered based on assets under management by

FutureAdvisor, at a rate ranging from 0.10% to 0.17%). As each asset tier is reached, LPL Financial's share of the compensation shall increase and clients will not benefit from such asset tiers.

A complete description of the services, fee schedules and account minimums is disclosed in the LPL Financial Form ADV Part 2A and in the advisory program brochure. Each advisory program has its own Form ADV Part 2A brochure except the MAN program. A copy of the LPL Financial Form ADV Part 2A and a copy of the program brochure is provided to all clients participating in an LPL Financial program prior to or at the time an agreement for services is executed and the account is established. You may also request copies from your investment advisory representative.

Financial Planning & Consulting Services

Fees charged for our financial planning and consulting services are negotiable based upon the type of client, the services requested, the complexity of the client's situation, the composition of the client's account and other advisory services provided. The following are the fee arrangements available for financial planning and consulting services offered by Tyler-Stone Wealth Management, LLC.

Fees for Financial Planning Services

Tyler-Stone Wealth Management provides financial planning services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for financial planning services under this arrangement. There is a range in the amount of the fixed fee charged by Tyler-Stone Wealth Management for financial planning services. The minimum fixed fee is generally $1,000, and the maximum fixed fee is generally no more than $15,000. The amount of the fixed fee for your engagement is specified in your financial planning agreement with Tyler-Stone Wealth Management. At our sole discretion, you may be required to pay in advance of the fixed fee at the time you execute an agreement with Tyler-Stone Wealth Management; however, at no time will Tyler-Stone Wealth Management require payment of more than $1,200 in fees more than six months in advance. Upon completion and delivery of the financial plan, the fixed fee is considered earned by Tyler-Stone Wealth Management and any unpaid amount is immediately due.

The financial planning services terminate upon delivery of the written financial plan or upon either party providing the other party with written notice of termination.

If you terminate the financial planning services after entering into an agreement with us, you will be responsible for immediate payment of any financial planning services performed by Tyler-Stone Wealth Management prior to the receipt by Tyler-Stone Wealth Management of your notice of termination. For financial planning services performed by Tyler-Stone Wealth Management under a fixed fee arrangement, you will pay Tyler-Stone Wealth Management a pro-rated fixed fee equivalent to the percentage of work completed by Tyler-Stone Wealth Management as determined by Tyler-Stone Wealth Management. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Tyler-Stone Wealth Management to you.

Fees for Consulting Services

Tyler-Stone Wealth Management provides consulting services under an hourly fee arrangement. A maximum hourly fee up to up to $400 per hour is charged by Tyler-Stone Wealth Management for consulting services. Prior to engaging Tyler-Stone Wealth Management to provide Financial Consulting services, you are required to enter into a formal investment advisory agreement with us setting forth the terms and conditions, including the amount of per hour advisory fees to be charged by Tyler-Stone Wealth Management for financial consulting services under this arrangement.

Before providing consulting service, Tyler-Stone Wealth Management will provide an estimate of the approximate hours needed to complete the consulting services. If Tyler-Stone Wealth Management anticipates exceeding the estimated amount of hours required, Tyler-Stone Wealth Management will contact you to receive authorization to provide additional services. The standard billing dates and events of Tyler-Stone Wealth Management are the following: (1) the first business day of each month; (2) the date or thereafter that Tyler-Stone Wealth Management substantially provides the services; and (3) the date the engagement is terminated by either Client or Tyler-Stone Wealth Management. Upon presentment of the invoice to Client, Tyler-Stone Wealth Management will deduct any hourly fees due against Client's current retainer balance and Client will immediately pay Tyler-Stone Wealth Management any outstanding balance of hourly fees due. Client agrees to notify Tyler-Stone Wealth Management within ten (10) days of receipt of an invoice if Client disputes any billing entry.

Tyler-Stone Wealth Management also provides consulting services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for consulting services under this arrangement. There is a range in the amount of the fixed fee charged by Tyler-Stone Wealth Management for consulting services. The minimum fixed fee for consulting services will be $250, and maximum fixed fee for consulting services will be generally no more than $5,000. The amount of the fixed fee for your engagement is specified in your consulting agreement with Tyler-Stone Wealth Management. The fixed fee will be considered earned by Tyler-Stone Wealth Management and immediately due from Client upon completion of the consulting services.

The one-time consulting services will terminate upon completion of the consultation or either party providing the other party with written notice. The "as-needed" consulting services will terminate upon either you or Tyler-Stone Wealth Management providing written notice of termination to the other party.

If you terminate the consulting services after entering into an agreement with Tyler-Stone Wealth Management, you will be responsible for immediate payment of any consulting work performed by Tyler-Stone Wealth Management prior to the receipt by Tyler-Stone Wealth Management of your notice of termination. For consulting services performed by Tyler-Stone Wealth Management under an hourly arrangement, you will pay Tyler-Stone Wealth Management for any hourly fees incurred at the rates described above. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Tyler-Stone Wealth Management to you. For consulting services performed by Tyler-Stone Wealth Management under a fixed fee arrangement, you will pay Tyler-Stone Wealth Management a pro-rated fixed fee equivalent to the percentage of work completed by Tyler-Stone Wealth Management as determined by Tyler-Stone Wealth Management.

Other Fee Terms for Financial Planning **&** *Consulting Services*

You may pay the investment advisory fees owed for the financial planning services by submitting payment directly (for example, by check) or having the fee deducted from an existing investment account.

If you elect to pay by automatic deduction from an existing investment account, you will provide written authorization to Tyler-Stone Wealth Management for such charge.

You should notify Tyler-Stone Wealth Management within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

To the extent Tyler-Stone Wealth Management engages an outside professional (i.e. attorney, independent investment adviser or accountant) while providing financial planning and consulting services to you, Tyler-Stone Wealth Management will be responsible for the payment of the fees for the services of such an outside professional, and you will not be required to reimburse Tyler-Stone Wealth Management for such payments. To the extent that you personally engage such an outside professional, you will be responsible for the payment of the fees for the services of such an outside professional, and Tyler-Stone Wealth Management will not be required to reimburse Client for such payments. Fees for the services of an outside professional (i.e. attorney, independent investment adviser or accountant) will be in addition to and separate from the fees charged by Tyler-Stone Wealth Management, and you will be responsible for the payment of the fees for the services of such an outside professional. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to Tyler-Stone Wealth Management for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to Tyler-Stone Wealth Management and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

If you retain Tyler-Stone Wealth Management to implement the recommendations provided under this service, Tyler-Stone Wealth Management may recommend load or no-load mutual funds that charge you 12(b)-1 fees. Tyler-Stone Wealth Management will not receive a portion of any 12B-1 fees that may be charged.

All fees paid to Tyler-Stone Wealth Management for financial planning and consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

It should be noted that lower fees for comparable services may be available from other sources.

Potential Conflicts of Interest

When making the determination of whether one of the advisory programs available through Tyler-Stone Wealth Management is appropriate for your needs, you should bear in mind that fee-based accounts, when compared with commission-based accounts, often result in lower costs during periods when trading activity is heavier, such as the year an account is established. However, during periods when trading activity is lower, the fee-based account arrangements may result in a higher annual cost for transactions. Thus, depending on a number of factors, the total cost for transactions under a fee account versus a commission account can vary significantly. Factors which affect the total cost include account size, amount of turnover, type and quantities of securities purchased or sold, commission rates and your tax situation. It should also be noted that lower fees for comparable service may be available from other sources. You should discuss the advantages and disadvantages of fee-based and commission-based accounts with your adviser representative.

Advisor receives compensation as a result of a client's participation in an LPL Financial program. Depending on, among other things, the type and size of the account, type of securities held in the account, changes in its value over time, the ability to negotiate fees or commissions, the historical or expected size or number of transactions, and the number and range of supplementary advisory and client-related services provided to the client, the amount of this compensation may be more or less than what the Tyler-Stone Wealth Management would receive if the client participated in other programs, whether through LPL Financial or another sponsor, or paid separately for investment advice, brokerage and other services.

The account fee may be higher than the fees charged by other investment advisors for similar services. For instance, FutureAdvisor offers direct-to-consumer services similar to GWP. Therefore, clients could generally pay a lower advisory fee for algorithm-driven, automated ("robo") investment advisory services through FutureAdvisor or other robo providers. However, clients using such direct robo services will forgo opportunities to utilize LPL Financial-constructed model portfolios or to work directly with a financial advisor.

Clients should consider the level and complexity of the advisory services to be provided when negotiating the account fee (or the advisor fee portion of the account fee, as applicable) with Tyler-Stone Wealth Management. With regard to accounts utilizing third-party portfolio managers under aggregate, all-in-one account fee structures (including MAS, MAN, PWP and the legacy MWP fee structure), because the portion of the account fee retained by Tyler-Stone Wealth Management varies depending on the portfolio strategist fee associated with a portfolio, Tyler-Stone Wealth Management has a financial incentive to select one portfolio instead of another portfolio.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

Item 7 – Types of Clients

Tyler-Stone Wealth Management generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Pension (defined benefit), defined contribution and profit sharing plans
- Estates
- Trusts, endowments and charitable organizations
- Corporations or business entities other than those listed above

You are required to execute a written agreement with Tyler-Stone Wealth Management specifying the particular advisory services in order to establish a client arrangement with Tyler-Stone Wealth Management, LLC.

Minimum Investment Amounts Required

There are no minimum investment amounts or conditions required for establishing an account managed by Tyler-Stone Wealth Management. However, all clients are required to execute an agreement for services in order to establish a client arrangement with Tyler-Stone Wealth Management and/or the third-party money manager or the sponsor of third-party money manager platforms.

The minimum fixed fee generally charged for financial planning services on a fixed fee basis is $1,000.

The minimum hourly fee generally charged for consulting services is $400.

Third-party money managers acting under LPL Financial Programs (MAS, MAN, MWP, and GWP) may have minimum account and minimum fee requirements in order to participate in their programs. Each-third party money manager will disclose its minimum account size and fees in its Form ADV Part 2A Disclosure Brochure.

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

Methods of Analysis

Tyler-Stone Wealth Management uses the following methods of analysis in formulating investment advice:

> Charting - This is a set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.
>
> Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of chart patterns. The risk of reliance upon chart patterns is that the next day's data can always negate the conclusions reached from prior days' patterns. Also, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.
>
> Cyclical – This method analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.
>
> While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle. If done before the bottom, then downside price action can result prior to any

gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, Tyler-Stone Wealth Management gathers information from financial publications, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC, and company press releases.

Investment Strategies

Tyler-Stone Wealth Management uses the following investment strategies when managing client assets and/or providing investment advice:

> Long term purchases. Investments held at least a year.
>
> Short term purchases. Investments sold within a year.
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> Frequent trading. This strategy refers to the practice of selling investments within 30 days of purchase.
>
> Short sales. A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.
>
> Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest of the purchase price from a brokerage firm. For example, an investor may buy $5,000 worth of stock in a margin account by paying for $2,500 and borrowing $2,500 from a brokerage firm. Clients cannot borrow stock from Tyler-Stone Wealth Management, LLC.
>
> Option writing including covered options, uncovered options or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

Primarily Recommend One Type of Security

We do not primarily recommend one type of security to clients. Instead, we recommend whatever security or combination of securities may be suitable for each client relative to that client's specific circumstances and needs.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, different types of investments offer are associated with different risks and different degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer. This is also referred to as systematic risk and can be reduced through appropriate diversification.
- Company Risk - When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced. This is also referred to as unsystematic risk and can be reduced through appropriate diversification.
- Fixed Income Risk - Fixed-income investors face a number of risks. Some of the most common risks are as follows: When investing in non-government bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Fixed-income investors receive set, regular payments, and inflation may erode their spending power. Fixed-income investors also face interest rate risk which is the risk that interest rates may change unfavorably while they are holding their fixed income investment.
- Options Risk - Options contracts on securities may be subject to greater fluctuations (volatility) in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Diversification through ETFs and mutual funds does not guarantee investment returns or eliminate the risk of loss. You may also incur brokerage costs when purchasing ETFs and mutual funds.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will underperform or decrease.

- Margin Risk - When you purchase securities, you may pay for the securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you intended to borrow funds in connection with your Account, you will be required to open a margin account, which will be carried by the clearing firm. The securities purchased in such an account are the clearing firm's collateral for its loan to you.

  If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in your account. The brokerage firm may issue a margin call and/or sell other assets in your account.

  It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin account that may be established as part of the Asset Management Agreement established between you and Tyler-Stone Wealth Management and held by the account custodian or clearing firm.

  These risks include the following:

  - You can lose more funds than you deposit in your margin account.
  - The account custodian or clearing firm can force the sale of securities or other assets in your account.
  - The account custodian or clearing firm can sell your securities or other assets without contacting you.
  - You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call.
  - The account custodian or clearing firm may move securities held in your cash account to your margin account and pledge the transferred securities.
  - The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and they are not required to provide you advance written notice.
  - You are not entitled to an extension of time on a margin call.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Tyler-Stone Wealth Management is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment adviser and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with us.

Registered Representative of a Broker-Dealer

As a result of our relationship with LPL Financial, LPL Financial may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about Tyler-Stone Wealth Management's clients, even if client does not establish any account through LPL Financial. If you would like a copy of the LPL Financial privacy policy, please contact Marc H. Stone at 216-295-0945 or marc.stone@tyler-stone.com.

Certain investment adviser representatives of Tyler-Stone Wealth Management are also associated with LPL Financial as broker-dealer registered representatives. Our representatives, in their separate capacity as registered representatives of LPL Financial, may earn commissions for the sale of securities or investment products that they recommend for brokerage clients.

You may work with your investment adviser representative in his or her separate capacity as a registered representative of LPL Financial. When acting in his or her separate capacity as a registered representative, your investment adviser representative may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. These commissions may include surrender charges and IRA and qualified retirement plan fees. As such, your investment adviser representative may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use LPL Financial and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use LPL Financial. Prior to effecting any such transactions, you are required to enter into a new account agreement with LPL Financial. The commissions charged by LPL Financial may be higher or lower than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that you maintain the mutual fund investment.

Third-Party Money Managers

Tyler-Stone Wealth Management participates in LPL Financial programs (MAS, MAN, GWP), previously described in *Item 4* of this disclosure brochure, designed to allow us to recommend and select third-party money managers for you. Once you select the third-party money manager to manage all or a portion of your assets, the third-party money manager will pay us a portion of the fees you are charged. Please refer to *Items 4 and 5* for full details regarding the programs, fees, conflicts of interest and materials arrangements when Tyler-Stone Wealth Management selects other investment advisers.

Dually Registered as an Investment Adviser Representative

Certain representatives of Tyler-Stone Wealth Management are also licensed as investment adviser representatives with LPL Financial for the sole purpose of offering LPL Financial's Retirement Consulting Program. Tyler-Stone Wealth Management and LPL Financial are not affiliated. Through LPL Financial, those dually licensed representatives may provide asset management services as well as referrals to sub-advisors. They may earn advisory fees when providing these services through LPL Financial. Therefore, you could receive advisory services from one individual acting as an investment adviser representative on behalf of two separate registered investment advisors. If the representatives of Tyler-Stone Wealth Management provide asset management or referral services to you, you will be given the disclosure brochure of LPL Financial describing the services provided, fees charged and other information. You are encouraged to read and review the disclosure brochures for both Tyler-Stone Wealth Management and LPL Financial and direct questions to your representative.

Insurance Agent

You may work with your investment adviser representative in his or her separate capacity as an insurance agent. When acting in his or her separate capacity as an insurance agent, the investment adviser representative may sell, for commissions, general disability insurance, life insurance, annuities, and other insurance products to you. As such, your investment adviser representative in his or her separate capacity as an insurance agent may suggest that you implement recommendations of Tyler-Stone Wealth Management by purchasing disability insurance, life insurance, annuities, or other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Tyler-Stone Wealth Management has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. Tyler-Stone Wealth Management requires its supervised persons to consistently put your interests ahead of their own in all advisory activities. Tyler-Stone Wealth Management imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Tyler-Stone Wealth Management. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

Tyler-Stone Wealth Management or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Tyler-Stone Wealth Management that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. Tyler-Stone Wealth Management and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Tyler-Stone Wealth Management.

Any associated person not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of Tyler-Stone Wealth Management. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

Directed Brokerage

You should understand that not all investment advisors require the use of a particular broker-dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, Tyler-Stone Wealth Management may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker-dealers may cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, Tyler-Stone Wealth Management has decided to require our clients to use LPL Financial as broker-dealer and custodian.

Broker/Dealer Affiliation (LPL Financial)

Tyler-Stone Wealth Management will require that clients establish a brokerage account with LPL Financial to maintain custody of clients' assets and to effect trades for their accounts when providing asset management services. LPL Financial provides brokerage and custodial services to independent investment advisory firms, including Tyler-Stone Wealth Management. For Tyler-Stone Wealth Management client accounts custodied at LPL Financial, LPL Financial generally is compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL Financial or that settle into LPL Financial accounts. For IRA accounts, LPL Financial generally charges account maintenance fees. In addition, LPL Financial also charges clients miscellaneous fees and charges, such as account transfer fees. LPL Financial charges Tyler-Stone Wealth Management an asset-based administration fee for administrative services provided by LPL Financial. Such administration fees are not directly borne by clients, but may be taken into account when Tyler-Stone Wealth Management negotiates its advisory fee with clients.

While LPL Financial does not participate in, or influence the formulation of, the investment advice Tyler-Stone Wealth Management provides, certain supervised persons of Tyler-Stone Wealth Management are Dually Registered Persons. Dually Registered Persons are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker-dealer or custodian that is not approved by LPL Financial. As a result, the use of other trading platforms must be approved not only by Tyler-Stone Wealth Management, but also by LPL Financial.

You should also be aware that for accounts where LPL Financial serves as the custodian, Tyler-Stone Wealth Management is limited to offering services and investment vehicles that are approved by LPL Financial, and may be prohibited from offering services and investment vehicles that may be available through other broker-dealers and custodians, some of which may be more suitable for a client's portfolio than the services and investment vehicles offered through LPL Financial.

You should understand that not all investment advisers require that clients custody their accounts and trade through specific broker-dealers.

You should also understand that LPL Financial is responsible under FINRA rules for supervising certain business activities of Tyler-Stone Wealth Management and its Dually Registered Persons that are conducted through broker-dealers and custodians other than LPL Financial. LPL Financial charges a fee for its oversight of activities conducted through these other broker-dealers and custodians. This arrangement presents a conflict of interest because Tyler-Stone Wealth Management has a financial incentive to recommend that you maintain your account with LPL Financial rather than with another broker-dealer or custodian to avoid incurring the oversight fee.

Benefits Received by Tyler-Stone Wealth Management Personnel

LPL Financial makes available to Tyler-Stone Wealth Management various products and services designed to assist Tyler-Stone Wealth Management in managing and administering client accounts. Many of these products and services may be used to service all or a substantial number of Tyler-Stone Wealth Management's accounts, including accounts not held with LPL Financial. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitate trade execution (and aggregation and allocation of trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of Tyler-Stone Wealth Management's fees from its clients' accounts; and assist with back-office functions; recordkeeping and client reporting.

LPL Financial also makes available to Tyler-Stone Wealth Management other services intended to help Tyler-Stone Wealth Management manage and further develop its business. Some of these services assist Tyler-Stone Wealth Management to better monitor and service program accounts maintained at LPL Financial, however, many of these services benefit only Tyler-Stone Wealth Management, for example, services that assist Tyler-Stone Wealth Management in growing its business. These support services and/or products may be provided without cost, at a discount, and/or at a negotiated rate, and include practice management-related publications; consulting services; attendance at conferences and seminars, meetings, and other educational and/or social events; marketing support; and other products and services used by Tyler-Stone Wealth Management in furtherance of the operation and development of its investment advisory business.

Where such services are provided by a third party vendor, LPL Financial will either make a payment to Tyler-Stone Wealth Management to cover the cost of such services, reimburse Tyler-Stone Wealth Management for the cost associated with the services, or pay the third party vendor directly on behalf of Tyler-Stone Wealth Management.

The products and services described above are provided to Tyler-Stone Wealth Management as part of its overall relationship with LPL Financial. While as a fiduciary Tyler-Stone Wealth Management endeavors to act in its clients' best interests, the receipt of these benefits creates a conflict of interest because Tyler-Stone Wealth Management's requirement, request or recommendation that clients custody their assets at LPL Financial is based in part on the benefit to Tyler-Stone Wealth Management of the availability of the foregoing products and services and not solely on the nature, cost or quality of custody or brokerage services provided by LPL Financial. Tyler-Stone Wealth Management's receipt of some of these benefits may be based on the amount of advisory assets custodied on the LPL Financial platform.

Transition Assistance Benefits

LPL Financial provides various benefits and payments to Dually Registered Persons that are new to the LPL Financial custodial platform to assist the representative with the costs (including foregone revenues during account transition) associated with transitioning his or her business to LPL Financial custodial platform (collectively referred to as "Transition Assistance"). The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including but not necessarily limited to, providing working capital to assist in funding the Dually Registered Person's business, satisfying any outstanding debt owed to the Dually Registered Person's prior firm, offsetting account transfer fees (ACATs) payable to LPL Financial as a result of the Dually Registered Person's clients transitioning to LPL Financial's custodial platform, technology set-up fees, marketing and mailing costs, stationary and licensure transfer fees, moving expenses, office space expenses, staffing support and termination fees associated with moving accounts.

The amount of the Transition Assistance payments are often significant in relation to the overall revenue earned or compensation received by the Dually Registered Person at their prior firm. Such payments are generally based on the size of the Dually Registered Person's business established at their prior firm and/or assets under custody at LPL Financial.

Transition Assistance payments and other benefits are provided to associated persons of Tyler-Stone Wealth Management in their capacity as registered representatives of LPL Financial. However, the receipt of Transition Assistance by such Dually Registered Persons creates conflicts of interest relating to Tyler-Stone Wealth Management's advisory business because it creates a financial incentive for Tyler-Stone Wealth Management's representatives to recommend that its clients maintain their accounts with LPL Financial. In certain instances, the receipt of such benefits is dependent on a Dually Registered Person maintaining its clients' assets with LPL Financial and therefore Tyler-Stone Wealth Management has an incentive to recommend that clients maintain their account with LPL Financial in order to generate such benefits.

Tyler-Stone Wealth Management attempts to mitigate these conflicts of interest by evaluating and recommending that clients use LPL Financial's services based on the benefits that such services provide to our clients, rather than the Transition Assistance earned by any particular Dually Registered Person. Tyler-Stone Wealth Management considers LPL Financial's quality and costs of services when requiring that clients maintain accounts with LPL Financial. However, clients should be aware of this conflict and take it into consideration in making a decision whether to custody their assets in a brokerage account at LPL Financial.

Soft Dollar Benefits

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

Tyler-Stone Wealth Management does not have a soft dollar agreement with LPL Financial or any other broker-dealer or third party.

Handling Trade Errors

Tyler-Stone Wealth Management has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Tyler-Stone Wealth Management to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by Tyler-Stone Wealth Management if the error is caused by Tyler-Stone Wealth Management. If the error is caused by the broker-dealer, the broker-dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. Tyler-Stone Wealth Management may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

Tyler-Stone Wealth Management will never benefit or profit from trade errors.

Block Trading Policy

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when Tyler-Stone Wealth Management believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

Tyler-Stone Wealth Management uses the pro rata allocation method for transaction allocation.

Under this procedure, pro rata trade allocation means an allocation of the trade at issue among applicable advisory clients in amounts that are proportional to the participating advisory client's intended investable assets. Tyler-Stone Wealth Management will calculate the pro rata share of each transaction included in a block order and assigns the appropriate number of shares of each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which Tyler-Stone Wealth Management or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

<u>Agency Cross Transactions</u>

Our associated persons are prohibited from engaging in agency cross transactions, meaning we cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

Item 13 – Review of Accounts

<u>Account Reviews and Reviewers</u>

Tyler-Stone Wealth Management MAP Program accounts are reviewed at least annually. Our representatives are responsible for reviewing their own accounts. While the calendar is the main triggering factor, other events may trigger a review such as your specific request, a change in your circumstances or unusual market activity / economic conditions. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by the advisor assigned to the account, with reviews performed in accordance with your investment goals and objectives.

Accounts established and maintained with other third-party money managers are reviewed at least annually, usually quarterly when statements and/or reports are received from the money manager.

Our financial planning services terminate upon the presentation of the written plan. Our financial planning and consulting services do not include monitoring the investments of your account(s), and therefore, there is no ongoing review of your account(s) under such services.

<u>Statements and Reports</u>

For our asset management services, you are provided with transaction confirmation notices and regular monthly (when activity occurs in the account) account statements directly from LPL Financial.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by Tyler-Stone Wealth Management, LLC.

You are encouraged to always compare any reports or statements provided by us, a sub-adviser or third-party money manager against the account statements delivered from LPL Financial. If you have questions about your account statement, you should contact our firm and LPL Financial.

Item 14 – Client Referrals and Other Compensation

Tyler-Stone Wealth Management may enter into agreements with various referring parties to refer clients to Tyler-Stone Wealth Management. If a referred client enters into an investment advisory agreement with Tyler-Stone Wealth Management, a referral fee is paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. The referral agreements between any referring party and Tyler-Stone Wealth Management will not result in any charges to clients in addition to the normal level of advisory fees charged. If the referring party is an unaffiliated registered investment adviser firm, then the client will also receive a copy of the referring party's Form ADV Part 2 Disclosure Brochure.

The referral agreements between Tyler-Stone Wealth Management and referring parties are in compliance with state and federal securities rules regarding paid solicitor arrangements.

Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.

We may from time to time receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

Broker Dealer Additional Compensation

Tyler-Stone Wealth Management and/or its Dually Registered Persons are incented to join and remain affiliated with LPL Financial and to recommend that clients establish accounts with LPL FINANCIAL through the provision of Transition Assistance (discussed in Item 12 above). LPL FINANCIAL also provides other compensation to Tyler-Stone Wealth Management and its Dually Registered Persons, including but not limited to, bonus payments, repayable and forgivable loans, stock awards and other benefits.

The receipt of any such compensation creates a financial incentive for your representative to recommend LPL Financial as custodian for the assets in your advisory account. We encourage you to discuss any such conflicts of interest with your representative before making a decision to custody your assets at LPL Financial.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Tyler-Stone Wealth Management is deemed to have custody of client funds and securities if:

1) Tyler-Stone Wealth Management is given the authority to have fees deducted directly from client accounts, and
2) You establish a standing letter of authorization with Tyler-Stone Wealth Management allowing us to transfer funds or securities from your account to a third party and you also give us the authorization to change either the frequency or amount Tyler-Stone Wealth Management is deemed to have custody. Written authorization is required to change update third party disbursements.

For accounts in which Tyler-Stone Wealth Management is deemed to have custody, we have established procedures to ensure all client funds and securities are held at LPL Financial in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware that the account is held at LPL Financial and have the address and the manner in which the funds or securities are maintained by LPL Financial. Finally, account statements are delivered directly from LPL Financial to each client, or the client's independent representative, monthly (when activity occurs in the account). You should carefully review those statements and are urged to compare the statements against reports received from Tyler-Stone Wealth Management. If you have questions about your account statements, you should contact Tyler-Stone Wealth Management or LPL Financial.

Item 16 – Investment Discretion

When providing asset management services, Tyler-Stone Wealth Management maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. Tyler-Stone Wealth Management will not have discretionary authority to select the Broker-Dealer to be used (i.e., LPL Financial will always be used; Tyler-Stone Wealth Management will not execute transactions through other broker-dealers) or the commissions charged by the broker-dealers chosen.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to Tyler-Stone Wealth Management so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

Proxy Voting

Tyler-Stone Wealth Management does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided.

With respect to assets managed by a third-party money manager, we will not vote the proxies associated with these assets. You will need to refer to each third-party money manager's disclosure brochure to determine whether the third-party money manager will vote proxies on your behalf. You may request a complete copy of third-party money manager's proxy voting policies and procedures as well as information on how your proxies were voted by contacting the third-party money manager or by contacting Tyler-Stone Wealth Management at the address or phone number indicated on Page 1 of this disclosure document.

Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. Tyler-Stone Wealth Management does not require or solicit prepayment of more than $1200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Tyler-Stone Wealth Management has not been the subject of a bankruptcy petition at any time.

Business Continuity Plan

Tyler-Stone Wealth Management has a business continuity and contingency plan in place designed to respond to significant business disruptions. These disruptions can be both internal and external. Internal disruptions will impact our ability to communicate and do business, such as a fire in the office building. External disruptions will prevent the operation of the securities markets or the operations of a number of firms, such as earthquakes, wildfires, hurricanes, terrorist attack or other wide-scale, regional disruptions.

Our continuity and contingency plan has been developed to safeguard employees' lives and firm property, to allow a method of making financial and operational assessments, to quickly recover and resume business operations, to protect books and records, and to allow clients to continue transacting business.

The plan includes the following:

- Alternate locations to conduct business;
- Hard and electronic back-ups of records;
- Alternative means of communications with employees, clients, critical business constituents and regulators; and
- Details on the firms' employee succession plan

Our business continuity and contingency plan is reviewed and updated on a regular basis to ensure that the policies in place are sufficient and operational.

Customer Privacy Policy Notice

In November of 1999, Congress enacted the Gramm-Leach-Bliley Act ("GLBA"). The GLBA requires certain financial institutions, such as investment advisor firms, to protect the privacy of client information. In situations where a financial institution does disclose client information to nonaffiliated third parties, other than permitted or required by law, clients must be given the opportunity to opt out or prevent such disclosure. Tyler-Stone Wealth Management does not share or disclose client information to nonaffiliated third parties except as permitted or required by law.

Tyler-Stone Wealth Management is committed to safeguarding the confidential information of its clients. Tyler-Stone Wealth Management holds all personal information provided by clients in the strictest confidence and it is the objective of Tyler-Stone Wealth Management to protect the privacy of all clients. Except as permitted or required by law, Tyler-Stone Wealth Management does not share confidential information about clients with nonaffiliated parties. In the event that there were to be a change in this policy, Tyler-Stone Wealth Management will provide clients with written notice and clients will be provided an opportunity to direct Tyler-Stone Wealth Management as to whether such disclosure is permissible.

To conduct regular business, Tyler-Stone Wealth Management may collect personal information from sources such as:

- Information reported by the client on applications or other forms the client provides to Tyler-Stone Wealth Management
- Information about the client's transactions implemented by Tyler-Stone Wealth Management or others
- Information developed as part of financial plans, analyses or investment advisory services

To administer, manage, service, and provide related services for client accounts, it is necessary for Tyler-Stone Wealth Management to provide access to client information within the firm and to nonaffiliated companies with whom Tyler-Stone Wealth Management has entered into agreements with. To provide the utmost service, Tyler-Stone Wealth Management may disclose the information below regarding clients and former clients as necessary, to companies to perform certain services on Tyler-Stone Wealth Management, LLC's behalf and with broker-dealer firms which have regulatory requirements to supervise certain of Tyler-Stone Wealth Management's activities.

- Information Tyler-Stone Wealth Management receives from the client on applications (name, social security number, address, assets, etc.)
- Information about the client's transactions with Tyler-Stone Wealth Management or others (account information, payment history, parties to transactions, etc.)
- Information concerning investment advisory account transactions

- Information about a client’s financial products and services transaction with Tyler-Stone Wealth Management

Since Tyler-Stone Wealth Management shares nonpublic information solely to service client accounts, Tyler-Stone Wealth Management does not disclose any nonpublic personal information about Tyler-Stone Wealth Management, LLC’s clients or former clients to anyone, except as permitted by law. However, Tyler-Stone Wealth Management may also provide client information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas. In the event that Tyler-Stone Wealth Management has a change to its client privacy policy that would allow it to disclose non-public information not covered under applicable law, Tyler-Stone Wealth Management will allow its clients the opportunity to opt out of such disclosure.