

# BDJ Wealth Management LLC

## Firm Brochure



*This brochure provides information about the qualifications and business practices of BDJ Wealth Management LLC. If you have any questions about the contents of this brochure, please contact us at (469) 619-9525 or by email at: [BDJWealth@pjsservicesgroup.com](mailto:BDJWealth@pjsservicesgroup.com). The information in this brochure has not been approved or verified by any state securities authority.*

*Additional information about BDJ Wealth Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). BDJ Wealth Management LLC's CRD number is: 309290.*

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

## Item 2: Material Changes

The last annual update of this brochure was filed on March 20, 2023. There have been no reported changes.

## Item 3: Table of Contents

Item 1: Cover Page .....	i
Item 2: Material Changes .....	ii
Item 3: Table of Contents .....	iii
Item 4: Advisory Business .....	6
A. Description of the Advisory Firm .....	6
B. Types of Advisory Services .....	6
C. Client Tailored Services and Client Imposed Restrictions .....	7
D. Wrap Fee Programs .....	7
E. Amounts Under Management .....	8
Item 5: Fees and Compensation .....	8
A. Fee Schedule .....	8
Investment Supervisory Services Fees .....	8
Selection of Other Advisors Fees .....	8
B. Payment of Fees .....	9
Payment of Investment Supervisory Fees .....	9
Payment of Selection of Other Advisors Fees .....	9
C. Clients Are Responsible For Third Party Fees .....	9
D. Prepayment of Fees .....	10
E. Outside Compensation For the Sale of Securities to Clients .....	10
Item 6: Performance-Based Fees and Side-By-Side Management .....	10
Item 7: Types of Clients .....	10
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss .....	11
A. Methods of Analysis and Investment Strategies .....	11
B. Material Risks Involved .....	12
C. Risks of Specific Securities Utilized .....	13
Item 9: Disciplinary Information .....	14

Item 10: Other Financial Industry Activities and Affiliations.....	14
A. Registration as a Broker/Dealer or Broker/Dealer Representative .....	14
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.....	14
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests.....	15
D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections.....	15
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	15
A. Code of Ethics.....	15
B. Recommendations Involving Material Financial Interests .....	15
C. Investing Personal Money in the Same Securities as Clients .....	15
D. Trading Securities At/Around the Same Time as Clients' Securities .....	16
Item 12: Brokerage Practices.....	16
A. Factors Used to Select Custodians and/or Broker/Dealers.....	16
1. Research and Other Soft-Dollar Benefits .....	16
2. Brokerage for Client Referrals.....	17
3. Clients Directing Which Broker-Dealer/Custodian to Use.....	17
B. Aggregating (Block) Trading for Multiple Client Accounts.....	17
Item 13: Reviews of Accounts .....	17
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews.....	17
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	17
C. Content and Frequency of Regular Reports Provided to Clients .....	17
Item 14: Client Referrals and Other Compensation .....	18
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	18
B. Compensation to Non -Advisory Personnel for Client Referrals.....	19
Item 15: Custody .....	19
Investment Supervisory Services Accounts .....	19
Selection of Other Advisors Accounts .....	20
Item 16: Investment Discretion .....	20
Item 17: Voting Client Securities (Proxy Voting).....	20
Item 18: Financial Information.....	20
A. Balance Sheet.....	20

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Client .....	20
C. Bankruptcy Petitions in Previous Ten Years .....	20
Item 19: Requirements for State Registered Advisors .....	21
A. Officers and Management Person(s) .....	21
B. Outside Business Activities .....	21
C. Performance Based Fess .....	21
D. Disciplinary Disclosure .....	21
E. Relationship to Issuer .....	21

## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

BDJ Wealth Management, LLC was formed in April 2020 and became a registered investment adviser in 2020. Beverly D. Johnson is the sole member of the firm.

### **B. Types of Advisory Services**

BDJ Wealth Management, LLC. (hereinafter “BDJW”) offers the following services to advisory clients:

#### **Investment Supervisory Services**

BDJW offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. BDJW creates a Risk Tolerance Assessment for each client, which outlines the client’s current situation (income, tax levels, tax situation, and risk tolerance levels) to aid in the selection of a portfolio that matches each client’s specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Personal investment policy
- Asset allocation
- Asset selection
- Regular portfolio monitoring
- Comprehensive Financial Planning

As part of the client onboarding, BDJW will assess the client’s financial situation and evaluate the current investments of each client with respect to their risk tolerance levels and time horizon. BDJW will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

#### **Selection of Other Advisors**

BDJW may recommend to clients on a non-discretionary basis the use of appropriate third-party investment advisor(s). Before selecting other advisors for clients, BDJW will ensure those other advisors are properly licensed or registered as investment advisor(s). Currently, BDJW may recommend that clients use third-party investment adviser, Freedom Investment Management to comply with a client’s social, religious, or moral restrictions. BDJM will act as a co-adviser with Freedom Investment Management.

## **Financial Planning Services**

We offer annual financial planning services. We will provide clients with a written financial plan and/or oral advice that we will develop as a result of consultations with each client where the client provides us with information about themselves and their objectives. We shall discuss our recommendations, which may include topics such as insurance, taxes, retirement needs, investments, estate planning, etc. with each client. During the TWELVE (12) months of our engagement, we provide the following:

Access to Social Media Groups
Weekly Market Updates
Monthly Retirement Newsletter
Other Educational Content
Initial Consultation
Baseline Financial Plan
Goal Planning with Scenarios
Wealth Dashboard with App
Encrypted Vault Access
Open Enrollment Benefits Support
401K Optimization
On-going Advice
3x Year Check-ins
Investment Analysis
Tax Savings Analysis/LLC Creation, as needed

Clients are free to follow or disregard, in whole or part, any recommendations, suggestions, or advice made by BDJW. Our recommendations may be implemented, at your sole discretion, with the professional advisor(s) of your choosing (including your broker, accountant, attorney, etc.).

### **C. Client Tailored Services and Client Imposed Restrictions**

As described above, BDJW offers tailored investment supervisory and financial planning services. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent BDJW from properly servicing the client account, or if the restrictions would require BDJW to deviate from its standard suite of services, BDJW reserves the right to end the relationship.

### **D. Wrap Fee Programs**

BDJW does not participate in any wrap fee programs. However, BDJW does recommend third-party investment adviser, Freedom Investment Management. and they offer a wrap fee program.

## E. Amounts Under Management

BDJW has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$33,776,714	\$0.00	12/31/2024

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Total Assets Under Management	Annual Fee
\$1 - \$250,000	1.00%
\$250,001 - \$500,000	0.90%
\$500,001 - \$750,000	0.80%
\$750,001 - \$1,000,000	0.70%
\$1,000,001 - \$3,000,000	0.60%
\$3,000,001+	0.50%

*\*Calculated based on the daily average balance per month*

These fees are not negotiable, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients are charged a flat fee on all assets based upon the total dollar value of the Client's assets under management. For purposes of determining the market value of the assets upon which the advisory fee is based, BDJW uses the value of the client's account on the last business day of the month (after taking into account deposits and withdrawals) as provided by the account's custodian. Advisory fees are paid monthly in arrears. Fees are withdrawn directly from the client's accounts with client written authorization.

#### *Selection of Other Advisors Fees*

As appropriate, BDJW will recommend the use of third-party investment advisers. Currently, BDJW recommends, Freedom Investment Management to comply with a client's social, religious, or moral restrictions. BDJM will act as a co-adviser with Freedom Investment Management. Clients will pay BDJW's fee, as described above, and Freedom Investment Management's, as described below. Freedom Investment Management will collect both fees.

The Freedom Investment Management fee schedule is as follows:

ETF Platform	0.26 - 0.32%
Freedom - SMA Platform	0.40 - 0.70%

*\*The final fee will be based on asset allocation in Freedom Investment Management Investment Policy Statement*

The Charles Schwab & Co., Inc, fee schedule is as follows:

Stocks	0%
Mutual Funds/ETF	0.10 - 0.70%

*\*The final fee will be based on the asset allocation strategy designed by the advisor and approved by the client*

Fees are billed monthly, in arrears, by Freedom Investment Management, which then pays BDJW its fee. Freedom Investment Management sends the client statements for these accounts. If the client terminates their agreement before the end of a billing cycle, clients are responsible for payment of the fees earned up to the point of termination. Fees are billed either quarterly or semi-annually, in arrears, on Charles Schwab & Co., Inc, accounts by the advisor.

### *Financial Planning Services*

We charge a fixed fee for clients that engage for "Financial Planning Only." We provide comprehensive financial planning services with a minimum ONE (1) year engagement. Fixed fees are negotiated in advance in advance according to the following fee schedule:

Monthly Fees		
Type Income/Household	Single (1 <sup>st</sup> year/2 <sup>nd</sup> + years)	Married (1 <sup>st</sup> year/2 <sup>nd</sup> + years)
W-2	\$100/\$75	\$125/\$75
Business	\$125/\$100	\$150/\$100
Multi Business	\$200/\$100	\$250/\$100

The Financial Planning Services Agreement will detail the total fixed fee and the monthly billing arrangement for the minimum TWELVE (12) month engagement. Fees are billed monthly in arrears.



## **B. Payment of Fees**

### ***Investment Supervisory Fees***

Each client is expected to authorize BDJW and/or Freedom Investment Management to instruct the custodian to deduct the firm's fees from the client's assets. In the manner directed by the custodian, BDJW and/or Freedom Investment Management will submit its fees for deduction monthly in arrears from each client's account(s). The fees deducted are reported on the account statements provided by the custodian. Each client is responsible for verifying fee computations since custodians are not typically asked to perform this task. If you have questions about a specific fee calculation, please contact us.

### ***Financial Planning Services***

Clients will be billed monthly in arrears by invoice. Fees may be paid by check, credit card or an automated payment through a qualified, unaffiliated third-party payment processor.

## **C. Clients Are Responsible For Third Party Fees**

Clients will also incur certain charges imposed by third parties (custodians, broker-dealers, platforms, and others) regarding investments made in the account(s). These commissions, fees and charges may include but not limited to the following: brokerage commissions; transaction, exchange, trade away and clearing fees; account, wire, and electronic fund transfer fees; margin interest; custodial fees; administration and termination fees; and other costs and expenses. Additionally, if a sub-adviser is used for your account, you will pay the sub-advisor its sub-advisory fees. BDJW does not receive any portion of these commissions, fees, and charges.

BDJW may also invest client assets in mutual funds and electronic traded funds. Clients bear the costs and expenses charged by these fund(s) to their shareholders, such as management and administrative fees, in addition to BDJW's advisory fees. These costs and expenses are set forth in the prospectuses for these investment funds. These investment funds will be included in calculating the value of the account(s) for purposes of computing BDJW's fees.

## **D. Prepayment of Fees**

### ***Investment Supervisory Fees***

BDJW collects its investment supervisory fees in arrears. Clients are responsible for payment of fees up to the date of termination.

### ***Financial Planning Services***

BDJW collects its financial planning services fees in arrears. If an engagement is terminated after the fifth business day and we have completed any work not yet billed, the Client agrees to pay an hourly rate for work that has been done and reimburse us for expenses or travel incurred. BDJW will send an invoice to the Client which must be paid within ten business days of receipt.

## **E. Outside Compensation For the Sale of Securities to Clients**

Ms. Johnson, an investment adviser representative, is also licensed with the Texas Department of Insurance. She can offer fixed insurance products for which she will receive commissions from the insurance companies through an independent insurance agency.

Investment adviser representatives who offer fee based and commission-based products are subject to a conflict of interest. It is a conflict of interest because it provides an incentive to recommend products based on the commissions. We mitigate this conflict by disclosing the relationship to our clients, by conducting our operations in accordance with our fiduciary duty and by following our firm's code of ethics.

Please note: The independent insurance agencies pay commissions fees directly to Ms. Johnson. BDJW does not receive a portion of these commissions. Clients have the option to purchase investment products that we recommend through other broker-dealers, advisers or agents that are not affiliated with BDJW.

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

BDJW does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

BDJW offers its services to:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Business Owners and entrepreneurs

There are no account minimums.

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

### **A. Methods of Analysis and Investment Strategies**

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

BDJW's methods of analysis include fundamental analysis and cyclical analysis. Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

When investing it is important to have a sound structure and work to prevent emotions from disintegrating the structure. Our investing structure is based upon the following:

1. Reduce Tax Friction – Where possible reduce the taxes associated with owning portfolios.
2. Institutional – We seek to use institutional platforms, products, and strategies.
3. Low Turnover – We seek to reduce turnover, which in turn should reduce costs and volatility of a portfolio.
4. Equities – We seek ownership positions instead of lending positions. For example, we would favor a stock over a bond, however we recognize the need to diversify and balance risk.
5. Value – We will lean toward a value approach to investing versus a growth approach.
6. Small – We will lean to portfolios of small stocks over large stock.
7. Portfolio Construction – We will attempt to construct portfolios to optimize expected return based on a given level of market risk. Risk is an inherent part of higher reward.

Factors 8 – 10 seek to minimize emotional behaviors of our clients.

8. Math & Time – We focus on the sticking to the strategy as designed over time.
9. Patience – Some market conditions or life events will create fear, we will encourage patience in these situations.
10. Discipline – Some market conditions will lead to chasing a “hot” asset class or a wildly popular “investment” (bitcoin is a recent example) in these cases we will encourage our clients to stick to the plan and avoid short term greed.

#### **Control**

There are 5 areas we look to control for our clients:

- Taxes – Reduce Tax Friction which comes from aggressive turnover in a portfolio.
- Costs – There can be many hidden fees and costs of owning a portfolio, we seek to minimize costs where we can.

- Volatility – We cannot control the volatility of the market however the firm’s investment strategy attempts to manage portfolio volatility by diversifying across asset classes. Please note the use of diversification is no guarantee that portfolio volatility will be lowered.
- Risk – We will engineer portfolios to a specific risk profile and it can be adjusted over time.
- Diversity – We will use diversification as part of a strategy that attempts to reduce risk, however, there is no guarantee that the firm’s strategies will reduce portfolio risk.
- We seek proper diversification in order to reduce risk.

### **Diversification**

Diversity is the strategy that mixes a variety of investments within a portfolio in an attempt to:

1. Reduce sensitivity to market swings
2. Mitigate risk
3. Improve portfolio performance

However, there is no guarantee that the firm’s strategies will achieve these objectives.

### ***Investment Strategies***

BDJW uses long term trading and short-term trading strategies.

## **B. Material Risks Involved**

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

Fundamental analysis concentrates on factors that determine a company’s value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Cyclical analysis concentrates on understanding how markets work and the cycles that they go through. Risks assumed with this analysis include failing to recognize which component of the market cycle that you are in, failing to understand how to benefit, and/or failing to expect the end of the current market phase.

### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally hold greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **C. Risks of Specific Securities Utilized**

BDJW generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

All investing strategies we offer involve risk and can result in a loss of your original investment. There are numerous inherent risks involved in investment analysis and strategy. Some major risks that can impact investment outcomes are described below; however, this is not meant to be an exhaustive list of possible risks associated with investing:

- Market Risk: Involves the possibility that an investment's current market value will fall because of a broader market decline, reducing the value of the investment regardless of the operational success of the issuer's business operating strategies or its financial condition.
- Strategy Risk: An investment adviser's strategies and/or investment techniques may not work as intended.
- Small and Medium Cap Company Risk: Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger cap companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of a client's portfolio.
- Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the original principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Generally, many other investments are sensitive to the level and direction of interest rates.
- Legal or Legislative Risk: Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.
- Inflation Risk: Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

BDJW primarily recommends mutual funds, Exchange Traded Funds ("ETFs"), listed equity securities and bonds as part of its investment management services. We may advise you on any type of investment that we deem appropriate since each client's needs and risk tolerance varies. A description of some of the types of securities we may recommend to you and some inherent risks are provided below:

- Common stocks can vary in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring, a common stock has the possibility to lose all of its value. A slower-growth or recessionary economic environment could have an adverse effect on the general stock market including the price of common stocks.
- Corporate Bonds are debt securities the issuer uses to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and the asset's value accretes over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

- Municipal Bonds are debt obligations generally issued to obtain funds for various public purposes, including the construction and financing of public facilities. Municipal bonds generally pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative tax-equivalent yield of a municipal bond to the after-tax return of other bonds, while also considering the investor's tax bracket. Risks of municipal bonds include, but are not limited to, interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity/valuation risk.
- Mutual funds and ETFs are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., small cap equities) rather than balancing the fund with different types of securities. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Additionally, Mutual Funds and ETFs may not track underlying benchmarks as expected.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither BDJW nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither BDJW nor its representatives are registered as a FCM, CPO, or CTA.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Ms. Johnson, an investment adviser representative, is also licensed with the Texas Department of Insurance. She can offer fixed insurance products for which she will receive commissions from the insurance companies through an independent insurance agency.

Investment adviser representatives who offer fee based and commission-based products are subject to a conflict of interest. It is a conflict of interest because it provides an incentive to recommend products based on the commissions. We mitigate this conflict by disclosing the relationship to our clients, by conducting our operations in accordance with our fiduciary duty and by following our firm's code of ethics.

Please note: The independent insurance agencies pay commissions fees directly to Ms. Johnson. BDJW does not receive a portion of these commissions. Clients have the option to purchase investment products that we recommend through other broker-dealers, advisers or agents that are not affiliated with BDJW.

#### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

Please see Item 5 – Fees and Compensation for a discussion of the fees related to the use of third-party investment adviser(s).

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

#### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics by calling (469) 619-9525 or emailing [BDJWealth@pjsservicesgroup.com](mailto:BDJWealth@pjsservicesgroup.com).

#### **B. Recommendations Involving Material Financial Interests**

BDJW does not recommend that clients buy or sell any security in which a related person to BDJW has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of BDJW may buy or sell securities for themselves that they also recommend to clients and may do so at or around the same time as clients. This may provide an opportunity

for representatives of BDJW to buy or sell the same securities before or after recommending securities to



clients, resulting in representatives profiting off the recommendations they provide to clients. Such transactions create conflicts of interest. To address these conflicts of interest, BDJW will document any such transactions and will not engage in trading that operates to the client's disadvantage when similar securities are being bought or sold. Moreover, BDJW will act in the best interest of the client consistent with its fiduciary duty.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of BDJW may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of BDJW to buy or sell the same securities before or after trading securities for clients, resulting in representatives profiting off the recommendations they provide to clients. Such transactions create conflicts of interest. To address these conflicts of interest, BDJW will document any such transactions and will never engage in trading that operates to the client's disadvantage when trading at or around the same time as client accounts. Moreover, BDJW will act in the best interest of the client consistent with its fiduciary duty.

### **Item 12: Brokerage Practices**

#### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on BDJW's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and BDJW may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in BDJW's research efforts.

##### ***1. Research and Other Soft-Dollar Benefits***

While BDJW has no formal soft dollars program in which soft dollars are used to pay for third party services, BDJW may receive research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. BDJW benefits by not having to produce or pay for the research, products or services, and BDJW will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that BDJW's acceptance of soft dollar benefits may result in higher commissions charged to the client.

## ***2. Brokerage for Client Referrals***

BDJW receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## ***3. Clients Directing Which Broker-Dealer/Custodian to Use***

BDJW will not allow clients to direct BDJW to use a specific broker-dealer to execute transactions. Clients must use a BDJW recommended custodian (broker-dealer). Not all investment advisers require their clients to direct brokerage. By requiring clients to use our specific custodian, BDJW may be unable to achieve most favorable execution of client transactions and this may cost clients' money over using a lower-cost custodian.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

BDJW maintains the ability to block trade purchases across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed, at least, quarterly by the firm's Managing Member. Accounts are rebalanced as needed and reviewers are instructed to review clients' accounts with regard to their investment objectives and risk tolerance.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

BDJW does not provide regular reports to clients, written or otherwise. However, clients will have access to their investment accounts through the investment platforms and are encouraged to schedule meeting a minimum of three times per year to review their investment portfolios.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

#### **Goldman Sachs**

BDJW participates in the institutional advisor program (the “Program”) offered by Goldman Sachs Investments, Inc. Goldman Sachs Investments, Inc. offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. BDJW receives some benefits from Goldman Sachs Investments, Inc. through its participation in the Program.

As part of the Program, BDJW may recommend Goldman Sachs Investments, Inc. to clients for custody and brokerage services. There is no direct link between BDJW’s participation in the Program and the investment advice it gives to its clients, although BDJW receives economic benefits through its participation in the Program that are typically not available to Goldman Sachs Investments, Inc. retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving BDJW participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have BDJW’s fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to BDJW by third party vendors. Goldman Sachs Investments, Inc. may also pay for business consulting and professional services received by BDJW’s related persons. Some of the products and services made available by Goldman Sachs Investments, Inc. through the Program may benefit BDJW but may not benefit its client accounts. These products or services may assist BDJW in managing and administering client accounts, including accounts not maintained at Goldman Sachs Investments, Inc. Other services made available by Goldman Sachs Investments, Inc. are intended to help BDJW manage and further develop its business enterprise. The benefits received by BDJW or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to Goldman Sachs Investments, Inc. As part of its fiduciary duties to clients, BDJW endeavors at all times to put the interests of its clients first.

Clients should be aware, however, that the receipt of economic benefits by BDJW or its related persons in and of itself creates a conflict of interest and may indirectly influence the BDJW’s choice of Goldman Sachs Investments, Inc. for custody and brokerage services.

### **Charles Charles Schwab & Co., Inc.**

BDJW participates in the institutional advisor program (the "Program") offered by Charles Schwab & Co., Inc. Charles Schwab & Co., Inc, offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. BDJW receives some benefits from Charles Schwab & Co., Inc, through its participation in the Program.

As part of the Program, BDJW may recommend Charles Schwab & Co., Inc, to clients for custody and brokerage services. There is no direct link between BDJW's participation in the Program and the investment advice it gives to its clients, although BDJW receives economic benefits through its participation in the Program that are typically not available to Charles Schwab & Co., Inc, retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving BDJW participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have BDJW's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to BDJW by third party vendors. Charles Schwab & Co., Inc, may also pay for business consulting and professional services received by BDJW's related persons. Some of the products and services made available by Charles Schwab & Co., Inc, through the Program may benefit BDJW but may not benefit its client accounts. These products or services may assist BDJW in managing and administering client accounts, including accounts not maintained at Charles Schwab & Co., Inc,. Other services made available by Charles Schwab & Co., Inc, are intended to help BDJW manage and further develop its business enterprise. The benefits received by BDJW or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to Charles Schwab & Co., Inc,. As part of its fiduciary duties to clients, BDJW endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by BDJW or its related persons in and of itself creates a conflict of interest and may indirectly influence the BDJW's choice of Charles Schwab & Co., Inc, for custody and brokerage services.

### **B. Compensation to Non -Advisory Personnel for Client Referrals**

BDJW has no solicitation arrangements.

## **Item 15: Custody**

### ***Investment Supervisory Services Accounts***

BDJW does not have custody other than via direct fee deduction. When advisory fees are deducted directly from client accounts at client's custodian, BDJW will follow the procedures below.

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.

(B) Utilize a custodian that sends at least quarterly invoices.

(C) Send the qualified custodian written notice of the amount of the fee to be deducted and send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive account statements from the custodian and should carefully review those statements. BDJW urges clients to compare the account statements they receive from the custodian with those they received from BDJW.

### ***Selection of Other Advisors Accounts***

The third-party adviser will deduct the fees and sends the client statements for these accounts.

## **Item 16: Investment Discretion**

For those client accounts where BDJW provides ongoing investment supervision, BDJW maintains a limited trading authority over client accounts with respect to securities to be bought and sold and amount of securities to be bought and sold. All buying and selling of securities is explained to clients in detail before an advisory relationship has commenced.

## **Item 17: Voting Client Securities (Proxy Voting)**

BDJW will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

BDJW does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither BDJW nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

BDJW has not been the subject of a bankruptcy petition.

## **Item 19: Requirements for State-Registered Advisers**

### **A. Officers and Management Person(s)**

BDJW is a Texas limited liability company and its sole and managing member is Beverly D. Johnson. Ms. Johnson's business and educational background is provided in the Form ADV Part 2B Supplement.

### **B. Outside Business Activities**

Please see Item 10 – Other Financial Industry Activities. Additionally, Beverly Deloris Johnson is involved in the Outside Business Activities listed below:

10/01/2015 – Present: Beverly Deloris Johnson is a partner at PJS Services, LLC where she is involved with Business Development, Tax Filing, and Tax Planning services. She receives \$15,000 per year in compensation with 5 to 10 hours dedicated to this activity per month.

07/01/2014 – Present: Beverly Deloris Johnson is the owner of Teach Them 2 Fish where she is involved in Financial Education, Consulting, and Advising as a Consultant. She receives compensation for these services based on a client contract with 5 to 10 hours dedicated to this activity per month.

### **C. Performance-Based Fees**

BDJW and its officers, directors and employees do not accept performance-based compensation.

### **D. Disciplinary Disclosure**

BDJW has no information to disclose.

### **E. Relationship to Issuer**

BDJW has no relationships or arrangements with issuers to disclose.