Item 1 Cover Page

Form ADV Part 2A Appendix

Wrap Fee Program Brochure

Latko Wealth Management, Ltd.

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This brochure provides information about the qualifications and business practices of Latko Wealth Management, Ltd. If you have any questions about the contents of this brochure, please contact us at (815) 469-8887 or david.latko@latkowealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Latko Wealth Management Ltd. is also available on the SEC's website at www.adviserinfo.sec.gov. The SEC's Web Site also provides information about any persons affiliated with Latko Wealth Management who are registered, or are required to be registered, as investment adviser representatives of Latko Wealth Management.

Registration does not imply a certain level of skill or training.

Item 2 – Material Changes

The Firm is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update.

As of January 1, 2025, our Chief Compliance Officer has changed from David W. Latko to David W. Latko Jr.

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The Firm

Latko Wealth Management, Ltd. ("Latko Wealth Management") is an investment adviser based in Frankfort, Illinois. The Firm was incorporated in the State or Illinois in 1989 and registered as an investment adviser with the U.S. Securities and Exchange Commission in 2018. The Firm is owned by David W. Latko and his wife, Janice.

The Firm's business centers around managing investment portfolios for individual clients, high net-worth families, foundations, endowments, and institutional investors. We also provide personal financial planning and investment advice. Our investment plans are designed to work with our clients' financial goals, objectives and risk tolerances.

Asset Management

Latko Wealth Management offers fee-based investment advisory services. When we provide asset management services, we do so predominantly, if not exclusively, on a discretionary basis. Discretionary authority means that Latko Wealth Management, Ltd. makes all decisions to buy, sell or hold securities, cash or other investments in your managed account without consulting with you before implementing such transactions. We will make these changes in client accounts in keeping with each client's stated investment objectives, which are viewed as a household or overall client relationship and not necessarily on an account-by-account basis. Investment strategies and recommendations are tailored to the individual needs of each client. Clients can at any time place reasonable restrictions on how the Firm manages their accounts. However, clients should be aware that such restrictions may impede our ability to actively manage the portfolio.

We provide investment management services with personalized strategy recommendations based on your unique needs and objectives. These objectives may come from a Confidential Client Profile, a financial plan we have prepared, or a combination of both. A description of our planning process is found below. You are responsible to regularly update your personal information to help ensure your goals and objectives are current with Latko Wealth Management.

Latko Wealth Management may provide advisory services through certain programs sponsored by LPL Financial LLC (LPL), a registered investment advisor and broker-dealer. Item 8 of this informational brochure provides a brief description of each LPL advisory program available to Latko Wealth Management. For more information regarding the LPL programs, including more information on the advisory services and fees that apply, the types of investments available in the programs and the potential conflicts of interest presented by the programs please see the program account packet (which includes the account agreement and LPL Form ADV program brochure) and the Form ADV, Part 2A of LPL or the applicable program.

A. Description of the Program

A wrap fee program is defined as any advisory program under which a specified fee is charged for both the adviser's services and other services, which can include transaction fees, fees to other managers, or both. Latko Wealth Management offers clients a wrap program in that transaction fees are included in the Firm's advisory fees. More information about the wrap program is found in the Wrap Fee Brochure.

Because of the nature of a wrap fee program, where wrap fees are not tied to an account's frequency of trading and apply to generally all assets in the account, the wrap fee program client may pay more or less than if the client had compensated the Firm outside of the wrap fee program. For example, if a client's account is rarely traded, the transaction fees the client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees. Clients whose accounts will be rarely traded should carefully consider whether the Wrap Program is appropriate. Clients are not required to participate in the Wrap Program, but the Firm currently only offers services to Wrap Program participants.

The Firm does not engage other portfolio managers to manage assets within the wrap fee program. To the extent a third-party manager is utilized, the fees payable to such managers will not be included in the wrap program. Latko Wealth Management, Ltd. is the sole portfolio manager in the wrap program, which means that the Firm receives a portion of the wrap fee for our services. Transaction fees are paid to the account custodian (broker-dealer), mutual funds and ETFs. The remainder of the wrap fee is the management fee payable to the Firm.

Strategic Wealth Management (SWM)

Strategic Wealth Management (SWM) is the name of a custodial account offered through LPL Financial to support investment advisory services provided by Latko Wealth Management. Strategic Wealth Management is a comprehensive, open-architecture platform that allows investment advisor representatives to provide advice on the purchase and sale of various types of investments including access to more than 8,000 no- load and load waived mutual funds and more than 350 fund families as well as stocks, bonds, ETFs, UITs, alternative investments, options, fund of hedge funds and managed futures. Fee-based variable annuities are also available. The advice is tailored to the individual needs of the client in order to help meet their financial goals. Accounts are reviewed on a regular basis and rebalanced as necessary according to each client's investment profile. More specific account information and acknowledgements are further detailed in the account opening documents.

Although clients do not pay a transaction charge for transactions in a SWM account, clients should be aware that Latko Wealth Management pays LPL transaction charges for those transactions. The transaction charges paid by Latko Wealth Management vary based on the type of transaction (e.g., mutual fund, equity or ETF) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL. Transaction charges paid by Latko Wealth Management for equities and ETFs are $9. For mutual funds, the transaction charges range from $0 to $26.50. Because Latko Wealth Management pays the transaction charges in SWM 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 Latko Wealth Management of transaction charges may be a factor that Latko Wealth Management considers when deciding which securities to select and how frequently to place transactions in a SWM account.

In many instances, LPL makes available mutual funds in a SWM 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 in many cases will not be the least expensive share class that the mutual fund makes available and was selected by LPL in certain cases because the share class pays LPL compensation for the administrative and recordkeeping services LPL 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. 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 a 12b-1 fee for providing shareholder services, distribution, and marketing expenses ("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.

Latko Wealth Management has a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. This is a conflict of interest which might incline Latko Wealth Management, consciously or unconsciously, to render advice that is not disinterested. Although the client will not be charged a transaction charge for transactions, Advisor pays LPL a per transaction charge for mutual fund purchases and sales in the account. Latko 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 Latko Wealth Management of transaction charges generally may be a factor Latko Wealth Management considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to Latko 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, presents a significant conflict of interest between Latko Wealth Management and the client. In short, it costs Latko Wealth Management less to recommend and select Class A share mutual funds than Platform shares, but Platform shares will generally outperform Class A mutual fund shares on the basis of internal cost structure alone. 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 Latko Wealth Management the advisory fee for management of an account.

Model Wealth Portfolios (MWP)

While no longer being offered to clients, Latko Wealth Management has clients that utilize the Model Wealth Portfolios program through LPL. MWP offers clients a professionally managed mutual fund asset allocation program. Latko Wealth Management investment advisor representatives will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program and assist the client in setting an appropriate investment objective. The Advisor will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL's Research Department consistent with the client's stated investment objective. LPL's Research Department is responsible for selecting the mutual funds within a model portfolio and for making changes to the mutual funds selected.

The client can authorize LPL to act on a discretionary basis to purchase and sell mutual funds including in certain circumstances exchange traded funds and to liquidate previously purchased securities. The client can also authorize LPL to effect rebalancing for MWP accounts.

In the future, the MWP program may make available model portfolios designed by strategists other than LPL's Research Department. If such models are made available, Advisor will have discretion to choose among the available models designed by LPL or outside strategists.

Optimum Market Portfolios Program (OMP)

While no longer being offered to clients, Latko Wealth Management has clients that utilize the Optimum Market Portfolios program through LPL. The OMP program offers clients the ability to participate in a professionally managed asset allocation program designed by LPL Financial. Latko Wealth Management, Ltd. will obtain the necessary financial data from each client and then select the proper fund portfolio program. While Latko Wealth Management, Ltd. selects the proper portfolio program, LPL Financial will manage the underlying Optimum Funds on a discretionary basis consistent with the portfolio program objectives. OMP is a model-based platform, LPL Financial does not tailor the model or directly manage fund assets on behalf of any particular client.

LPL Financial follows an asset allocation investment style in constructing portfolios for the Program. 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. As with any investment strategy, there is no guarantee that the use of an asset allocation strategy will produce favorable results. Latko Wealth Management, Ltd. is responsible for educating the client about this investment style in advance of opening the Account by explaining the various asset classes (e.g., large cap growth, large cap value, etc.) being used within the selected portfolio. This educational process continues throughout the time that the client maintains the account. Clients will authorize changes in a non-discretionary account

OMP is one of several portfolio platforms centrally managed by LPL Financial. OMP enables investment advisor representatives of Latko Wealth Management, Ltd. to manage client assets through diversified asset allocation models, professional money management, automatic rebalancing, and online marketing and sales support.

Assets Under Management

As of December 31, 2023, the firm has $230,977,909.00 of discretionary assets and $0.00 non- discretionary assets under management.

B. Fees and Compensation

Latko Wealth Management provides investment management services for an annual fee based upon a percentage of the market value of the aggregate client assets held under management or commonly termed as household accounts. The annual fee varies between .50% to 1.50% per client. Ongoing financial planning services can be included in the above fees for those clients needing such services.

The exact the exact service and fees charged to a particular client are dependent upon various factors. While typically accounts with a higher investment amount will be charged a lower fee rate, this is not always the case. For example, two clients with the same amount of household assets may be charged different advisory fee rates. This is because each client's situation is unique: clients may need more or less financial planning (which can be included in the overall fee), may have more complex objectives, may have more service needs and communication needs, or their assets may require more adjustments. Internal accounts will also have lower fees.

The Model Wealth Portfolio Program offered by Latko Wealth Management through LPL is subject to maximum account fees of 2.65%. The MWP account fee consists of an LPL program fee, a strategist fee (if applicable) and an advisor fee of up to 2.0%. 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. This program is no longer offered to clients of Latko Wealth Management.

Latko Wealth Management receives compensation as a result of a client's participation in an LPL 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 Latko Wealth Management would receive if the client participated in other programs, whether through LPL 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.

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 Latko Wealth Management. With regard to accounts utilizing third-party portfolio managers under aggregate, all-in-one account fee structures (including the legacy MWP fee structure), because the portion of the account fee retained by Latko Wealth Management varies depending on the portfolio strategist fee associated with a portfolio, Latko Wealth Management has a financial incentive to select one portfolio instead of another portfolio.

Please refer to the relevant LPL Form ADV program brochure for a more detailed discussion of conflicts of interest.

Fee Payment

Asset management fees will be debited directly from client accounts. All asset management fees will be calculated on a quarterly basis, in advance, based on the formula below:

[Quarter End Value x Advisory Fee] / 360 x 90 = Advance Billing

The custodian for client accounts, LPL Financial, LLC, calculates these fees.

The client will also receive a statement from their account custodian showing all transactions in their account, including the fee. For clients electing to have fees directly debited from an account, those fees will be debited from the account(s) designated by the client. Clients may elect to have fees for each account paid by that account or paid by another account.

Other Fees

There are a number of other fees that can be associated with holding and investing in securities. Because of the Wrap Program and the specific type of fee is included in the Wrap Program, these fees will be paid by the Firm as part of your management fee. Some expenses are not included, such as margin costs, wire transfer fees and lending fees. Expenses of a mutual fund or ETF will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. The Firm can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read the language related to the Strategic Wealth Platform in Item 8 of this informational brochure for a more detailed explanation of the expenses Latko Wealth Management covers in the Wrap Program as well as in the Wrap Program Brochure.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

Pro-rata Fees

If a client engages the Firm to provide asset management services during a billing quarter, the fees for that quarter will be pro-rated according to the number of days left until the next quarter. Likewise, if a client terminates services during a quarter, the client will receive a refund for fees collected in advance but related to services that would have been provided from the date of termination through the end of the billing quarter. In either case, the appropriate pro-rata fee and any unearned fee returned to the client. Latko Wealth Management will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within 30 (thirty) days of termination may be "de-linked", meaning they will no longer be visible to the Firm and will become a retail account with the custodian.

Item 5 – Account Requirement and Type of Clients

We provide investment advisory services to a wide variety of clients including individuals, high net worth individuals, retirement plan accounts, charitable organizations and some corporations. However, the advisory services offered by Latko Wealth Management are also available to banks and thrift institutions, estates, charitable organizations as well as state and municipal government entities as the opportunity may arise.

Item 6 – Portfolio Manager Selection and Evaluation

The wrap fee program offered by Latko Wealth Management is sponsored by LPL Financial. The only fees covered under the wrap fee program are transaction fees associated with the purchase and sale of securities in an account managed by Latko Wealth Management as well as asset-based fees. All client accounts managed by Latko Wealth Management, including wrap fee program clients, are managed with similar processes, although account recommendations may differ.

Methods of Analysis and Investment Strategies

Our firm seeks to create a balance between risk and reward over a given time period by allocating client assets among various investments. A client's portfolio may include assets of publicly held companies in the United States and foreign markets. This may include both equities and fixed income assets. Other options may include domestic and foreign debt instruments (i.e. government and corporate bonds), real estate investment trusts and mutual funds or private placements that invest in natural resources or managed futures (markets such as, and not limited to, currency, commodity, agriculture and energy).

Each market may function and change in different ways depending on supply and demand, current events and investor behaviors. While our goal is to help increase a client's net worth, there is potential for losses in market, principal, and interest values. These changes may also affect a client's tax situation and filings.

The most commonly purchased share class of mutual funds are typically held for one year and may be exchanged (no transaction cost to client) during the year to properly align an account with its asset allocation model. Holding commonly recommended mutual funds for less than a year can create short-term gains / losses in non-qualified accounts.

Analysis and strategies are generally based on:

- Publicly Available Data
- A Client's Net Worth
- Risk Tolerance
- Goals for Investment Account Funds
- Commentary and Information Obtained from Analysts at Preferred Mutual Fund or Variable Annuity Firms

The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, we regularly review the portfolio and if appropriate, rebalance the portfolio based upon the client’s individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

The firm may use one or more of the following methods: fundamental analysis and technical analysis, cyclical analysis and charting analysis in order to formulate investment advice when managing assets. Depending on the analysis the firm will implement a long or short-term trading strategy based on the particular objectives and risk tolerance of each individual client.

- **Fundamental Analysis** – involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. 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.

- **Technical Analysis –** involves the analysis of past market data; primarily price and volume. Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

- **Cyclical Analysis** – involves the analysis of business cycles to find favorable conditions for buying and/or selling a security. Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold:

  1. the markets do not always repeat cyclical patterns; and,
  2. if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

- **Charting Analysis** - involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which are used to predict future price movements based on price patterns and trends.

Investing in securities involves risk of loss that clients should be prepared to bear. There are different types of investments that involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal any specific performance level(s). Past performance is not indicative of future results.

The firms' methods of analysis and investment strategies do not represent any significant or unusual risks however all strategies have inherent risks and performance limitations.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms or insulate clients from losses due to market corrections or declines. You also must understand that past performance is not indicative of future results. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments, there may be varying degrees of risk.

The following are examples of investment risks investors may face:

- **Market Risk –** The price of a security, option, bond or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

- **Interest Rate Risk** – the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

- **Credit Risk –** the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.

- **Business Risk –** the measure of risk associated with a particular security. It is also known as unsystematic risk and refers to the risk associated with a specific issuer of a security. Generally speaking, all businesses in the same industry have similar types of business risk. More specifically, business risk refers to the possibility that the issuer of a particular company stock or a bond may go bankrupt or be unable to pay the interest or principal in the case of bonds. For example, oil-drilling companies depend on finding oil and then refining it - a lengthy process – before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Taxability Risk –** the risk that a security that was issued with tax-exempt status could potentially lose that status prior to maturity. Since municipal bonds carry a lower interest rate than fully taxable bonds, the bond holders would end up with a lower after-tax yield than originally planned.

- **Call Risk –** the risk specific to bond issues and refers to the possibility that a debt security will be called prior to maturity. Call risk usually goes hand in hand with reinvestment risk because the bondholder must find an investment that provides the same level of income for equal risk. Call risk is most prevalent when interest rates are falling, as companies trying to save money will usually redeem bond issues with higher coupons and replace them on the bond market with issues with lower interest rates.

- **Inflationary Risk** – the risk that future inflation will cause the purchasing power of cash flow from an investment to decline. When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

- **Liquidity Risk –** the possibility that an investor may not be able to buy or sell an investment as and when desired or in sufficient quantities because opportunities are limited. Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if there is a high interest in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- **Market Risk** – the risk that will affect all securities in the same manner caused by some factor that cannot be controlled by diversification.

- **Reinvestment Risk –** the risk that falling interest rates will lead to a decline in cash flow from an investment when its principal and interest payments are reinvested at lower rates. This primarily relates to fixed income securities.

- **Social/Political** – the possibility of nationalization, unfavorable government action or social changes resulting in a loss of value.

- **Legislative Risk** – the risk of a legislative ruling resulting in adverse consequences.

- **Currency/Exchange Rate Risk** – the risk of a change in the price of one currency against another. Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

- **Financial Risk** - The possibility that shareholders will lose money when they invest in a company that has debt if the company's cash flow proves inadequate to meet its financial obligations. When a company uses debt financing, its creditors will be repaid before its shareholders if the company becomes insolvent. Financial risk also refers to the possibility of a corporation or government defaulting on its bonds, which would cause those bondholders to lose money.

Types of Investments (Examples, not limitations)

- **Mutual Funds** – a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments and similar assets.

    - **Open-End Mutual Funds** – a type of mutual fund that does not have restrictions on the amount of shares the fund will issue and will buy back shares when investors wish to sell. Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature

    - **Closed-End Mutual Funds** – a type of mutual fund that raises a fixed amount of capital through an initial public offering (IPO). The fund is then structured, listed and traded like a stock on a stock exchange. Clients should be aware that closed- end funds available within the program are not readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at net asset value on a periodic basis. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds.

- **Alternative Strategy Mutual Funds** – Certain mutual funds available in the program invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry.

- **Unit Investment Trust (UIT)** – An investment company that offers a fixed, unmanaged portfolio, generally of stocks and bonds, as redeemable "units" to investors for a specific period of time. It is designed to provide capital appreciation and/or dividend income. UITs can be resold in the secondary market. A UIT may be either a regulated investment corporation (RIC) or a grantor trust. The former is a corporation in which the investors are joint owners; the latter grants investors proportional ownership in the UIT's underlying securities.

- **Equity** – investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environment.

- **Exchange Traded Funds (ETFs)** – an ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

- **Exchange-Traded Notes (ETNs)** – An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows. The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may therefore carry specific risks.

- **Fixed Income** – investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

- **Options** – Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Client should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the security may be called away and the program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.

- **Options Trading/Writing** – is a securities transaction that involves buying or selling (writing) an option. If you write an option and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option. Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

- **Structured Products** – Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

- **Annuities** – are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet retirement or other financial goals. An annuity is not a life insurance policy. Variable annuities may not be suitable for meeting short-term goals because of tax consideration and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks; just as mutual funds do.

- **Variable Annuities** – If client purchases a variable annuity that is part of the program, client will receive a prospectus and should rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. Client should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts.

- **Index-Linked Annuities –** designed for investors seeking equity and commodity index linked, tax deferred growth potential with downside protection levels. Such annuities include a built-in downside buffer to reduce or potentially eliminate the negative impact of market volatility up to some percentage level combined with a performance cap on the potential upside appreciation. The downside protection level prevents a loss below a certain level and the cap limits appreciation beyond a certain level.

- **Non-U.S. Securities** – present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

- **Margin Accounts** – Client should be aware that margin borrowing involves additional risks. Margin borrowing will result in increased gain if the value of the securities in the account goes up but will result in increased losses if the value of the securities in the account goes down. The custodian, acting as the client's creditor, will have the authority to liquidate all or part of the account to repay any portion of the margin loan, even if the timing would be disadvantageous to the client. For performance illustration purposes, the margin interest charge will be treated as a withdrawal and will, therefore, not negatively impact the performance figures reflected on the quarterly advisory reports. Margin is not part of the strategies used by Latko Wealth Management and is the choice of the client to utilize margin or not.

- **Long-Term Purchases** – are securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

- **Short-Term Purchases** – are securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Other investment types may be included as appropriate for a particular client and their respective trading objectives.

Item 7 – Client Information Provided to Portfolio Managers

Periodically Latko Wealth Management may need to provide certain financial information about clients to a portfolio manager. This requirement may be necessary when working with an investment that has certain net worth or income requirements. This information may be supplied to the portfolio manager each year as necessary. The information is only provided to establish financial suitability/wherewithal for the specific investment.

Item 8 – Client Contact with Portfolio Managers

Clients may contact Latko Wealth Management at any time.

Item 9 – Additional Information

A. Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of an advisory firm or the integrity of a firm's management. Latko Wealth Management and its associated persons do not have anything to disclose as of the time of this informational brochure.

B. Other Financial Industry Activities and Affiliations

Broker-dealer

Certain employees of Latko Wealth Management are Dually Registered Persons. LPL Financial is a broker-dealer that is independently owned and operated and is not affiliated with Latko Wealth Management. Please refer to Item 12 of the ADV Part 2A Firm Disclosure Brochure for a discussion of the benefits Latko Wealth Management may receive from LPL Financial and the conflicts of interest associated with receipt of such benefits.

As discussed previously, certain associated persons of Latko Wealth Management are registered representatives of LPL Financial. As a result of this relationship, LPL Financial may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about Latko Wealth Management's clients, even if client does not establish any account through LPL. If you would like a copy of the LPL Financial privacy policy, please contact Latko Wealth Management.

Futures Commission Merchant/Commodity Trading Advisor

Neither members of management, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Relationship with Related Persons

Certain of Latko Wealth Management's professionals in their individual capacities are licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully disclosed basis, the purchase of certain insurance products. A conflict of interest exists to the extent that Latko Wealth Management or its representatives recommend the purchase of insurance products where Latko Wealth Management or its representatives receive insurance commissions or other additional compensation, rather than on a client's needs. The receipt of additional fees or commissions for insurance is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage Latko Wealth Management to implement any insurance recommendations. Latko Wealth Management attempts to mitigate this conflict of interest by disclosing the conflict to clients and informing the clients that they are always free to purchase insurance products or estate planning through other agents that are not affiliated with Latko Wealth Management, or to determine not to purchase the insurance product at all. Latko Wealth Management also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of Latko Wealth Management, which requires that employees put the interests of clients ahead of their own. Commissions from the sale of insurance products will not be used as a credit against or to offset advisory fees.

C. Code of Ethics, Participation and Interest in Client Transactions and Personal Trading

A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

B. Not applicable. Latko Wealth Management does not recommend to clients that they invest in any security in which Latko Wealth Management, or any principal thereof has any financial interest.

C. On occasion, an employee of Latko Wealth Management may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade, so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. On occasion, an employee of Latko Wealth Management may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade, so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. Review of Accounts

All accounts will be reviewed on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

All clients will receive statements and confirmations of trades directly from the custodian. Please refer to Item 15 of the Informational Brochure regarding Custody.

E. Client Referrals and Other Compensation

Economic Benefit Provided by Third Parties for Advice Rendered to Client.

Latko Wealth Management receives support services and/or products from LPL Financial, many of which assist Latko Wealth Management to better monitor and service program accounts maintained at LPL Financial; however, some of the services and products benefit Latko Wealth Management and not client accounts. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and may include the following:

- investment-related research
- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by Latko Wealth Management in furtherance of its investment advisory business operations

LPL Financial may provide these services and products directly or may arrange for third party vendors to provide the services or products to Latko Wealth Management. In the case of third-party vendors, LPL Financial may pay for some or all of the third party's fees.

These support services are provided to Latko Wealth Management based on the overall relationship between Latko Wealth Management and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involves the execution of client transactions as a condition of the receipt of services. Latko Wealth Management will continue to receive the services regardless of the volume of client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by Latko Wealth Management to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement. However, because Latko Wealth Management receives these benefits from LPL Financial, there is a potential conflict of interest. The receipt of these products and services presents a financial incentive for Latko Wealth Management to recommend that its clients use LPL Financial's custodial platform rather than another custodian's platform.

LPL Financial makes available to Latko Wealth Management various products and services designed to assist Latko 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 Latko 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 Latko Wealth Management's fees from its clients' accounts; and assist with back-office functions; recordkeeping and client reporting.

LPL Financial also makes available to Latko Wealth Management other services intended to help Latko Wealth Management manage and further develop its business. Some of these services assist Latko Wealth Management to better monitor and service program accounts maintained at LPL Financial, however, many of these services benefit only Latko Wealth Management, for example, services that assist Latko 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 Latko 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 Latko Wealth Management to cover the cost of such services, reimburse Latko Wealth Management for the cost associated with the services, or pay the third-party vendor directly on behalf of Latko Wealth Management.

The products and services described above are provided to Latko Wealth Management as part of its overall relationship with LPL Financial. While as a fiduciary, Latko Wealth Management endeavors to act in its clients' best interests, the receipt of these benefits creates a conflict of interest because Latko Wealth Management's recommendation that clients custody their assets at LPL Financial is based in part on the benefit to Latko 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. Latko Wealth Management's receipt of some of these benefits may be based on the amount of advisory assets custodied on the LPL Financial platform.

F. Compensation to Non-Advisory Personnel for Client Referrals

Latko Wealth Management does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

G. Financial Information

Latko Wealth Management does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.