

# GLOBAL WEALTH MANAGEMENT

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## **FIRM BROCHURE FORM ADV PARTS 2A and 2B**

### **Global Wealth Management**

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**January 20, 2017**

This brochure provides information about the qualifications and business practices of Global Wealth Management. If you have any questions about the contents of this brochure, please contact us at (949) 892-7700. 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.

Any reference to or use of the terms "registered investment adviser" or "registered" does not imply that Global Wealth Management or any person associated with Global Wealth Management has achieved a certain level of skill or training.

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

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## Item 2 – Material Changes

During July, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. The date of our last annual update was February 7, 2016. There have been no material changes since our last update.

We review and update our brochure at least annually to ensure that it remains current. In the future, this Item will discuss only specific material changes that are made to the brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent brochures within 120 days of the close of our firm’s calendar year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

Currently, our brochure may be requested by contacting Raffaele B. Mari, Chief Compliance Officer at (949) 892-7700 or [rmari@gwmlc.com](mailto:rmari@gwmlc.com). Our brochure is also available on our web site [www.gwmlc.com](http://www.gwmlc.com), free of charge.

Additional information about Global Wealth Management is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Global Wealth Management who are registered, or are required to be registered, as investment adviser representatives of Global Wealth Management.

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## **Item 4 – Advisory Business**

Global Wealth Management is an investment adviser registered with the state of California. Global Wealth Management is a corporation formed under the laws of the state of California. The firm was founded in 2000 and is wholly owned by Raffaele B. Mari, CPA, CFP®.

Global Wealth Management offers the following wealth management services:

- Financial Planning
- Investment Advisory
- Investment Management

### **Financial Planning**

Global Wealth Management offers comprehensive financial planning services customized to meet the unique objectives and risk tolerance levels of each client. Financial planning services include cash flow analysis, debt management, risk management, investment management, education funding planning, retirement planning, and estate planning.

### **Investment Advisory**

Global Wealth Management may offer investment advice on any investment held by the client at the start of the advisory relationship. Global Wealth Management may also occasionally offer advice regarding additional types of investments, if appropriate, to address the individual needs, goals, and objectives of the client or in response to a client inquiry.

### **Investment Management**

Our approach to investment management seeks to achieve client long-term goals and return expectations while managing risk. Global Wealth Management makes investment decisions for client accounts based on the information clients provide about their general financial situation, goals, risk tolerance and return objectives. Our recommendations may be limited if a client does not provide us with accurate and complete information, or fails to keep us informed of any changes to the client's investment objectives, general financial situation or restrictions.

Global Wealth Management does not participate in wrap fee programs when providing portfolio investment services.

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## **Assets Under Management**

Global Wealth Management manages assets on a non-discretionary basis only. Global Wealth Management does not manage any investment accounts on a discretionary basis.

As of December 31, 2016, Global Wealth Management manages assets of \$1.52 million.

## **Item 5 – Fees and Compensation**

Global Wealth Management is committed to full and complete disclosure of all fees and compensation related to client accounts. Depending upon the engagement, Global Wealth Management offers its services on a fee-only basis, generally based upon assets under management, but may occasionally include hourly and/or fixed fees.

## **Financial Planning and Investment Advisory**

Global Wealth Management may provide clients with a broad range of comprehensive financial planning services (which may include non-investment related matters). Global Wealth Management will charge a fixed fee or hourly fee for these services. Our financial planning and investment advisory fees are negotiable but generally range from \$1,500 to \$3,500 on a fixed fee basis and from \$250 to \$350 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the financial planning and investment advisory services. Clients may engage Global Wealth Management to implement the financial plan (or any portion) and for additional services such as investment management.

Either party may terminate the agreement by written notice to the other. In the event that a client terminates a financial planning or investment advisory engagement, Global Wealth Management will invoice the client for services provided to the client prior to the date of termination. This invoice is payable upon receipt. If termination occurs within five business days of entering into an agreement for such services, the client will be entitled to a full refund.

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## Investment Management

Global Wealth Management provides investment management services on a non-discretionary basis. Global Wealth Management charges an annual fee based upon a percentage of the market value of assets under management. The annual fee is exclusive of, and in addition to, brokerage commissions, transaction fees, and other related costs and expenses. Global Wealth Management does not receive any portion of those commissions, transaction fees, and other related costs.

The annual fee for investment management services will be prorated and billed quarterly in advance based upon a percentage of the market value of assets under management as of the last day of the previous quarter. The standard fee schedule is as follows:

<u>PORTFOLIO VALUE</u>		<u>ANNUAL FEE</u>
Up To	\$1,000,000	1.00%
	\$1,000,001 - \$2,000,000	0.70%
	\$2,000,001 - \$3,000,000	0.60%
	\$3,000,001 - \$4,000,000	0.50%
	\$4,000,001 - \$5,000,000	0.40%
Above	\$5,000,000	0.30%

## **Billing Methods**

The specific manner in which fees are charged by Global Wealth Management is in accordance with client's Investment Management Agreement with the firm. Global Wealth Management will generally bill its fees in advance on a quarterly basis. Clients authorize Global Wealth Management to directly withdraw fees from client accounts when executing the client's Investment Management Agreement. Management fees may be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter may be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees may be refunded, and any earned, unpaid fees will be due and payable.

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## **Other Fees and Expenses**

Global Wealth Management fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to the Global Wealth Management fee, and Global Wealth Management shall not receive any portion of these commissions, transaction fees, and other related costs.

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

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

## **Item 7 – Types of Clients**

Global Wealth Management offers financial planning, investment management, and investment advisory services to individuals, high net worth individuals, trusts and estates, individual participants of retirement plans, pension and profit sharing plans, charitable organizations, corporations, and other business entities.

Global Wealth Management may require that clients maintain a minimum of \$150,000 under investment management with Global Wealth Management. Global Wealth Management may waive this minimum account balance at the sole discretion of Global Wealth Management.

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

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

Global Wealth Management generally uses diversification in an effort to optimize the risk and potential return of a client's portfolio. More specifically, Global Wealth Management may utilize multiple asset classes, investment styles, market capitalizations, sectors, and regions to provide diversification. Our general investment strategy is to seek a total return proportionate with the level of risk tolerance of each client. Global Wealth Management designs an asset allocation strategy in accordance with each client's Investment Policy Statement, which typically outlines the client's general financial situation, investment objectives, liquidity needs, time horizon, return objective, and risk tolerance, as well as any special considerations and/or restrictions the client chooses to place on the management of the client accounts. Each client will maintain a target asset allocation. Global Wealth Management generally reviews client accounts quarterly to evaluate the extent to which the actual allocation matches the target allocation. Global Wealth Management will recommend appropriate actions to bring the actual allocation within acceptable range of the target allocation. This process is known as "rebalancing." The process of rebalancing offers a systematic process to buy or sell securities when investment categories (asset classes) vary from their target allocation. There can be no assurance that any such strategy or analysis will prove profitable or successful. Past performance is not indicative of future results.

### **Risk of Loss Considerations**

Prior to entering into an Investment Management Agreement with Global Wealth Management, each client should carefully consider the following:

- Investing in securities involves risk of loss, which clients should be prepared to bear;
- Securities markets experience varying degrees of volatility;
- Client's assets accounts may fluctuate and at any time be worth more or less than the amount initially invested;
- Clients should only commit assets that are long-term in nature. This is typically a minimum of a three to five year time horizon.
- There can be no guarantee that an asset allocation strategy will meet its investment objectives or that it will not suffer losses.



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## **General Risks of Owning Securities**

The prices of securities held in client accounts and the income securities generate may decline in response to certain events taking place around the world. These include events directly involving the issuers of securities, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Finally, currency, interest rate, and commodity price fluctuations may also affect security prices and income. For additional risk information on mutual funds and exchange traded funds (ETF) please see appropriate mutual fund and ETF prospectuses.

## **Specific Risks of Securities**

### **Exchange-Traded Funds (ETFs)**

An ETF is a type of investment company (usually, an open-end fund or unit investment trust) containing a basket of stocks or bonds that usually tracks a specific index or sector. An ETF is similar to an index fund in that it will primarily invest in securities of companies that are included in a selected market index or that fall into a particular sector. Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETFs trade throughout the day on an exchange. Like stock and bond mutual funds, the prices of the underlying securities and the overall market may affect ETF prices. Similarly, factors affecting a particular industry segment may affect ETF prices that track specific sectors. An investment in an ETF could lose money over short or even long periods. Clients should expect the ETFs share price and total return to fluctuate within a wide range similar to fluctuations of the overall stock market.

### **Mutual Funds (Open-end Investment Company)**

A mutual fund is a company that pools money from many investors and invests the money in stocks, bonds, short-term money-market instruments, other securities or assets, or some combination of these investments. The portfolio of the fund consists of the combined holdings it owns. Each share represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate. The price that investors pay for mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes. An investment in a mutual fund could lose money over short or even long periods. Clients should expect the fund's share price and total return to fluctuate within a wide range similar to the fluctuations of the overall stock market.

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## **Different Types of Funds**

When investing in mutual funds and ETFs, investors have literally thousands of choices. Most mutual funds and ETFs fall into one of three main categories: money market funds, bond funds (also called “fixed income” funds), and stock funds (also called “equity” funds). Each type has different features and different risks and rewards. Generally, the higher the potential return, the higher the risk of loss.

## **Bond Funds**

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields. Unlike money market funds, the SEC’s rules do not restrict bond funds to high quality or short-term investments. Since there are many different types of bonds, bond funds can vary dramatically in their risks and rewards.

Some of the risks associated with bond funds include:

### **Credit Risk**

Credit risk refers to the risk that companies or other issuers may fail to pay their debts (including the debt owed to holders of their bonds). Consequently, this affects mutual funds and exchange traded funds (ETFs) that hold these bonds. Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury Bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.

### **Interest Rate Risk**

Interest rate risk refers to the risk that the market value of bonds will go down when interest rates go up. Because of this risk, investors can lose money in any bond fund, including those that invest only in insured bonds or U.S. Treasury Bonds. Funds that invest in longer - term bonds tend to have higher interest rate risk.

### **Prepayment Risk**

Issuers may choose to pay off debt earlier than the stated maturity date on a bond. For example, if interest rates fall, a bond issuer may decide to “retire” its debt and issue new bonds that pay a lower rate. When this happens, the bond fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

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## **Stock Funds**

A stock fund's value can rise and fall quickly (and dramatically) over short or even long periods. Clients should expect a fund's share price and total return to fluctuate within a wide range. Overall "stock market risk" poses the greatest potential danger for investors in stock funds. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Stock prices can fluctuate for a broad range of reasons such as the overall state of the economy or demand for particular products or services. Stock funds may include the following:

### **Small Capitalization Funds**

Funds that invest in stocks of small companies involve additional risks. Smaller companies typically have higher risk of failure and are not as established as larger companies. Historically, smaller company stocks have experienced a greater degree of market volatility than the overall market average.

### **International Funds**

Funds that invest in foreign securities involve special additional risks. International investments are subject to stock market risk as well as additional risks, including currency fluctuation, political instability, country/regional risk, regulatory risks, and potential illiquid markets.

### **Emerging Market Funds**

Emerging market investments involve stock market risk and similar risks as international investments. Investing in emerging markets may accentuate those risks.

### **Real Estate Investment Trust (REIT) Funds**

REIT funds include REITs within the underlying fund holdings. REITs primarily invest in real estate or real estate-related loans. Equity REITs own real estate properties, while mortgage REITs hold construction, development, and/or long-term mortgage loans. REIT investments include illiquidity and interest rate risk.

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## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client’s evaluation of Global Wealth Management or the integrity of the management of Global Wealth Management. Global Wealth Management does not have any disciplinary information to disclose.

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

Raffaele B. Mari, CPA provides tax consulting services to individuals and small businesses. Mr. Mari plans to spend approximately 25% of his time acting in this capacity. Clients are under no obligation to utilize the services of Mr. Mari for any tax consulting services recommended by Global Wealth Management. Mr. Mari does not have signatory authority on any client accounts.

Global Wealth Management does not have any relationships or arrangements with broker-dealers, mutual funds, other investment advisers, or any other entities which are related persons that create any material conflict of interest in rendering investment management services to our clients.

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

### **Code of Ethics**

Global Wealth Management has a fiduciary duty to provide our clients with the highest level of trust and fair dealing. As part of our fiduciary duty, Global Wealth Management places the interests of clients ahead of the interests of Global Wealth Management and all personnel of the firm. Our personnel are required to conduct themselves with integrity at all times and follow the principles and policies detailed in our Code of Ethics.

Global Wealth Management has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, adherence to applicable state and federal securities laws, clear guidelines on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items. All supervised personnel of Global Wealth Management must acknowledge the terms of the Code of Ethics annually or as amended.

Global Wealth Management will provide a complete copy of the Code of Ethics to any client or prospective client upon request.

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

Global Wealth Management may, in appropriate circumstances and consistent with clients' investment objectives, recommend to investment advisory clients or prospective clients the purchase or sale of securities in which Global Wealth Management and/or existing clients, directly or indirectly, hold a position within an investment portfolio.

Global Wealth Management does not recommend securities in which there is a material financial interest to the firm or any supervised personnel of Global Wealth Management. Additionally, investment personnel who make securities recommendations to clients, or who have access to nonpublic information regarding any client's purchase or sale of securities, are subject to personal trading policies governed by the Code of Ethics (see below). Global Wealth Management prohibits all personnel from acting upon any material non-public information, as defined under federal securities laws and our Code of Ethics insider trading policy.

## **Personal Trading Policies**

Global Wealth Management and personnel of the firm may purchase or sell securities for their own accounts, regardless of whether the transaction would be appropriate for a client account. In addition, Global Wealth Management and personnel of the firm may purchase or sell securities for their own accounts that are also recommended to clients. In order to avoid potential conflicts of interest with clients, Global Wealth Management requires all investment personnel to obtain written approval by the firm's Chief Compliance Officer before directly or indirectly trading in certain securities.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Global Wealth Management will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. In order to avoid potential conflicts of interest with securities transactions in client accounts, Global Wealth Management and personnel of the firm are subject to a pre-clearance policy that seeks to make personal trading consistent with our fiduciary duty to clients. However, Global Wealth Management and personnel of the firm are not required to pre-clear transactions in open-end investment companies (mutual funds) or other investments that would not adversely affect client interests.

Nonetheless, because the Code of Ethics in some circumstances could permit personnel of Global Wealth Management to invest in the same securities as clients, there is a possibility that personnel of Global Wealth Management might benefit from market activity by a client in a security held by the personnel of Global Wealth Management. Personal trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Global Wealth Management and its clients.

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## Item 12 – Brokerage Practices

### Selection of Broker-Dealers

Global Wealth Management does not maintain custody of client assets (see *Item 15 – Custody*, below). Client assets must be maintained in an account at a “qualified custodian”, generally a broker-dealer or bank.

Global Wealth Management may recommend that clients use Charles Schwab, Vanguard, and/or Fidelity Institutional Wealth Services as the qualified custodian. Global Wealth Management is not affiliated with any broker-dealer. A qualified custodian will hold client assets in a brokerage account and buy or sell securities based on specific instructions given to the qualified custodian. Although Global Wealth Management may recommend a specific broker-dealer, Global Wealth Management does not require clients to use recommended broker-dealers. Clients may select a broker-dealer and custodian of their choice.

In some situations, Global Wealth Management provides investment management for assets which are not held by one of our recommended custodians. Examples include investment management for executives who have retirement plan accounts at custodians selected by their employers and situations where a client selects a specified custodian. In these situations, Global Wealth Management discloses that Global Wealth Management may be unable to assure that the custodian is achieving favorable execution of the client’s transactions.

Global Wealth Management may recommend custodians/brokers who will hold client assets and execute transactions on terms that are most advantageous when compared to other available providers and their services. When recommending custodians/brokers, Global Wealth Management considers a wide range of factors, including:

- Combination of transaction execution services and asset custody services;
- Capability to execute, clear, and settle trades (buy and sell securities for your account);
- Capability to facilitate transfers and payments to and from accounts;
- Breadth of available investment products (stocks, bonds, mutual funds, ETFs, etc.);
- Availability of investment research and tools that assist us in making investment decisions;
- Quality of services;
- Competitiveness of the price of services (commission rates, margin interest rates, etc.);
- Reputation, financial strength, and stability;
- Prior service to us and our other clients;
- Availability of other products and services that benefit us.

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For client accounts held at custodians recommended by Global Wealth Management, the custodians generally do not charge clients separately for custodial services but are compensated by charging commissions or other fees on trades the custodians execute or that settle into client accounts. In order to minimize client trading costs, Global Wealth Management suggests that recommended custodians execute most trades for client accounts. Global Wealth Management has determined that having recommended custodians execute most trades is consistent with Global Wealth Management's duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

## **Research and Other Soft Dollar Benefits**

Specific broker-dealers may make available to Global Wealth Management other products and services that may benefit Global Wealth Management but may not directly benefit clients' accounts. These types of services will help Global Wealth Management in managing and administering client accounts. These services may include software and other technology that provide access to client account data (i.e. trade confirmations and account statements), facilitate trade executions, provide research, pricing information, and other market data, facilitate in the payment of our fees from client accounts, and assist with back-office functions, record keeping, and client reporting. Many of these services may be used to service all or a substantial number of our client accounts. Global Wealth Management recommend trades for our clients' accounts subject to our duty to seek best execution and other fiduciary duties. Execution quality of one broker-dealer may be different from that of other broker-dealers. Certain broker-dealers may also provide us with other benefits and services such as client appreciation and educational events, and conferences on regulatory compliance, information technology, and business enterprise development. Certain broker-dealers may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to Global Wealth Management. These benefits and services are not a material consideration for Global Wealth Management in requiring clients to use a specific broker-dealer, nor do they result in any material conflicts of interest between Global Wealth Management and clients.

Clients should be aware, however, that the receipt of economic benefits, if any, by Global Wealth Management in and of itself may create a potential conflict of interest and may indirectly influence our recommendation of a specific broker-dealer for custody and brokerage services.

As part of our fiduciary duty to clients, Global Wealth Management endeavors at all times to put the interests of our clients first.

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## **Brokerage for Client Referrals**

Global Wealth Management does not receive client referrals, nor compensation or revenue from any broker-dealer or third party in exchange for recommending that broker-dealer or third party.

## **Directed Brokerage**

Clients may utilize the broker-dealer of their choice and have no obligation to purchase or sell securities through a specific broker-dealer that Global Wealth Management recommends. Global Wealth Management allows clients to direct Global Wealth Management to use a specific broker-dealer chosen by the client to execute transactions. Not all investment managers or advisers require their clients to trade through specific brokerage firms.

It is important for clients to consider and compare the significant differences between having assets at another broker-dealer, bank or other custodian prior to opening an account with a broker-dealer recommended by Global Wealth Management. Some of these differences include, but are not limited to: total account costs, trading flexibility, transaction fee/commission rates, and security and technology services.

When clients select a broker-dealer recommended by Global Wealth Management, Global Wealth Management may be able to more effectively manage client accounts, achieve favorable execution of client transactions, and overall lower the costs to the client accounts. In seeking best execution through a broker-dealer on behalf of clients, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution. When taking into consideration qualitative execution, Global Wealth Management considers the full range of broker-dealer services, such as: historical relationship, reputation, financial strength, execution capability, commission and/or transaction rates, and responsiveness.

## **Aggregation and Allocation of Transactions**

Global Wealth Management does not aggregate or block client security transactions. Generally, transactions for each client will be initiated independently based upon client investment objectives. The costs to clients of not aggregating transactions will not be materially different than the costs to clients of aggregating transactions due to the nature of investments recommended for accounts under management.

Global Wealth Management has adopted policies and procedures intended to ensure the most favorable terms for a transaction based on all relevant factors.



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## **Item 13 – Review of Accounts**

Global Wealth Management monitors investment portfolios on an ongoing basis, and regular account reviews are conducted on at least a quarterly basis. Account reviews are conducted by the Chief Compliance Officer or an Investment Adviser Representative. All investment advisory clients are encouraged to keep Global Wealth Management informed of any changes that might affect their financial situation. Global Wealth Management contacts ongoing investment advisory clients at least annually to review previous services and to discuss any changes to their investment profile.

Global Wealth Management provides quarterly reports to clients supplementing the transaction confirmation notices and regular summary account statements received directly from the broker-dealer or custodian. In addition, Global Wealth Management provides written reports to clients detailing the quarter end positions, performance, and asset allocation upon request. Global Wealth Management also may provide additional reporting as agreed upon with the client on a case-by-case basis.

For those clients to whom Global Wealth Management provides financial planning and/or investment advisory services, Global Wealth Management will produce written reports summarizing analysis and conclusions as requested by the client or otherwise agreed to in writing. Ongoing reviews are conducted on an “as needed” basis by an Investment Adviser Representative.

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

Global Wealth Management may periodically recommend that a client consult an unaffiliated individual or firm for specific professional services, such as estate planning or legal services. Global Wealth Management receives no compensation or other monetary benefit for making such referrals. It is possible that such an individual or firm may refer clients to Global Wealth Management, but Global Wealth Management pays no compensation for, and has no arrangement regarding such referrals as this may create a potential conflict of interest. Global Wealth Management greatly appreciates referrals from satisfied clients, but Global Wealth Management does not directly or indirectly compensate any clients for those referrals.

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## **Item 15 – Custody**

Global Wealth Management does not maintain custody of client assets. Client assets must be maintained in an account at a “qualified custodian”. A qualified custodian (e.g. Charles Schwab, Vanguard, or Fidelity) holds the client funds or securities. Clients will receive statements directly from the qualified custodian on a monthly or quarterly basis.

Clients provide written authorization permitting Global Wealth Management to withdraw investment management fees directly from client accounts held by the custodian when executing the client's Investment Management Agreement. Global Wealth Management has limited custody of client funds or securities when clients authorize Global Wealth Management to deduct investment management fees directly from their accounts. When clients authorize Global Wealth Management to withdraw investment management fees directly from clients' accounts, Global Wealth Management sends an invoice copy to the custodian at the same time that Global Wealth Management sends an invoice copy to the client.

Custodians send quarterly statements to clients that reflect each client’s funds and securities held with the qualified custodian as well as any transactions that occurred in the account, including the deduction of Global Wealth Management's investment management fee. Global Wealth Management urges clients to carefully review the account statements received from the qualified custodian for accuracy. When clients receive reports from Global Wealth Management as well as from the qualified custodian, clients should compare these two reports carefully.

## **Item 16 – Investment Discretion**

Global Wealth Management does not manage any investment accounts on a discretionary basis. Global Wealth Management manages investment accounts on a non-discretionary basis only.

## **Item 17 – Voting Client Securities**

Global Wealth Management will not vote proxies on behalf of client accounts. Clients will receive proxies and other related documents directly from the custodian. Global Wealth Management will not provide guidance about voting a specific proxy solicitation.

## **Item 18 – Financial Information**

Global Wealth Management does not require the prepayment of over \$500 in fees per client six or more months in advance. Additionally, Global Wealth Management does not foresee any financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients under a client Investment Management Agreement. Global Wealth Management has not been the subject of a bankruptcy proceeding.

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## Item 19 – Requirements for State Registered Advisers

Raffaele B. Mari, CPA, CFP® is the principal executive officer of Global Wealth Management. See Form ADV Part 2B Brochure Supplement attached on following pages for additional information related to Mr. Mari's education and business background.

Global Wealth Management or any management person has not been involved in any of the items listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.
  
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.

# **GLOBAL WEALTH MANAGEMENT**

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## **BROCHURE SUPPLEMENT**

# GLOBAL WEALTH MANAGEMENT

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## FORM ADV PART 2B

Uniform Application for Investment Adviser Registration Public Disclosure Brochure Supplement

### **Raffaele B. Mari, CPA, CFP®**

Managing Director

#### **Global Wealth Management**

3334 E. Coast Hwy, #101

Corona del Mar, CA 92625

Phone: (949) 892-7700

This brochure provides information about Raffaele B. Mari, CPA, CFP® that supplements the Form ADV Part 2A Brochure for Global Wealth Management. You should have received a copy of that brochure. Please contact Global Wealth Management at (949) 892-7700 if you did not receive Form ADV Part 2A brochure of Global Wealth Management or if you have questions about the contents of this brochure.

# GLOBAL WEALTH MANAGEMENT

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# GLOBAL WEALTH MANAGEMENT

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## **Educational Background and Business Experience**

Raffaele B. Mari, CPA, CFP® attended San Diego State University where he earned his Master's degree in Accounting. Mr. Mari attended Bentley University where he earned his Bachelor's degree in Accounting. He accepted a position at PricewaterhouseCoopers, an international consulting firm, as a consultant providing financial planning and consulting services to high net worth individuals and small businesses. Mr. Mari obtained his certified public accountant (CPA) license in 1991. As Executive Director of Raffaele B. Mari, CPA, he provides financial planning and tax consulting services to individuals and small businesses. In 2013, Mr. Mari was authorized by the Certified Financial Planner Board of Standards to use the CERTIFIED FINANCIAL PLANNER™ and CFP® certification marks in accordance with CFP Board certification and renewal requirements. The CFP® marks identify individuals who have met the rigorous experience and ethical requirements of the CFP Board and have successfully completed financial planning coursework. As Managing Director of Global Wealth Management, Mr. Mari offers comprehensive personalized financial planning, investment management, and investment advisory services to individuals and small businesses.

## **Raffaele B. Mari, CPA, CFP®**

### **Education Background**

MS, Accounting, San Diego State University, 1985  
BS, Accounting, Bentley University, 1983

### **Business Experience**

Managing Director  
Global Wealth Management, January 2007 – Present

Executive Director  
Raffaele B. Mari, CPA, January 1992 - Present

Tax Consultant  
PricewaterhouseCoopers, June 1986 – November 1991

### **Professional Designations**

Certified Financial Planner (CFP®) - 2013  
Certified Public Accountant (CPA) - 1991

# GLOBAL WEALTH MANAGEMENT

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## **Disciplinary Information**

Global Wealth Management has a Code of Ethics which all employees are required to follow. The Code of Ethics outlines proper conduct related to all services provided to clients. Prompt reporting of all internal violations is mandatory. Global Wealth Management's Chief Compliance Officer regularly evaluates staff performance to ensure compliance with the Code of Ethics. A copy of the Code of Ethics is available to any client or prospective client upon request

There have been no disciplinary actions brought against Raffaele B. Mari, CPA, CFP®. He has never been involved in any legal or disciplinary events.

## **Other Business Activities**

Raffaele B. Mari, CPA, CFP® manages portfolio strategy and asset allocation for Global Wealth Management. He spends 75% of his time on managing portfolios and the day-to-day operations of Global Wealth Management. In addition, he spends 25% of his time providing tax consulting services. He has no conflicts of interest that would impair his fiduciary responsibilities to Global Wealth Management clients.

## **Additional Compensation**

Global Wealth Management does not accept commissions or sell products for third parties or our custodian so we do not have any conflicts of interest with our clients. Our staff does not receive any additional economic benefit as a result of Global Wealth Management's advisory services from any outside agent. In addition, Global Wealth Management does not pay any bonuses or awards to staff that is due in any part to the number or amount of sales, referrals or new accounts.

## **Supervision**

Global Wealth Management regularly and systematically undertakes a review of all accounts under its management. Each account is reviewed as to quality of securities and diversification of assets and to ensure clients goals and objectives are respected as reflected in each client's Investment Policy Statement. Global Wealth Management continually cross-checks trading activities to ensure appropriate exposure levels and to ensure trades are in line with objectives.