

## Item 1: Cover Page

### Gajardo Wealth Management LLC

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### **Form ADV Part 2A - Firm Brochure**

Dated: 25 February 2025

[www.gajardowealth.com](http://www.gajardowealth.com)

This Brochure provides information about the qualifications and business practices of Gajardo Wealth Management LLC. If you have any questions about the contents of this Brochure, please contact us at (801) 391-5176. 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.

Gajardo Wealth Management LLC is a registered investment adviser. Registration does not imply a certain level of skill or training.

Additional information about Gajardo Wealth Management LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm's identification number, 330711.

## Item 2: Material Changes

Since becoming approved on 03 June 2024, the following changes have been made to this version of the Disclosure Brochure:

- The Advisor has applied for registration in the state of Nevada.
- The Advisor has added project-based financial planning as a service offering. Please see Items 4 and 5 for additional information.

From time to time, we may amend this Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by securities regulators. Either this complete Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Gajardo Wealth Management LLC.

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## Item 4: Advisory Business

### **Description of Advisory Firm**

Gajardo Wealth Management LLC is an Investment Adviser principally located in the state of Utah. We are a limited liability company founded in 2024. Gajardo Wealth Management LLC became registered in June 2024. Benjamin Gajardo is the principal owner and Chief Compliance Officer ("CCO").

As used in this brochure, the words "GWM", "we", "our firm", "Advisor" and "us" refer to Gajardo Wealth Management LLC and the words "you", "your" and "Client" refer to you as either a client or prospective client of our firm.

### **Types of Advisory Services**

GWM is a fee-only firm, meaning the only compensation we receive is from our Clients for our services. We offer investment management, financial planning, and retirement plan consulting services. From time to time, GWM recommends third-party professionals such as attorneys, accountants, tax advisors, insurance agents, or other financial professionals. Clients are never obligated to utilize any third-party professional we recommend. GWM is not affiliated with nor does GWM receive any compensation from third-party professionals we may recommend.

### **Investment Management Services**

Our firm provides continuous advice to a Client regarding the investment of Client funds based on the individual needs of the Client. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a Client's prior investment history, as well as family composition and background. Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as risk tolerance and tax considerations.

We primarily advise our Clients regarding investments in stocks, bonds, mutual funds, ETFs, U.S. government and municipal securities, and cash and cash equivalents. We may also provide advice regarding investments held in Client's portfolio at the inception of our advisory relationship and/or other investment types not listed above, at the Client's request.

When we provide investment management services, Clients grant us limited authority to buy and sell securities on a discretionary basis. More information on our trading authority is explained in Item 16 of this Brochure. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

When appropriate, we utilize the services of third-party investment advisers ("Outside Managers") to assist with the management of Client accounts. We assist Clients in completing the Outside Managers' investor profile questionnaire, selecting an appropriate asset allocation model, interacting with the Outside Managers and conducting an ongoing review of the Outside Managers' investment offerings and investment selection. Our review process and analysis of Outside Managers is further discussed in Item 8 of this Brochure. Additionally, we will meet with the Client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account.

GWM participates in the Model Marketplace of Altruist LLC, an SEC registered investment adviser and affiliate of Altruist Financial LLC. GWM may subscribe Investment Management client accounts to model portfolios available through Altruist LLC's Model Marketplace, including Altruist

LLC-generated portfolios and Third-Party Portfolios, for use by GWM to assist it in managing or advising of client accounts. Factors that we take into consideration when determining whether any particular model portfolio or investment strategy is appropriate for a client's accounts include, without limitation, the model portfolio or investment strategy's investment goal, underlying holdings, and client's financial needs, investment goals, risk tolerance, and investment objectives.

## Financial Planning Services

Financial planning involves an evaluation of a Client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information, and analysis will be considered as they affect and are affected by the entire financial and life situation of the Client. Clients purchasing this service will receive a written report, providing the Client with a detailed financial plan designed to help achieve the Client's stated financial goals and objectives.

In general, the financial plan will address some or all of the following areas of concern. The Client and GWM will work together to select specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for Clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to children and grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help Clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile. Neither Benjamin Gajardo nor Gajardo Wealth Management LLC will charge a fee for advising on life insurance contracts.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet Clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with the consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

Financial Planning Services are offered on an Ongoing basis. This service involves working one-on-one with a planner over an extended period of time, and until terminated by GWM or the Client. By paying a fixed monthly fee, Clients get to work with a planner who will work with them to develop and implement their plan. Clients and GWM will create an annual calendar to outline the services to be delivered throughout the year. The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

Upon engaging us for financial planning services, a Client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis, and may include: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning, and estate planning. Once the Client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential

changes to their current situation will be reviewed with the Client. Clients subscribing to this service will receive a written or an electronic report, providing the Client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow-up meeting is required, we will meet at the Client's convenience. The plan and the Client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the Client to confirm that any agreed upon action steps have been carried out. On an annual basis, GWM will deliver an updated financial plan.

Once the plan has been delivered, an annual service calendar will be established that sets expectations for support around the implementation of key components of the plan. This calendar will establish time frames for periodic meetings, follow-ups, and check-ins for GWM to assist the Client with the implementation of the plan. The calendar will be a guiding document that can be adjusted as the client's needs and priorities evolve but will detail out the key tasks to be addressed by the client and/ or GWM during the year such as asset allocation reviews, rebalancing, tax loss harvesting and other investment related tax strategy reviews, budgeting and cash flow reviews, retirement planning projections and reviews, student loan analysis and reviews, as well any other key meetings, projects, or task that GWM and the Client determine are necessary.

In addition to those periodic events, the full plan will be reviewed annually with the client and adjusted as needed based on changes in their financial situation and objectives.

To ensure fiduciary duty is being met, GWM does a bi-annual review of client plans and will terminate the client if the plan lacks material progress. Our bi-annual review includes check-ins where specific topics will be reviewed. Credit, cashflow, investments, education funding, estate planning, insurance, retirement, tax, and goals are reviewed annually on a predetermined date. The range of services may change based on client needs. Depending on the content and client preference, the presentation of these annual check-ins may range from a written report (such as an email, letter, client deliverable, or text message) to verbal communication (such as a phone call, video chat, or in-person meeting). An updated plan based on both bi-annual reviews will be delivered each subsequent year on the client's anniversary, so long as the client is still engaged in our services.

### ***Sample Client Service Calendar***

**January** - Review Prior Year Goals & Action Items, Update Goals & Financial Planning Projections, Rebalance 529 Plans, Rebalance 401(k) & Investment Accounts

**February** - Salary Benchmark, Gather Tax Documents (1099s), Schedule Appointment w/ CPA

**March** - 401(k) deferral and fund menu review.

**April** - Quarterly Call/Meeting, Investment Review, Check Equifax, Qualified Retirement account contribution.

**May** - Student and consumer debt assessment, Tax Filing Review, review and update W-4 withholding.

**June** - Budget and Cashflow review.

**July** - Mid-Year Goals & Financial Plan Review Meeting, Rebalance 529 plans, Mortgage Analysis, Rebalance 401(k) & Investment Accounts

**August** - Credit Check (TransUnion), Estate Review (Beneficiaries, Will, AMD, POA)

**September** - Roth conversions and rollover opportunities, Capital gain and loss harvesting

**October** - Quarterly Check-in Call/Meeting & Investment Review. Employee Benefits Review, FAFSA deadlines, Extension Filing Deadline, Rebalance 401(k)/investment accounts.

**November** - FSA (use it or lose it), Budget & Cash Flow review, Mutual Fund distributions.

**December** - Credit Check (Experian), Tax-Loss Harvesting, Charitable Giving, Emergency Fund Review

**Project-Based Financial Planning.** We also provide project-based financial planning services on a limited scope, one-time engagement. Project-Based Financial Planning is available for Clients looking to address specific questions or issues. The Client may choose from one or more of the above topics to cover or other areas as requested and agreed to by GWM. For Project-Based Financial Planning, the Client will be ultimately responsible for the implementation of the financial plan.

### **Retirement Plan Consulting**

Our firm provides retirement plan services to employer plan sponsors on an ongoing basis. Generally, such services consist of assisting employer plan sponsors or plan named fiduciaries in establishing, monitoring, and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: design of investment policy statement, investment review and recommendations, fee analysis, participant education, and vendor searches & analysis.

In providing retirement plan services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly-traded REITs), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets").

Certain plans and/or clients that we may provide services to are regulated under the Employee Retirement Income Securities Act of 1974 ("ERISA"). We will provide employee benefit plan services to the plan sponsor and/or fiduciaries as described above for the fees set forth in Item 5 of this brochure. The services we provide are advisory in nature. We are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting as a fiduciary of the plan as defined in Section 3(21)(A)(ii) under ERISA.

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

We tailor the delivery of our services to meet the individual needs of our Clients. We consult with Clients initially and on an ongoing basis, through the duration of their engagement with us, to determine risk tolerance, time horizon and other factors that may impact the Clients' investment and/or planning needs.

Clients are able to specify, within reason, any restrictions they would like to place as it pertains to individual securities and/or sectors that will be traded in their account. All such requests must be provided to GWM in writing. GWM will notify Clients if they are unable to accommodate any requests.

### **Wrap Fee Programs**

We do not participate in wrap fee programs.

### **Assets Under Management**

As of 31 December 2024, GWM has \$3,008,891 in discretionary and \$0 in non-discretionary assets under management.



## Item 5: Fees and Compensation

Please note, unless a Client has received this brochure at least 48 hours prior to signing an Advisory Contract, the Advisory Contract may be terminated by the Client within five (5) business days of signing the Advisory Contract without penalty.

How we are paid depends on the type of advisory services we perform. Below is a brief description of our fees, however, you should review your executed Advisory Contract for more detailed information regarding the exact fees you will be paying. No increase to the agreed-upon advisory fees outlined in the Advisory Contract shall occur without prior written Client consent. Please note, lower fees for comparable services may be available from other sources.

### **Investment Management Services**

The fee is based on a percentage of assets under management. The annualized fees for investment management services are based on the following fee schedule:

<b>Assets Under Management</b>	<b>Annual Advisory Fee</b>	<b>Quarterly Advisory Fee</b>
<b>\$0 - \$1,500,000</b>	1.00%	0.25%
<b>\$1,500,001 - \$3,000,000</b>	0.70%	0.175%
<b>\$3,000,001 - \$6,000,000</b>	0.50%	0.125%
<b>\$6,000,001 and Above</b>	0.35%	0.0875%

The annual advisory fee is paid quarterly in arrears based on the average daily balance of the Client's account(s). The advisory fee is a blended tier. For example, for assets under management of \$2,000,000, a Client would pay 1.00% on the first \$1,500,000 and 0.70% on the remaining balance. The quarterly fee is determined by the following calculation:  $((\$1,500,000 \times 1.00\%) + (\$500,000 \times 0.70\%)) \div 4 = \$4,625$ .

In determining the advisory fee, we may allow accounts of members of the same household to be aggregated. GWM relies on the valuation as provided by Client's custodian in determining assets under management. Our advisory fee is prorated for any partial billing periods occurring during the engagement, including the initial and terminating billing periods.

GWM, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as for friends and family of GWM or existing clients, pre-existing client relationships, anticipated future additional assets, account retention and pro bono activities.

Use of a blended fee schedule represents a conflict of interest for Gajardo Wealth Management LLC in that the blended fee schedule results in higher fees for Gajardo Wealth Management LLC than are collected by advisers who use a breakpoint schedule for the same or similar fees. Fees that are charged through a blended fee schedule result in additional revenue for the adviser as the value of the account increases. Although new money or increases in the account's values may be managed at lower rates, the total values of assets in the earlier tiers continue to be managed at their initial higher rates. Higher assets under management fees may have an adverse effect on client returns and client portfolios over time.

If GWM utilizes an Outside Manager, the above fee schedule does not include the Outside Manager's fee. The Outside Manager's advisory fees, billing schedule, and payment procedures are set forth in their separate written disclosure documents, advisory agreements, and/or the account opening documents of your account Custodian. At no point will the combined fee charged to the Client exceed 2% of assets under management.

For Client accounts subscribed to Altruist Financial LLC's ("Altruist") Model Marketplace, they are subject to fees associated with the securities held in their accounts, custodial fees, and other third-party fees which range up to 0.87% per year, but average between 0.12% and 0.50%.

### **Ongoing Financial Planning**

Ongoing Financial Planning services are offered for a flat fee. The fee is paid monthly in arrears, with payment due by the 5th day of each month, not to exceed \$450 per month or \$5,400 per year, unless specifically agreed upon by the Advisor and Client in situations that involve a level of complexity that goes beyond what is typically included in the stated fee range:

- **Individual - \$300** per month (\$3,600 per year)
- **Couples - \$450** per month (\$5,400 per year)

GWM, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as for friends and family of GWM or existing clients, pre-existing client relationships, expected work involved at various points in the engagement or based on other factors relevant to the client's situation.

The fixed fee agreement is a 12-month contract that must be renewed annually in order to continue the services. As mentioned in Item 4, Clients receiving our financial planning services will participate in two bi-annual reviews at the 6 and 12 month mark, after they sign their initial client agreement. These bi-annual reviews are included in the monthly fee.

### **Project-Based Financial Planning**

GWM charges either a fixed or hourly fee for Project-Based Financial Planning. Fixed fee rates range between \$200 and \$2,000. Our hourly rate ranges up to \$200 per hour.

The fee range is dependent upon variables including the specific needs of the Client, complexity, estimated time, research, and resources required to provide services to you, among other factors we deem relevant. Fees are negotiable and the final agreed upon fee will be outlined in your Advisory Contract. Fees are due upon completion of the services. GWM will not bill an amount above \$500 more than 6 months or more in advance of rendering the services.

### **Retirement Plan Consulting**

The fee is based on a percentage of assets under management and is negotiable. The annualized fees is based on the following fee schedule:

<b>Assets Under Management</b>	<b>Annual Advisory Fee</b>	<b>Quarterly Advisory Fee</b>
<b>All Assets Under Management</b>	Up to 1.00%	Up to 0.25%

The annual advisory fee is paid quarterly in arrears based on the average daily balance of the Client's account(s). The advisory fee is a straight tier. For example, for assets under management of \$2,000,000, a Client would pay 1.00%. The quarterly fee is determined by the following calculation:  $((\$2,000,000 \times 1.00\%) \div 4) = \$5,000$ .

This does not include fees to other parties, such as record keepers, custodians, or third-party administrators. GWM relies on the valuation as provided by Client's custodian in determining assets under management. Our advisory fee is prorated for any partial billing periods occurring during the engagement, including the initial and terminating billing periods.

## **Fee Payment**

For Investment Management services, we deduct our advisory fee from one or more account(s) held at an unaffiliated third-party custodian, as directed by the Client. Please refer to Item 15 of this Brochure regarding our policy on direct fee deduction.

For Financial Planning Services, fees are paid by electronic funds transfer (EFT) or check. We use an independent third party payment processor in which the Client can securely input their banking information and pay their fee. We do not have access to the Client's banking information at any time. The Client will be provided with their own secure portal in order to make payments.

For Retirement Plan Services, fees are either paid directly by the plan sponsor or deducted directly from the plan assets by the custodian. Please refer to Item 15 of this Brochure regarding our policy on direct fee deduction. We use an independent third party payment processor in which the Client can securely input their payment information to pay their fee. We do not have access to the Client's banking or credit information at any time. The Client will be provided with their own secure portal in order to make payments.

## **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as 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 fund 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 our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending custodians for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

Clients may incur fees from third-party professionals such as accountants and attorneys that GWM may recommend, upon Client request. Such fees are separate and distinct from GWM's advisory fees.

## **Terminations and Refunds**

For Investment Management and Retirement Plan Services, the Advisory Contract may be terminated with written notice at any time. Since fees are paid in arrears, no refund will be needed upon termination of the Advisory Contract. Clients will be responsible for payment of fees up to the date of termination.

For Ongoing Financial Planning services, if a Client wishes to terminate ongoing financial planning services for any reason, or if the Client no longer participates in the planning and implementation progress, the Advisor or client may terminate the agreement at any time and no further fees will be charged. Since fees are paid in arrears, no refund will be needed upon termination of the Advisory Contract. Clients will be responsible for payment of fees up to the date of termination.

For Project-Based Financial Planning services, this service is not an ongoing engagement, thus upon receipt of the final fees, the Advisory Contract will automatically be terminated. Clients may terminate at any time provided written notice. If fees are paid in advance, a prorated refund will be given, if applicable, upon termination of the Advisory Contract for any unearned fee. For fees paid in arrears, Client shall be charged a pro-rata fee based upon the percentage of the work done up to the date of termination.

### **Sale of Securities or Other Investment Products**

Advisor and its supervised persons do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and investment management services to individuals, high net-worth individuals, and pension and profit sharing plans.

We do not have a minimum account size requirement to open or maintain an account.

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

Below is a brief description of our methods of analysis and primary investment strategies.

### **Methods of Analysis**

**Fundamental analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that the information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

### **Modern Portfolio Theory (MPT)**

The underlying principles of MPT are:

- Investors are risk averse. The only acceptable risk is that which is adequately compensated by an expected return. Risk and investment return are related and an increase in risk requires an increased expected return.
- Markets are efficient. The same market information is available to all investors at the same time. The market prices every security fairly based upon this equal availability of information.
- The design of the portfolio as a whole is more important than the selection of any particular security. The appropriate allocation of capital among asset classes will have far more influence on long-term portfolio performance than the selection of individual securities.
- Investing for the long-term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface.
- Increasing diversification of the portfolio with lower correlated asset class positions can decrease portfolio risk. Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another.

**Mutual Fund and/or ETF Analysis:** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the Client's portfolio. In addition, we monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable for the Client's portfolio.

**Use of Outside Managers:** We may refer Clients to Third Party Investment Advisers or advisory programs ("Outside Managers"). Our analysis of Outside Managers involves the examination of the experience, expertise, investment philosophies, and past performance of the Outside Managers in an attempt to determine if that Outside Manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the Outside Manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due diligence process, we survey the Outside Manager's compliance and business enterprise risks. A risk of investing with an Outside Manager who has been successful in the past is that they may not be able to

replicate that success in the future. In addition, we do not control the underlying investments in an Outside Manager's portfolio. There is also a risk that an Outside Manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our Clients. Moreover, as we do not control the Outside Manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

## **Investment Strategies**

### **Asset Allocation**

In implementing our Clients' investment strategy, we begin by attempting to identify an appropriate ratio of equities, fixed income, and cash (i.e. "asset allocation") suitable to the Client's investment goals and risk tolerance.

A risk of asset allocation is that the Client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of equities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the Client's goals. We attempt to closely monitor our asset allocation models and make changes periodically to keep in line with the target risk tolerance model.

### **Passive and Active Investment Management**

We may choose investment vehicles that are considered passive, active, or a combination of both styles.

Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio.

Active investing involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Actively managed funds are also designed to reduce volatility and risk.

We may engage in both passive and active investing in the Client's portfolio. However, we strive to construct portfolios of funds and individual securities that we believe will have the greatest probability for achieving our Clients' personal financial goals with the least amount of volatility and risk rather than attempt to outperform an arbitrary index or benchmark.

Specific investment selections are based on a number of factors that we evaluate in order to select, what we believe to be, the highest quality funds or individual securities for our Clients. These factors include but are not limited to underlying holdings of funds, percentage weighting of holdings within funds, liquidity, tax efficiency, bid/ask spreads, and other smart/strategic beta factors. These factors may or may not result in the lowest cost ETFs and mutual funds available when utilizing funds in a Client's portfolio, but we strive to keep internal fund expenses as low as possible.

### **Long-term/Short-term purchases**

We purchase securities and generally hold them in the Client's account for a year or longer. Short-term purchases may be employed as appropriate when:

- We believe the securities to be currently undervalued, and/or
- We want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.



**Alternative Investments.** Though GWM's primary investment strategy is [Kelsey to insert here], GWM and its representative may from time to time recommend less traditional assets (sometimes called "alternative investments") in combination with more traditional assets like stocks and bonds, when suitable. Alternative investments can include: commodities, currency hedging, direct lending, hedge funds, precious metals, private equity, venture capital, among others. Alternative investments may be accessed in multiple ways, including, but not limited to, Direct Investment, Pooled Investment Vehicles, and Private Investment Funds. GWM shall not have discretionary authority to directly invest Client funds into alternative investments. GWM is limited to recommending or advising on alternative investments based on Client's goals and risk tolerance. Clients should be aware of the risk should Client implement GWM's recommendations.

Alternative investments generally involve various risk factors, including, but not limited to the following. A more in-depth discussion of risks that must be considered is set forth in each investment's offering documents or similar disclosure document, which will be provided to each Client for review and consideration prior to investing.

- Potential for complete loss of principal, meaning that you may lose your entire investment
- Liquidity constraints
- Lack of transparency
- Difficulty obtaining price evaluation
- Limited or no secondary market
- Long term investment commitment
- Volatility of returns
- High internal and operating costs
- Restrictions on withdrawals
- Complex tax structures and delays in tax reporting
- Less regulation

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

**Turnover Risk:** Actively managed mutual funds tend to have a higher turnover rate than passive funds. A high portfolio turnover would result in higher transaction costs and in higher taxes when shares are held in a taxable account. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

### **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on factors such as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above (premium) or below (discount) their net asset value and an ETF purchased at a premium may ultimately be sold at a discount; (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the Clients invest.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks

include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Mutual Funds** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

#### **Altruist Model Marketplace**

GWM participates in the Model Marketplace of Altruist LLC, an SEC registered investment adviser and affiliate of Altruist Financial LLC. GWM may subscribe client accounts to model portfolios available through Altruist LLC's Model Marketplace, including Altruist LLC-generated portfolios and Third-Party Portfolios, for use by GWM to assist it in managing or advising of client accounts. Clients do not pay any additional management fees to use Altruist LLC's Model Marketplace; however, they are subject to fees associated with the securities held in their accounts, custodial fees, and other third-party fees. Factors that we take into consideration when determining whether any particular model portfolio or investment strategy is appropriate for a client's accounts include, without limitation, the model portfolio or investment strategy's investment goal, underlying holdings, and client's financial needs, investment goals, risk tolerance, and investment objectives. Investment selection, individual security performance, and overall market dynamics and economic cycles may drive unforeseeable shifts in the performance of any model portfolio which may result in loss of principal.

## Item 9: Disciplinary Information

### **Criminal or Civil Actions**

GWM and its management persons have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

GWM and its management persons have not been involved in any administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

GWM and its management persons have not been involved in any self-regulatory organization (SRO) proceedings.

## Item 10: Other Financial Industry Activities and Affiliations

### **Broker-Dealer Affiliation**

Neither GWM or its management persons is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

### **Other Affiliations**

Neither GWM or its management persons is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

### **Related Persons**

Neither GWM or its management persons have any relationship or arrangement with any outside financial industry related parties.

### **Recommendations or Selections of Other Investment Advisers**

GWM recommends Clients to Outside Managers to manage their accounts. In the event that we recommend an Outside Manager, we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5 of this brochure). In addition, Clients will receive a copy of the Outside Manager's Form ADV 2A, Firm Brochure, which also describes the Outside Manager's fee. You are not obligated, contractually or otherwise, to use the services of any Outside Manager we recommend. Moreover, GWM will only recommend an Outside Manager who is properly licensed or registered as an investment adviser.

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

As a fiduciary, our firm has a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

### **Code of Ethics Description**

This Code of Ethics does not attempt to identify all possible conflicts of interest, and compliance with each of its specific provisions will not shield our firm or its access persons from liability for misconduct that violates a fiduciary duty to our Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Access persons shall offer and provide professional services with integrity.
- Objectivity - Access persons shall be objective in providing professional services to Clients.
- Competence - Access persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Access persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Access persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Access persons conduct in all matters shall reflect the credit of the profession.
- Diligence - Access persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its access persons, or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, principal transaction, among others.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Our firm, its access persons, and its related persons may buy or sell securities similar to, or different from, those we recommend to Clients. In an effort to reduce or eliminate certain conflicts of interest, our Code of Ethics may require that we restrict or prohibit access persons' transactions in specific reportable securities. Any exceptions or trading pre-clearance must be approved by GWM's Chief Compliance Officer in advance of the transaction in an account. GWM maintains a copy of access persons' personal securities transactions as required.

### **Trading Securities At/Around the Same Time as Client's Securities**

From time to time our firm, its access persons, or its related persons may buy or sell securities for themselves at or around the same time as they buy or sell securities for Clients' account(s). To address this

conflict, it is our policy that neither our firm or access persons shall have priority over Clients' accounts in the purchase or sale of securities.

## Item 12: Brokerage Practices

### **Factors Used to Select Custodians**

GWM does not have any affiliation with any custodian we recommend. Specific custodian recommendations are made to the Client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

In recommending custodians, we have an obligation to seek the “best execution” of transactions in Client accounts. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the custodian’s services. The factors we consider when evaluating a custodian for best execution include, without limitation, the custodian’s:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody);
- Capability to execute, clear, and settle trades (buy and sell securities for your account);
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.);
- Availability of investment research and tools that assist us in making investment decisions;
- Quality of services;
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices;
- Reputation, financial strength, security and stability;
- Prior service to us and our clients.

With this in consideration, our firm recommends Altruist Financial LLC (“Altruist”), an independent and unaffiliated SEC registered broker-dealer firm and member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”).

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

We do not have any soft-dollar arrangements with custodians whereby soft-dollar credits, used to purchase products and services, are earned directly in proportion to the amount of commissions paid by a Client. However, as a result of being on their institutional platform, Altruist may provide us with certain services that may benefit us.

### **Altruist**

GWM offers investment advisory services through the custodial platform offered by Altruist Financial LLC, an unaffiliated SEC-registered broker-dealer and FINRA/SIPC member (“Altruist”). GWM’s Clients establish brokerage accounts through Altruist. GWM maintains an institutional relationship with Altruist whereby Altruist provides certain benefits to GWM, including a fully digital account opening process, a variety of available investments, and integration with software tools that can benefit GWM and its Clients.

### **Brokerage for Client Referrals**

We receive no referrals from a custodian, broker-dealer or third party in exchange for using that custodian, broker-dealer or third party.



### **Clients Directing Which Broker/Dealer/Custodian to Use**

Our firm recommends Clients establish account(s) at Altruist to execute transactions through. We will assist with establishing your account(s) at Altruist, however, we will not have the authority to open accounts on the Client's behalf. Not all investment advisers require their Clients to use their recommended custodian. By recommending that Clients use Altruist, we may be unable to achieve most favorable execution of Client transactions, and this practice may cost Clients more money. We base our recommendations on the factors disclosed in Item 12 herein and will only recommend custodians if we believe it's in the best interest of the Client.

If Clients do not wish to utilize our recommended custodian, we permit Clients to direct brokerage. We will be added to your account through a limited trading authority. However, due to restraints from not having access to an institutional platform, we are unable to achieve most favorable execution of Client transactions. Clients directing brokerage may cost Clients more money. For example, in a directed brokerage account, the Client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the Client may receive a higher transaction price at their selected custodian versus our recommended custodian.

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

Generally, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or access persons may participate in block trading with your accounts; however, they will not be given preferential treatment.

Outside Managers used by GWM may block Client trades at their discretion. Their specific practices are further discussed in their ADV Part 2A, Item 12.

## Item 13: Review of Accounts

### **Periodic Reviews**

Clients who engage us for investment management services will have their account(s) reviewed regularly on a quarterly basis by Benjamin Gajardo, Owner and CCO. The account(s) are reviewed with regards to the Client's investment objectives and risk tolerance levels.

Clients who engage us for ongoing financial planning service will be provided with a detailed financial plan by Benjamin Gajardo, Owner and CCO designed to achieve his or her stated financial goals and objectives. The plan and the Client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the Client to confirm that any agreed upon action steps have been carried out. On an bi-annual basis, there will be a full review of the financial plan to ensure its accuracy and ongoing appropriateness. GWM will perform additional reviews at the Client's request.

### **Triggers of Reviews**

For Clients engaged in our Investment Management Service, events that may trigger a special review would be unusual performance, addition or deletions of Client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

For Clients engaged in our Ongoing Financial Planning, GWM will perform additional reviews at the Client's request or in the event of a life event such as career change, marriage, divorce, adoption, birth of a child, large purchases, etc.

### **Review Reports**

Clients will receive trade confirmations from the custodian(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

GWM does not provide written performance or holdings reports to Investment Management Clients outside of what is provided directly by their custodian. GWM does not provide written performance or holdings reports to Ongoing Financial Planning clients, other than financial plans.

## Item 14: Client Referrals and Other Compensation

### **Compensation Received by Gajardo Wealth Management LLC**

GWM is a fee-only firm that is compensated solely by its Clients. GWM does not receive commissions or other sales-related compensation. Except as mentioned in Item 12 above, we do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients. GWM does not receive any economic benefits from Altruist for using the firm's model portfolios for clients.

### **Client Referrals from Solicitors**

GWM does not, directly or indirectly, compensate any person who is not advisory personnel for Client referrals.

## Item 15: Custody

GWM does not hold, directly or indirectly, Client funds or securities, or have any authority to obtain possession of them. All Client assets are held Altruist Financial, LLC. If GWM deducts its advisory fee from Client's account(s), the following safeguards will be applied:

- i. The Client will provide written authorization to GWM, permitting us to be paid directly from Client's accounts held by the custodian.
- ii. The custodian will send at least quarterly statements to the Client showing all disbursements from the accounts, including the amount of the advisory fee.
- iii. GWM will not send invoices to clients located in states where not required, however, will provide invoices upon client request. In jurisdictions where required, GWM will send an itemized invoice to the Client at the same time it instructs the custodian to debit the advisory fee. Itemization includes the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

We urge you to carefully review custodial statements and compare them to the account invoices or reports that we may provide to you and notify us of any discrepancies. Clients are responsible for verifying the accuracy of these fees as listed on the custodian's brokerage statement as the custodian does not assume this responsibility. Our invoices or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

GWM can establish a Standing Letter of Authorization or other similar asset transfer authorization arrangements ("SLOA") with qualified custodians in order for us to disburse funds to accounts as specifically designated by the Client. With a SLOA a Client can typically authorize first-party and/or third-party transfers. If transfers are third-party, GWM complies with each of the requirements and conditions enumerated below:

1. The Client provides an instruction to the qualified custodian, in writing, that includes the Client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
2. The Client authorizes GWM, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The Client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the Client's authorization, and provides a transfer of funds notice to the Client promptly after each transfer.
4. The Client has the ability to terminate or change the instruction to the Client's qualified custodian.
5. GWM has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the Client's instruction.
6. GWM maintains records showing that the third party is not a related party of GWM or located at the same address as GWM.
7. The Client's qualified custodian sends the Client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

## Item 16: Investment Discretion

For those Client accounts where we provide Investment Management Services, GWM has discretionary authority and limited power of attorney to determine the securities and the amount of securities to be bought or sold for a Client's account without having to obtain prior Client approval for each transaction. Investment discretion is explained to Clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the Client will execute a Limited Power of Attorney, which will grant our firm discretion over the account(s). Additionally, the discretionary relationship will be outlined in the Advisory Contract and signed by the Client. Clients may limit our discretion by requesting certain restrictions on investments. However, approval of such requests are at the firm's sole discretion.

If GWM subscribes a client to a model portfolio available through Altruist's Model Marketplace. GWM has discretion to subscribe and unsubscribe clients to these portfolios. GWM does not allow Clients to place any limitations on this discretionary authority.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to our Clients, nor have we been the subject of any bankruptcy proceeding. We do not have custody of Client funds or securities, except as disclosed in Item 15 above, or require or solicit prepayment of more than \$500 in fees six months or more in advance.

## Item 19: Requirements for State-Registered Advisers

### **Principal Officers**

Benjamin Gajardo serves as GWM's sole principal and CCO. Information about Benjamin Gajardo's education, business background, and outside business activities can be found in his ADV Part 2B, Brochure Supplement attached to this Brochure.

### **Outside Business**

All outside business information, if applicable, of GWM is disclosed in Item 10 of this Brochure.

### **Performance-Based Fees**

Neither GWM or Benjamin Gajardo is compensated by performance-based fees.

### **Material Disciplinary Disclosures**

No management person at GWM has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### **Material Relationships That Management Persons Have With Issuers of Securities**

GWM nor Benjamin Gajardo have any relationship or arrangement with issuers of securities.



Item 1: Cover Page

Gajardo Wealth Management LLC

785 E. 550 S.  
Unit #304  
American Fork, Utah 84003

(801) 391-5176

**Form ADV Part 2B – Brochure Supplement**

Dated: 25 February 2025

[www.gajardowealth.com](http://www.gajardowealth.com)

*For*

**Benjamin Gajardo**

Owner and Chief Compliance Officer

This brochure supplement provides information about Benjamin Gajardo that supplements the Gajardo Wealth Management LLC (“GWM”) brochure. You should have received a copy of that brochure. Please contact Benjamin Gajardo if you did not receive GWM’s brochure or if you have any questions about the contents of this supplement.

Additional information about Benjamin Gajardo is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 7464016.

## Item 2: Educational Background and Business Experience

### **Benjamin Gajardo**

Born: 1999

#### **Educational Background**

- 2022 – B.S., Finance, Brigham Young University

#### **Business Experience**

- 02/2024 – Present, Gajardo Wealth Management LLC, Owner and CCO
- 05/2023 – 02/2024, Olympus Wealth Management, Investment Advisor Representative
- 01/2022 – 05/2023, Merrill Financial Associates, Investment Advisor Representative
- 05/2021 – 02/2022, Merrill Financial Associates, Intern
- 08/2017 – 04/2022, Student, Brigham Young University
- 08/2013 – 06/2017, Student, Odyssey Charter High School

#### **Professional Designation(s)**

##### **CFP® (Certified Financial Planner):**

Benjamin Gajardo is certified for financial planning services in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). Therefore, Benjamin Gajardo may refer to himself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional, and Benjamin Gajardo may use these and CFP Board's other certification marks (the "CFP Board Certification Marks"). The CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold the CFP® certification. You may find more information about the CFP® certification at [www.cfp.net](http://www.cfp.net).

CFP® professionals have met CFP Board's high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- Education – Earn a bachelor's degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirements through other qualifying credentials.
- Examination – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual's ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- Experience – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.
- Ethics – Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board's Code of Ethics and Standards of Conduct ("Code and Standards"), which sets forth the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- Ethics – Commit to complying with CFP Board's Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not

guarantee a CFP® professional's services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.

- Continuing Education – Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

### Item 3: Disciplinary Information

Benjamin Gajardo has never been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### Item 4: Other Business Activities

Benjamin Gajardo is not involved in any outside business activities.

### Item 5: Additional Compensation

Benjamin Gajardo does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients advisory services through GWM.

### Item 6: Supervision

Benjamin Gajardo as Chief Compliance Officer of GWM, supervises the advisory activities of our firm. Benjamin Gajardo is bound by and will adhere to the firm's policies and procedures and Code of Ethics. Clients may contact Benjamin Gajardo at the phone number on this brochure supplement.

### Item 7: Requirements for State Registered Advisers

Benjamin Gajardo has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.