

# FORM ADV PART 2A BROCHURE



Mosley Wealth Management, Inc.

CRD Number 318592

2401 E Katella Ave | Suite 270 | Anaheim, CA 92806

By Appointment Only:

3602 Inland Empire Blvd., Suite 238, Ontario, CA 91764

9820 Willow Creek Rd., Suite 260, San Diego, CA 92131

655 N. Central Ave., 17<sup>th</sup> Floor, Suite 1739, Glendale, CA 91203

444 E. Huntington Dr., Suite 101, Arcadia, CA 91006

PHONE: 714-421-4288 | TOLL FREE: 855-567-0933

February 23, 2024

This Brochure provides information about the qualifications and business practices of Mosley Wealth Management (“MWM,” “we,” “us,” or “our”). If you have any questions about the contents of this Brochure, please contact us at [tom@mosleywealthmanagement.com](mailto:tom@mosleywealthmanagement.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Registration with the SEC or any state does not imply a certain level of skill or training. Additional information about MWM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

Pursuant to State and Federal regulatory rules and requirements, each person or entity registered as an investment adviser shall update the Form ADV Part 2 or disclosure document as part of any amendment or annual updating amendment and as material changes occur. For purposes of this subsection, "annual updating amendment" means an amendment to an investment adviser's Form ADV filed within 90 days after an investment adviser's fiscal year end that is used to update the responses to any other item for which the information is no longer accurate.

Mosley Wealth Management, Inc. ("MWM") is also required to send clients a summary of any material changes to this Firm's Disclosure Brochure when they occur.

There have been two material changes to report since the most recent annual update filing of MWM's Form ADV Part 2A Disclosure Brochure dated 03/29/2023. The firm no longer offers Financial Planning Services for a fee. Additionally, there have been changes made to the fee schedule for investment management services. Please see Item 5 for additional information. There are no other material changes to report.

If you have questions about this change, please contact your MWM financial adviser or call 714-421-4288.

### Item 3: Table of Contents

#### Contents

Item 2 – Material Changes .....	2
Item 3: Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	4
Item 6 – Performance Based Fees and Side-By Side Management .....	6
Item 7 – Types of Clients .....	6
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	6
Item 9 – Disciplinary Information .....	8
Item 10 – Other Financial Industry Activities and Affiliations .....	8
Item 12 – Brokerage Practices .....	9
Item 13 – Review of Accounts.....	9
Item 14 – Client Referrals and Other Compensation .....	10
Item 15 – Custody .....	10
Item 16 – Investment Discretion .....	10
Item 17 – Voting Client Securities.....	10
Item 18 – Financial Information .....	10
Item 19 – Requirements for State Registered Advisers .....	11
Privacy Policy .....	11

## **Item 4 – Advisory Business**

Mosley Wealth Management, Inc. (“MWM”) is an Investment Advisory Firm owned by Felton Thomas (Tom) Mosley and has been offering its services since 2019.

MWM provides Asset Management services to its clients as described below.

### **Asset Management Services**

MWM provides Clients with continuous and ongoing monitoring of and supervision over their Account(s). MWM bases our advice on a client’s individual goals, objectives, time horizon, and risk tolerance. MWM creates an investment policy statement for each client, which outlines the client’s current situation (income, tax levels, objectives, and risk tolerance levels).

MWM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. MWM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client. Risk tolerance levels are documented by an evaluation that is given to each client.

All reasonable restrictions, including special instructions and limitations, regarding the investments and management of Client's Account are noted by the client in the Asset Management Agreement.

MWM has entered into a Sub-Advisory Relationship with Foundations Investment Advisors, LLC. The purpose of this agreement is to provide MWM with administrative, technical, and support services with respect to client accounts. Although the agreement provides MWM with the ability to outsource advisory services, MWM does not utilize Foundations Investment Advisors, LLC for those services. MWM’s client accounts are managed by MWM and/or its advisory representatives.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent MWM from properly servicing the client account, or if the restrictions would require MWM to deviate from its standard suite of services, MWM reserves the right to end the relationship.

MWM does not offer a wrap program.

As of December 31, 2023, MWM manages approximately \$126,905,170 in discretionary assets.

## **Item 5 – Fees and Compensation**

MWM allows the account adviser representative (“IAR”) discretion to set the individual advisory fee under their Client Advisory Agreements within the fee ranges provided by MWM, shown below. The annual fees are negotiable and will be set forth in the Client Fee Disclosure in the Asset Management Agreement upon execution. Clients will never be charged a total management fee over the 3% industry average. Lower fees for comparable services may be available from other sources.

## Portfolio Management Fee Schedule

Total Assets Under Management	Maximum Annual Fees
\$1 - \$100,000	1.85%
\$100,001 - \$499,999	1.70%
\$500,000 - \$999,999	1.55%
\$1,000,000 - \$2,000,000	1.40%
\$2,000,001 +	1.25%

This fee table listed above is for accounts where MWM would build our own or use standardized model portfolios. Investment advisory fees of MWM are charged based on a percentage of assets under management (“AUM”), billed in arrears (at the end of the billing period) on a monthly basis, and calculated based on the average daily balance of the account during the current billing period. Fees are prorated based on the number of days service is provided during each billing period and are debited directly from your managed account. If services began in the middle of the billing period, then the prorated fee for that billing period will be billed in arrears at the end of that billing period.

Under the average daily balance method, each day’s balance for the month is summed then divided by the number of days in the month, to compute the average daily balance. The average daily balance is then multiplied by the monthly portion of the annual fee to determine the monthly fee due.

The final fee for a client is included with the Client’s Investment Management Agreement, and is based upon the type of client, the complexity of the client’s situation, the composition of the client’s account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, the total amount of assets under management for the client, and the portfolio(s) chosen. The fee charged to each client includes a portion attributable to MWM, and a portion retained by Foundations Investment Advisors, LLC for administrative, technical, and support services.

MWM believes that its annual fee is reasonable in relation to: (1) services provided, and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual fee may be higher than that charged by other investment advisers offering similar services and programs.

Account management services by MWM continue in effect until terminated by either party, by providing written notice of termination to the other party. Clients may terminate the agreement without penalty for a full refund of MWM’s fees within five business days of signing the Investment Management Agreement. Any prepaid, unearned fees will be promptly refunded by MWM to you. If services are terminated at any time other than the last business day of the month, fees for the final billing period will be determined on a pro rata basis using the number of days services are actually provided during the final period.

All fees are negotiable. Lower fees for comparable services may be available from other sources.

Clients are responsible for the payment of all third-party fees, such as custodian fees, brokerage fees, mutual fund fees, transaction fees, if applicable. Those fees are separate and distinct from the fees charged by MWM. Please see Item 12 of this brochure regarding broker-dealer/custodian information.

MWM and its supervised persons may receive compensation for the sale of insurance products to its clients. Neither MWM nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds. Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with us.

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

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

#### **Item 7 – Types of Clients**

MWM generally offers advisory services to the following types of clients:

- Individuals
- High Net Worth Individuals
- Charitable Organizations
- Business Owners

There is no account minimum for any of MWM's services.

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

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

While our methods of analysis and investment strategies vary to some extent for each Client, in general, we seek attractive, uncorrelated risk-adjusted returns by investing in a portfolio of publicly listed securities.

We typically allocate securities using traditional long-term asset allocation methodologies. This is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. We have discussed these risks in greater detail below.

MWM uses long- and short-term trading. Long-term trading involves securities held for at least one year. Short term trading involves securities sold within the first year. MWM also may do frequent trading within portfolios, which involves buying and selling positions within 30 days.

There can be no assurance that a client's investment objective will be achieved or that there will be any return of capital, and investment results may vary substantially on a monthly, quarterly, or annual basis.

All securities investments present a risk of loss of capital. Volatile financial markets increase that risk. Market risk is a factor in any investment, and a higher level of volatility in the financial markets has increased risk generally. Unexpected volatility or illiquidity in the markets in which a client holds positions, directly or indirectly, could cause losses.

*Price and Liquidity Fluctuations of Investments (Market Risk).* The market value of an investment will fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of financial markets, developments or trends in the securities markets and the financial condition of the issuers of the securities in which the client invests.

*Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

*Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.

*Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

*Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.

*Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

*Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.

*Diversification Risk.* Certain Clients may hold a limited number of positions (both long and short) at any given time. As a result of the lack of diversification, a significant loss in any one position may have a material adverse effect on the net asset value of the Client's account and their rate of return. Any fluctuation in the overall value of securities in certain industries likely will have a material adverse effect on the performance of such portfolios.

The foregoing list of risk factors does not purport to be a complete list of the risks involved in investing. Prospective investors are recommended to consult with their investment adviser representatives before deciding whether to invest. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

We use a variety of investments in our portfolios. More detail about the risks associated with these investments is listed below.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

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

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding

bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

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

#### **Item 9 – Disciplinary Information**

Neither MWM nor any of its management persons have been subject to any criminal or civil actions, administrative proceedings, or self-regulatory organization (SRO) proceedings.

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

Neither MWM nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

IARs associated with MWM may also be independent licensed insurance agents, and from time to time, will offer clients insurance products in their insurance agent capacity. Clients should be aware that Insurance Companies that allow MWM IARs to offer insurance products and services will pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of an IAR. MWM and its IARs must act in the best interest of the client; including while considering the offer of advice and sales of commissionable insurance products to advisory clients. Clients are in no way required to utilize the services of any representative of MWM in connection with such individual's activities outside of MWM.

Mosley Insurance & Financial Services (“MIFS”) is a related entity of MWM by the common ownership of Mr. Felton Thomas Mosley. MIFS is an insurance agency, offering insurance products. MIFS will receive commissions for insurance policies sold from the respective insurance companies. This presents a conflict of interest since MIFS affiliates have an incentive to offer insurance products to receive commissions. MWM is aware of this conflict and addresses it by fully disclosing the relationship and conflict, and making sure that any recommendation is made exclusively in the best interests of their clients. Clients always have the option of purchasing their insurance policies from other insurance agencies, whether or not they are acting on the recommendation of someone acting through MIFS.

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

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all staff, and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business



entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

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

We may give advice and recommend securities to certain Clients that may differ from advice given to, or securities recommended to, or bought or sold for, other Clients, even though their investment programs may be the same or similar.

From time to time, representatives of MWM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of MWM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting from the recommendations they provide to clients. Such transactions will create a conflict of interest. MWM will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold. MWM's CCO will monitor personal trading of representatives to ensure that if there is trading in a security for both an adviser representative and a client on the same day, the client will always get the best price.

MWM will provide a copy of our Code of Ethics to any Client or prospective Client upon request.

#### **Item 12 – Brokerage Practices**

We recommend Charles Schwab & Co., Inc., ("Schwab") and/or Fidelity Institutional ("Fidelity") and Altruist Financial, LLC as custodians for client assets (the "Custodians"). The Custodians are independent broker/dealers and are not affiliated with MWM. The Custodians offer services to independently registered investment advisors which include custody of securities, trade execution, and clearance and settlement of transactions. We selected the Custodians to execute trades and custody accounts on the basis of the variety of investments available through the platforms, the relatively low cost of transactions, and for the ease of doing business.

Clients may select another custodian. Not all advisers would require or suggest that you use a particular custodian. If you choose a different custodian, we may not be able to achieve the most favorable execution of transactions. It may cost you more or less money. In particular, you may pay higher brokerage commissions or receive less favorable prices.

We combine our orders into block trades if more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account. We engage in block trading when it is consistent with the duty to seek best execution and is consistent with the terms of our investment advisory agreements.

Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day.

#### **Item 13 – Review of Accounts**

All Client accounts for MWM's advisory services provided on an ongoing basis are reviewed at least quarterly by the Client's assigned investment adviser representative, with regard to Clients' respective

investment policies and risk tolerance levels. Accounts will be reviewed by our investment adviser representatives. Additional reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Each client of MWM's advisory services provided on an ongoing basis will receive a monthly report from the custodian. Additionally, MWM will provide the Client with access to account information and reports through an online client portal. Discrepancies between reports received from MWM and the statements received from the qualified custodian(s) should be reported immediately to MWM.

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

We receive an economic benefit from Schwab in the form of support product and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the referral arrangement because the cost of these services would otherwise be borne directly by us. You should consider this conflict of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (see Item 12- Brokerage Practices).

#### **Item 15 – Custody**

When advisory fees are deducted directly from client accounts at client's custodian, MWM will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Your custodian will send you no less than quarterly statements that show the deduction of your advisory fee. Clients should review all statements carefully. If you also receive account statements from MWM, we urge you to compare the account statements you receive from the qualified custodian with those you receive from your MWM investment professional.

#### **Item 16 – Investment Discretion**

MWM provides discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, MWM manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. The firm also has discretionary authority to determine the broker or dealer to be used for the purchase or sale of securities for a client's account.

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

As a matter of firm policy, MWM and its IARs do not vote proxies on behalf of clients. MWM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

#### **Item 18 – Financial Information**

MWM neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance. Neither MWM nor its management has any financial condition that is likely to reasonably impair MWM's ability to meet contractual commitments to clients. MWM has not been the subject of a bankruptcy petition in the last ten years.

### **Item 19 – Requirements for State Registered Advisers**

MWM currently has only one management person: Mr. Felton Thomas Mosley. Mr. Mosley's educational history is listed below:

- Pepperdine University, MBA in Finance, 1998
- Dallas Theological Seminary, ThM in Theology, 1990

MWM is not involved in any other business activities and does not accept performance-based fees. There are no material disciplinary disclosures applicable for MWM or MWM's management persons. There are no relationships or arrangements with Issuers of Securities applicable for MWM or MWM's management persons.

Any material conflicts of interest for MWM and its representatives and employees have been disclosed in this document.

### **Business Continuity and Disaster Recovery Plan – Client Disclosure Notice**

MWM maintains a written Business Continuity and Disaster Recovery Plan to safeguard client data and other information and records from significant business disruptions such as data breaches, natural disasters, and varying other unforeseen circumstances.

### **Privacy Policy**

Your relationship with MWM is based on trust and confidence. To fulfill its responsibilities to you, MWM requires that you provide current and accurate financial and personal information. You deserve to expect that MWM will protect the information you have provided in a manner that is safe, secure, and professional. MWM and its employees are committed to protecting your privacy and to safeguarding that information.

### **Safeguarding Customer Documents**

We collect non-public customer data in checklists, forms, in written notations, and in documentation provided to us by our customers for evaluation, registration, licensing or related consulting services. We also create internal lists of such data.

During regular business hours, access to customer records is monitored so that only those with approved entitlements may access the files. During hours in which the company is not in operation, the customer records will be secured.

No individual who is not so authorized shall obtain or seek to obtain personal and financial customer information. No individual with authorization to access personal and financial customer information shall share that information in any manner without the specific consent of a firm principal. Failure to observe MWM procedures regarding customer and consumer privacy will result in disciplinary action and may include termination.

### **Sharing Non-Public Personal and Financial Information**

MWM is committed to the protection and privacy of its customers' and consumers' personal and financial information. MWM will not share such information with any affiliated or nonaffiliated third party except:

- When necessary to complete a transaction in a customer account, such as with the clearing firm or account custodians;
- When required to maintain or service a customer account;
- To resolve customer disputes or inquiries;
- With persons acting in a fiduciary or representative capacity on behalf of the customer;
- With rating agencies, persons assessing compliance with industry standards, or to the attorneys, accountants and auditors of the firm;

- In connection with a sale or merger of MWM's business;
- To protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims or other liability;
- To comply with federal, state or local laws, rules and other applicable legal requirements;
- In connection with a written agreement to provide investment management or advisory services when the information is released for the sole purpose of providing the products or services covered by the agreement;
- In any circumstances with the customer's instruction or consent; or
- Pursuant to any other exceptions enumerated in the California Information Privacy Act.

**Opt-Out Provisions**

It is not a policy of MWM to share non-public personal and financial information with affiliated or unaffiliated third parties except under the circumstances noted above. Since sharing under the circumstances noted above is necessary to service customer accounts or is mandated by law, there are no allowances made for clients to "opt out".

If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice. We reserve the right to change this policy at any time and you will be notified if any changes do occur.

If you have any questions after reading this Privacy Policy, please contact us by writing to the address on the first page of this Disclosure Brochure.