ITEM 1: Cover Page



FIRM BROCHURE
(Part 2A of Form ADV)

November 14, 2024

Palo Seco Wealth Management

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Part 2A of Form ADV (the "Brochure") provides information about the qualifications and business practices of Palo Seco Wealth Management If you have any questions about the contents of this Brochure, please contact us by phone at (951) 790-3861 or by email at brian@palosecowealthmanagement.com. The information in this Brochure has not been approved or verified by any state securities authority.

Palo Seco Wealth Management is registered as an investment adviser with the State of California; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

The Firms CRD number is 333631.

ITEM 2: MATERIAL CHANGES

This Brochure dated November 15th, 2024 is a new document prepared in accordance with the requirements and rules adopted by the California Department of Financial Protection and Innovation ("DFPI").

- Fees

Pursuant to DFPI, Palo Seco Wealth Management will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of Palo Seco Wealth Management s' fiscal year. Additionally, as Palo Seco Wealth Management experiences material changes in the future, we will send you a summary of our "Material Changes" under separate cover.

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ITEM 4: ADVISORY BUSINESS

A. Description of Firm

Founded in 2024, Palo Seco Wealth Management (Firm) is a Southern California-based investment advisory firm providing investment advice and financial planning for individuals, high net worth individuals, and corporate clients.

Palo Seco Wealth Management will be giving away 50% of all its investment management service fees. We are a mission driven company with a goal of helping Christians give more and help spread the gospel of Jesus Christ.

Our mission is to provide biblically based financial advice to those seeking biblically responsible investing. Screening technology tools such as Inspire Insight (www.inspireinsight.com) will be used to ensure that client investments are consistent with the biblically responsible investing strategy described here. Since biblically responsible investing is a matter of conscience and conviction at the personal level, each client will decide what industries or types of businesses they do not want to invest in and those will then be screened out by the Firm.

Some of the investment instruments Palo Seco Wealth Management advises its clientele on include, but are not limited to, stocks, bonds, exchange traded funds ("ETFs"), and other investments.

Palo Seco Wealth Management is registered as an investment adviser with the California Department of Financial Protection and Innovation ("DFPI"). The Firm's principal owner is Brian Colla, who also serves as the Firm's President and Chief Compliance Officer.

B. Types of Advisory Services Offered

Palo Seco Wealth Management offers investment management services and financial planning services. Both services are customizable, with the advice provided to each client based upon the individual needs, objectives, and other financial goals of the client. At the onset of the client relationship, Palo Seco Wealth Management memorializes each client's investment objectives, risk tolerance, investment guidelines and restrictions, time horizons, and other important and necessary information. The information provided will be used by Palo Seco Wealth Management to recommend the appropriate portfolio asset allocation and investment strategy for each client.

Palo Seco Wealth Management will not assume any responsibility for the accuracy of the information provided by the client. Palo Seco Wealth Management is not obligated to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. Under all circumstances, clients are responsible for promptly notifying Palo Seco Wealth Management in writing of any material changes to the client's financial situation, investment objectives, time horizon, or risk tolerance. In the event that a client notifies Palo Seco Wealth Management of changes in the client's financial circumstances, Palo Seco Wealth Management will review such changes and recommend any necessary revisions to the client's portfolio.

1. Investment Management Services

Palo Seco Wealth Management provides clients with customized advice according to the objectives and strategies approved by the client. Palo Seco Wealth Management ’s services are designed to assist clients in meeting their financial goals.

Palo Seco Wealth Management believes in a passive investment philosophy and generally limit our recommendations to low-fee market-tracking products such as index funds and ETFs. We do not attempt to outperform the markets by timing, sector rotation, security selection or any other means. Advice may include investment buy/sell recommendations, asset allocation, selection of no-load mutual funds, exchange traded funds, or other pooled investment vehicles, and/or individual debt and equity securities for the client’s portfolio in accordance with each client’s investment objectives, guidelines, risk tolerance, and other information provided by the client.

In providing this advice, we begin by discussing each Client's background, goals, risk tolerance, and current holdings. This assists us in understanding a client’s needs before recommending changes to their current strategy. We may provide, but are not limited to, one-time portfolio reviews, written investment plans, recommendations for implementation, and referrals to qualified third parties.

Additionally, Palo Seco Wealth Management may provide investment advice relating to variable annuity products. With respect to these products, the Firm offers such advice exclusively on no-load, no surrender charge products designed specifically for fee -based advisory accounts. No commissions are received with respect to any sales relating to these products. Palo Seco Wealth Management will only receive the usual and customary fixed fee provided for in the client agreement as part of its standard fee schedule.

Please refer to Item 5 for additional information on fees and compensation.

As noted above, Palo Seco Wealth Management may provide investment advice regarding ETFs and ETNs. An ETF is an investment fund that is traded on a national securities exchange. An ETF combines the features of a traditional mutual fund with those of an investment in stock. Like index mutual funds, ETFs represent diversified portfolios of securities that track specific indexes. Like stocks, they can be bought and sold on an exchange throughout the trading day. Most ETFs track an index by investing in either all or a representative sample of the securities included in the index and are traded throughout the trading day at prices that may be more or less than its net asset value. ETFs experience price changes throughout the day as they are bought and sold. An ETN is a type of security that combines the aspects of both bonds and ETFs. ETNs are a type of unsecured, unsubordinated debt security that have characteristics and risks like those of fixed income securities and trade on a major exchange like shares of ETFs. This type of debt security differs, however, from other types of bonds and notes because ETN returns are based upon the performance of a market index minus applicable fees and may involve little or no principal protections. Please refer to Item 8 for additional information about the risks involved in investing in ETFs and ETNs.

Prior to dispensing investment advice, Palo Seco Wealth Management memorializes each client’s investment objectives, risk tolerance, investment guidelines, time horizons and other important and necessary information in a Client Profile. Upon completion of the Client Profile, Palo Seco Wealth Management and the client will determine the appropriate portfolio investment strategy based on the contents of the Client Profile. Under all circumstances, Clients are

responsible for promptly notifying Palo Seco Wealth Management in writing of any material changes in the client's financial situation, investment objectives, or other information contained in the Client Profile or otherwise provided to Palo Seco Wealth Management.

Clients may impose reasonable guidelines and/or restrictions on investing in certain securities or types of securities. For example, a client may specify that the investment in any stock or industry should not exceed specified percentages of the value of the portfolio. All such guidelines and restrictions must be set forth in the Client Profile or otherwise communicated to Palo Seco Wealth Management in writing.

Depending on the sophistication, risk tolerances, and qualifications of the client, Palo Seco Wealth Management may recommend that certain clients invest a portion of their assets with independent investment managers ("Independent Managers") based upon the stated investment objectives of the client. The terms and conditions under which the client shall engage the Independent Manager(s) may be set forth in a separate written agreement directly with the Independent Manager(s) selected, in addition to the advisory agreement signed with Palo Seco Wealth Management. Palo Seco Wealth Management shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance, for which Palo Seco Wealth Management shall receive a monthly fee, as described more fully below. All Independent Managers which Palo Seco Wealth Management may recommend to clients will be third party advisers and will be licensed or notice filed with the DFPI and/or any other jurisdiction in which such licensing or notice filing is required.

Clients could place assets directly with certain Independent Managers (subject in some cases to minimum requirements) without the services of Palo Seco Wealth Management. In that case, the client would not receive the services provided by Palo Seco Wealth Management which are designed, among other things, to assist the client in determining which products or services are most appropriate to each client's financial condition and objectives. The fees charged by mutual funds and Independent Managers may be exclusive of, and in addition to, Palo Seco Wealth Management 's fees.

2. Financial Planning

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning. Financial planning is 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 or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all the following areas of concern. The client and advisor will work together to select the 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 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.

- **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, and employee retirement plan investment 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 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.

ITEM 5: FEES AND COMPENSATION

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

Investment Management Services
Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

Account Value	**Flat Annual Advisory Fee**
$1 - $1,000,000 and Above	.70%

Certain legacy clients and family members of Palo Seco Wealth Management may pay different fees on alternate billing cycles. The fee may be negotiable in certain cases. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 15 calendar days in advance. Upon termination of the account, any unearned fee will be refunded to the client.

Financial Planning Service
Comprehensive Financial Planning consists of an upfront charge of $400 and an ongoing fee that is paid monthly, in advance, at the rate of $85 - $400 per month. The fee may be negotiable in certain cases. Fees for this service may be paid by electronic funds transfer or check. This service may be terminated with 30 days' notice. Upon termination of any account, the fee will be prorated, and any unearned fee will be refunded to the client.

Hourly Financial Planning
Financial Planning fee is an hourly rate between $250 and $450 per hour, depending on complexity. The fee may be negotiable in certain cases and is due at the completion of the engagement. In the event of early termination by the client, any fees for the hours already worked will be due. Fees for this service may be paid by electronic funds transfer or check.

Fee Waiver
The Firm may waive fees at the sole discretion of the principal. Palo Seco Wealth Management may also change fees at the sole discretion of the principal. Clients will be notified three (3) months in advance of any fee change.

A. Payment of Fees

Invoices are sent electronically at the end of a consultation. Methods of payment is credit/debit card/ACH, all payments will be made through Square/Stripe a payment service company and the Firm will not have any credit/debit card information on file. There is no extra charge to a client for credit/debit card payment. Once an invoice is paid, no refund will be made. All fees are due within 30 days of their invoice date.

Either party may cancel the advisory agreement for any reason by notifying the other party in writing. Any fees incurred prior to termination become fully payable within 30 days of the termination date.

B. Other Fees and Expenses

Clients are responsible for the payment of fees and charges imposed by third parties in connection with the services of others. These include, but are not limited to fees from other Advisers, custodians, mutual funds and ETFs. Palo Seco Wealth Management receives no part of the fees charged by others.

C. Prepayment of Fees

Palo Seco Wealth Management does not invoice in advance and does not require a deposit.

D. Termination of Services

Either party may terminate the agreement at any time by providing written notice to the other.

Palo Seco Wealth Management will not be responsible for further services upon receipt of a verbal or written termination notice. We will also not be responsible for closing Client accounts with another Adviser or third party. Should a client wish to do so, the Client must communicate with those third parties directly.

E. Compensation for Sales of Securities

Palo Seco Wealth Management does not buy or sell securities and does not receive any compensation for securities transactions.

G. Conflicts of Interest

1. A conflict of interest exists between the interests of the investment adviser and the interests of the client,

2. The client is under no obligation to act upon the investment adviser ‘s recommendation, and

3. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Palo Seco Wealth Management does not charge performance-based fees.

ITEM 7: TYPES OF CLIENTS

A. Description

Palo Seco Wealth Management provides investment advice to individuals according to the objectives and strategies approved by the client.

B. Conditions for Dispensing Advice

Palo Seco Wealth Management generally does not require a minimum amount of assets. However, the Firm does reserve the right to decline a potential client for any reason in its sole discretion. Prior to engaging Palo Seco Wealth Management to provide any of the investment advisory services described in this Brochure, the client will be required to enter into one or more written agreements with Palo Seco Wealth Management setting forth the terms and conditions under which Palo Seco Wealth Management shall render its services. Additionally, should any of the client’s objectives, financial situation, or other information change due to various circumstances, it is the client’s responsibility to notify us in writing as soon as possible.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis

Generally, Palo Seco Wealth Management uses a variety of analytical methods to assist with its security analysis. Such methods may include fundamental analysis concerning specific companies and securities, economic and industry analysis, and from time to time, technical analysis or other methods that one or more of the Firm's representatives may deem appropriate. The primary sources of information used by Palo Seco Wealth Management include market news reports, financial publications, corporate rating services, outside research reports, timing services, annual reports, prospectuses, SEC filings, charts, and company press releases. Palo Seco Wealth Management measures and selects mutual funds by using various criteria, such as the fund manager's tenure, and/or overall career performance.

B. Investment Strategies

Palo Seco Wealth Management provides investment advice on a non-discretionary basis for client accounts utilizing a customized asset allocation strategy aimed at reducing risk and increasing performance. The investment strategies Palo Seco Wealth Management may recommend to clients may include long-

and short-term purchases, trading, short sales, margin transactions, option writing (including covered options, uncovered options or spreading strategies), and other strategies aimed at increasing investment return while mitigating downside risks. Palo Seco Wealth Management may recommend, on occasion, redistributing investment allocations to diversify the portfolio in an effort to reduce risk and increase performance. Palo Seco Wealth Management may recommend specific stocks to increase sector weighting and/or dividend potential or may recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio. Additionally, Palo Seco Wealth Management may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in the risk tolerance of the client, or any risk deemed unacceptable for the client's risk tolerance. Palo Seco Wealth Management will recommend rebalancing client portfolios annually as necessary to maintain the client's target asset allocation, as communicated to Palo Seco Wealth Management in writing.

C. Risk of Loss

Investing in securities involves a significant risk of loss which clients should be prepared to bear. Palo Seco Wealth Management 's investment recommendations are subject to various market, currency, economic, political and business risks, and such investment decisions may not always be profitable. Clients should be aware that there may be a loss or depreciation of the value of the client's account. There can be no assurance that the client's investment objectives will be obtained and no inference to the contrary should be made. The primary risks involved in the securities recommended by Palo Seco Wealth Management may include, among others:

- *Stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Equity securities generally have greater price volatility than fixed income securities.
- *Sector risk*, which is the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily

fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.

- *Issuer risk*, which is the risk that the value of a security may decline for reasons directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- *Non-diversification risk*, which is the risk of focusing investments in a small number of issuers, industries or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.
- *Growth investing risk*, which is the risk that the prices of growth stocks may be more volatile than other stocks and may be more sensitive to changes in current or expected earnings than the prices of other stocks.
- *Value investing risk*, which is the risk that value stocks may not increase in price, may not issue the anticipated stock dividends or may decline in price, based upon the market's belief of the issuer's intrinsic worth. Value stocks are typically less volatile than growth stocks but may lag behind growth stocks in an up market.
- *Smaller company risk*, which is the risk that the value of securities issued by a smaller company may go up or down, sometimes rapidly and unpredictably as compared to more widely held securities. Investments in smaller companies are subject to greater levels of credit, market and issuer risk.
- *Foreign (non-U.S.) investment risk*, which is the risk that investing in foreign securities may result in the portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies. Investments in emerging markets are generally more volatile than investments in developed foreign markets.
- *Short sale risk*, which is the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale may fail to honor its contract terms, resulting in a loss.
- *Interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates. Similarly, the income from bonds or other debt instruments may decline because of falling interest rates.
- *Credit risk,* which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline.
- *Real estate risk*, which is the risk that investments in real estate and real estate-linked securities will subject the portfolio to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses.
- *Exchange Traded Fund (ETF) risk*, which is the risk that investment return, price, yield, and net asset value (NAV) of an ETF will fluctuate with changes in market conditions. An investment in an ETF is subject to risk, including the loss of principal. Owning an ETF generally reflects the risks of owning the underlying securities it is designed to track. ETFs are also subject to secondary market trading risks. Although shares of an ETF will be listed for trading on an exchange, there can be no guarantee that an active trading market for such shares will develop or continue. The trading prices of an ETF's shares

fluctuate continuously throughout the trading day based on market supply and demand, which may not correlate to NAV.

- *Exchange Traded Note (ETN) risk*, which is the risk that an investment in an ETN may be riskier than an investment in ordinary unsecured debt securities. ETNs are subject to credit risk and other risks affecting fixed income securities. In addition, the return on an ETN is linked to the performance of an underlying market index, and investors may lose all or a significant amount of an investment in an ETN if the level of the underlying index decreases substantially. Cash payment on an ETN will be reduced by the accrued investor fee applicable to the ETN and as a result, the level of the index must increase by an amount sufficient to offset such reduction in order for an investor to receive at least the amount of the initial investment. The value of an ETN may be influenced by, among other factors, level of supply and demand for the ETN, volatility and lack of liquidity in underlying commodities or securities markets, changes in the applicable interest rates, changes in the issuer's credit rating and economic, legal, political or geographic events that affect the referenced commodity or security. The ability to sell ETN holdings also may be limited by the availability of a secondary market.
- *Options risk*, which is the risk that options may be subject to greater fluctuations in value than an investment in the underlying securities. Options and other derivatives may be subject to counterparty risk and may also be illiquid and more difficult to value. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- *Leverage/Margin risk*, which is the risk that the use of borrowed capital, such as margin, to increase the potential return of an investment may increase the risk of an investment and can magnify the effect of any losses. The use of leverage is a speculative technique and may not be suitable for all investors. Using borrowed money (whether through trading on margin or any other method of borrowing) to finance the purchase of securities involves interest charges and entails greater risk than using cash resources only.
- *Management risk*, which is the risk that the investment techniques and risk analyses applied by PF will produce the desired results and that legislative, regulatory, or tax developments may affect the investment techniques available to PF. There is no guarantee that a client's investment objectives will be achieved.

Clients are advised that they should only commit assets that can be invested for the long term, that volatility from investing can occur, and that all investing is subject to risk. Consequently, the value of the client's account may at any time be worth more or less than the amount invested. Palo Seco Wealth Management typically invests for the long-term and does not engage in high frequency trading. Nevertheless, the Independent Managers recommended by Palo Seco Wealth Management may employ such strategies, and as a result, such frequent trading may result in increased brokerage and other transaction costs.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisers such as Palo Seco Wealth Management are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of Palo Seco Wealth Management or the integrity of its management. Palo Seco Wealth Management does not have any such legal or disciplinary events and thus has no information to disclose with respect to this Item.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Palo Seco Wealth Management 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. Moreover, the Firm does not have any relationship or arrangement that is material to its advisory business or to its clients. Palo Seco Wealth Management does not recommend or select other investment advisers for clients in exchange for compensation from those advisers.

Certain officers and employees of Palo Seco Wealth Management may participate in other financial industry activities, for which they may be compensated. In particular, certain management persons of Palo Seco Wealth Management may serve as real estate and mortgage brokers. In the course of providing advisory services to clients, Palo Seco Wealth Management may recommend the real estate and mortgage brokerage offered by Palo Seco Wealth Management representatives. In such situations, these individuals may receive separate and typical compensation. This gives rise to a potential conflict of interest because of the fact that these individuals may have an incentive to recommend such services based on the receipt of such compensation rather than the best interests of clients.

Palo Seco Wealth Management has adopted certain procedures designed to mitigate the effects of these conflicts. For example, as part of Palo Seco Wealth Management ’s fiduciary duty to clients, Palo Seco Wealth Management and its representatives will endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by these practices are disclosed to clients at the time of entering into an advisory agreement. Clients are not obligated to implement any such recommended transactions and are under no obligation to utilize the services of Palo Seco Wealth Management representatives to affect such transactions.

Although the officers and employees of Palo Seco Wealth Management will devote as much time to the business and affairs of Palo Seco Wealth Management as they believe is necessary to deliver the advisory services described herein, they may devote a portion of their time to the affairs and activities of these other financial industry activities and affiliations.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Description of Code of Ethics

Palo Seco Wealth Management has adopted a Code of Ethics (“Code”) which establishes standards of conduct for the Firm’s supervised persons and includes general requirements that such supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It contains written policies reasonably designed to prevent the unlawful use of material non-public information by Palo Seco Wealth Management or any of its associated persons. The Code also requires that certain of Palo Seco Wealth Management ’s personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments. Unless specifically permitted in the Code, none of Palo Seco Wealth Management ’s Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security

which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Palo Seco Wealth Management 's clients.

The Code also requires supervised persons to report any violations of the Code promptly to the Firm's Chief Compliance Officer ("CCO"). Each supervised person receives a copy of the Code and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code during that year. Palo Seco Wealth Management will provide a copy of its Code of Ethics to any client or prospective client upon request.

B. Participation or Interest in Client Transactions

It is our policy not to enter into any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

C. Personal Trading

Palo Seco Wealth Management and its principals, agents, and employees ("Associated Persons") may invest personally in securities of the same classes as are purchased for advisory client portfolios and may own securities of the issuers whose securities are subsequently purchased for clients. They may also buy or sell securities for their own accounts, based on personal investment considerations that they do not consider appropriate to buy or sell for clients. There are, however, many restrictions on such activities.

Because Associated Persons of Palo Seco Wealth Management are permitted to invest in the same securities as clients, there is a possibility that the Associated Person could benefit from market activity by a client in a security held by that person. Palo Seco Wealth Management 's Code of Ethics contains certain requirements designed to address the conflicts that arise with regard to personal trading by Palo Seco Wealth Management or its Associated Persons.

Employee trading is continually monitored under the Code, with an eye to reasonably prevent conflicts of interest between Palo Seco Wealth Management and its clients. For example, as noted above, unless specifically permitted by the Code, Associated Persons are prohibited from purchasing or selling (either directly or indirectly) a security in a personal account if, at the time of the transaction, they have actual knowledge that the security is being considered for purchase or sale in a client account or is actually being purchased or sold in a client account. The Code also requires that certain of Palo Seco Wealth Management 's personnel report their personal securities transactions on at least a quarterly basis and provide Palo Seco Wealth Management with a detailed summary (both initially upon commencement of employment and annually thereafter) of certain securities holdings over which such persons have a direct or indirect beneficial interest.

Additionally, Palo Seco Wealth Management has adopted Insider Trading Policies and Procedures that are reasonably designed to prevent the unlawful use of material non-public information by Palo Seco Wealth Management or any of its Associated Persons. Personal securities transactions must be conducted consistent with the Code and the Firm's Insider

Trading Policies and Procedures in a manner that avoids any actual or potential conflicts of interest.

ITEM 12: BROKERAGE PRACTICES

Palo Seco Wealth Management will recommend a specific custodian and broker. Currently we use Altruist. For the benefit of no commissions or transaction fees, fully digital account opening, a large variety of security options and complete integration with software tools, the Firm may recommend Altruist Financial LLC, an unaffiliated SEC-registered broker dealer and FINRA/SIPC member, as the introducing broker to Apex Clearing Corporation, an unaffiliated SEC registered broker dealer and FINRA/SIPC member, as the clients' custodian.

The Firm does not receive any research or other soft-dollar benefit by nature from its relationship with Altruist Financial LLC. Additionally, it does not receive any referrals in exchange for using Altruist Financial LLC as a broker dealer.

Research and Other Soft Dollar Benefits

Palo Seco Wealth Management does not actively engage in “soft dollar” arrangements as that term is defined by Section 28(e) of the Securities Exchange Act of 1934. Nevertheless, Palo Seco Wealth Management may receive unsolicited research information and services from certain broker-dealers or third party investment managers which Palo Seco Wealth Management may or may not use. However, Palo Seco Wealth Management may utilize some of these research products and services from time to time which it believes to be beneficial to its clients. This could be construed as receipt of a soft dollar benefit by Palo Seco Wealth Management, and although customary, these arrangements present potential conflicts of interest, including an incentive to recommend a broker-dealer or investment manager based on Palo Seco Wealth Management ’s interest in receiving the research or other products or services, rather than on clients’ interest in receiving most favorable execution. A potential conflict also exists in that research and services acquired with soft dollars may or may not be utilized across Palo Seco Wealth Management ’s entire client base and client accounts may not benefit equally from research derived from soft dollars.

ITEM 13: REVIEW OF ACCOUNTS

A. Periodic Reviews and Triggering Factors

Advisory associates perform reviews of all investment advisory accounts on an ongoing basis. Accounts are reviewed for consistency with the investment strategy and performance, and client portfolios are typically recommended to be rebalanced annually as needed to maintain target asset allocations. Reviews may be triggered by changes in an account holder’s personal, tax or financial status. Macroeconomic and company specific events may also trigger reviews. There is currently no limit on the number of accounts that can be reviewed by an associate. All reviews are performed by the Firm’s President, Brian Colla. Additionally, Palo Seco Wealth Management meets with clients periodically as needed or desired by the client to discuss the client’s investment goals and current portfolio.

B. Regular Reports

Brokerage statements are generated no less than quarterly and are sent directly from the account custodian. These statements list the account positions, activity in the account over the

covered period, and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Palo Seco Wealth Management is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, the Firm is required to disclose any direct or indirect compensation that it provides for client referrals.

Testimonials and Endorsements

If in the event a client is introduced to Palo Seco Wealth Management by an unaffiliated endorser or through a testimonial, the Firm may pay the endorser or testimonial provider a referral fee.

The referral fee may range anywhere between $500 - $2500. This referral fee results in a **conflict of interest**. The endorser or testimonial provider is being compensated for their endorsement or testimonial and as such they have a economic interest in you becoming a client of Palo Seco Wealth Management.

Unless otherwise disclosed, any such referral fee for endorsement or testimonial is paid solely by the Firm and does not result in any additional charge to the client.

Additionally, the nature of giving away 50% of our Investment Management fee is a **conflict of interest**. It may lead to a ministry/charity endorsing Palo Seco Wealth Management for the benefit of the charitable donation that will be made to it.

ITEM 15: CUSTODY

Palo Seco Wealth Management does not accept custody of client funds except in the instance of withdrawing client fees. For client accounts in which the Firm directly debits their advisory fee:

i. The Firm will send a copy of its invoice to the custodian at the same time that it sends the client a copy.

ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.

iii. The client will provide written authorization to the Firm, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

ITEM 16: INVESTMENT DISCRETION

A. Discretionary Authority; Limitations

The Firm is given the authority to exercise discretion on behalf of clients. The Firm is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. The Firm is given this authority through a power-of-attorney included in the agreement between the firm and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). The Firm takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made;
- The broker-dealer that executes trades (in the case of a prime brokerage relationship); and
- The Independent Managers to be hired or fired.

ITEM 17: VOTING CLIENT SECURITIES

Palo Seco Wealth Management has adopted a policy not to accept proxy voting authority with respect to client securities holdings. Consequently, all proxy solicitations related to securities held by clients will be sent directly to clients for voting. In the event a proxy solicitation is sent to Palo Seco Wealth Management on a client's behalf, it is the Firm's practice to forward the solicitation to the client's address of record immediately so that they may cast the proxy vote.

ITEM 18: FINANCIAL INFORMATION

Palo Seco Wealth Management does not require or solicit prepayment of more than $500 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. Palo Seco Wealth Management does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients and has not been the subject of bankruptcy proceedings.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

A. Principal Executive Officers and Management Persons

Brian Paul Colla (Born: 1976)
President and Chief Compliance Officer

Education

- Loyola Marymount University – Bachelor of Arts, Political Science (1994),
- Trinity Law School – Juris Doctor (2002)

Business Background

- Ameriprise, Financial Advisor, 4/2024 – 11/2024
- Planned Financial Freedom, Financial Advisor, 3/2022 – 3/2024
- California Bank and Trust, Mortgage Loan Officer, 4/2020 – 4/2024

- Citibank, Financial Advisor, 4/2019 – 4/2020
- Edward Jones, Financial Advisor, 2/2019 – 4/2019
- Pruco Securities, Financial Advisor, 2/2018 – 2/2019
- Crown Capital Securities, Financial Advisor, 8/2017 – 2/2018
- US Bank, Mortgage Loan Officer, 12/2017 – 2/2018
- Citibank, Mortgage Loan Officer, 6/2016 – 7/2017
- Freedom Mortgage, Sales Manager/Mortgage Loan Officer, 2/2016 – 6/2016
- US Bank, Mortgage Loan Officer, 9/2013 – 5/2016
- Wells Fargo, Mortgage Loan Officer, 2/2012 – 9/2013
- Joseph Daniel Investments, Inc., President/Chief Compliance Officer, July 2011 to January 2012
- Real Estate Broker, January 2006 to present
- Bank of America Home Loans – Mortgage Loan Officer, May 2011 to July 2011
- US Bank Home Mortgage – Loan Officer, February 2010 to April 2011
- Washington Mutual/Chase Bank – Loan Officer, June 2004 to December 2009

For additional information relating to Brian Colla, please refer to his brochure supplement (Part 2B of Form ADV).

C. Performance-Based Fees

As noted in response to Item 6 above, Palo Seco Wealth Management does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

D. Disclosure Information

In addition to the events listed in Item 9 of Part 2A, state-registered investment advisers such as Palo Seco Wealth Management are required to disclose all material facts regarding arbitration awards in excess of $2,500 involving certain investment-related activities involving the Firm or any of its management persons. Neither Palo Seco Wealth Management nor any of its management persons have any arbitration disclosures required to be disclosed with respect to this Item.

E. Relationships or Arrangements with Issuers

Neither Palo Seco Wealth Management nor any of its management persons have any relationships or arrangements with any issuer of securities.

F. Disclosure of Material Conflicts of Interest

All material conflicts of interest under CCR Section 260.238(k) have been disclosed about Palo Seco Wealth Management, its representatives and employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

ITEM 20: Business Continuity Plan

The Firm advises all clients that in the event of an emergency or significant business disruption

including death and incapacity of the investment adviser or any of its representatives the clients are recommended to obtain a new fee only adviser that. A successor will be appointed and a client is under no obligation to use said adviser and is encouraged to interview multiple advisers for future assistance.