

**Item 1: Cover Page for Part 2A, Appendix 1 of Form ADV:
Wrap Fee Program Brochure
February 18, 2019**



**AZIMUTH WEALTH ADVISORS
WRAP PROGRAM**

Sponsored By:

Azimuth Wealth Advisors, LLC
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Chief Compliance Officer

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This brochure provides information about the services offered by Azimuth Wealth Advisors, LLC's wrap program. If you have any questions about Azimuth Wealth Advisors, LLC's advisory services or other wrap fee programs, please contact us by telephone at (858) 225-8210 or email charles.rogers@azimuthwa.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.

A copy of Form ADV Part 1 and additional brochures pertaining to Azimuth Wealth Advisors, LLC and our advisory representatives are available on the SEC's website at www.adviserinfo.sec.gov by searching CRD #290050.

Please note that the use of the term “registered investment adviser” and description of Azimuth Wealth Advisors, LLC and/or our associates as “registered” does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm’s associates who advise you for more information on the qualifications of our firm and our employees.

**Item 2: Material Changes to Part 2A Appendix 1
(Wrap Fee Program Brochure) of Form ADV:**

Azimuth Wealth Advisors, LLC, (“Azimuth Wealth Advisors”), as the sponsor of the Azimuth Wealth Advisors Wrap Program, is required to advise you of any material changes to our Wrap Fee Program Brochure (“Wrap Brochure”) from our last annual update, identify those changes on the cover page of our Wrap Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Wrap Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Wrap Brochure, and we must provide the date of the last annual update of our Wrap Brochure.

Please note we do not have to provide this information to a client or prospective client who has not received a previous version of our Wrap Brochure.

There have been no material changes since our last filing on February 7, 2018. Our prospective clients are strongly encouraged to read this brochure in its entirety prior to engaging the Firm for any advisory services.

Pursuant to applicable rules, we will ensure that wrap clients receive a summary of any material changes to this Brochure, along with an offer to receive the complete Brochure within 120 days of the close of the firm’s fiscal year. Our Brochure is available upon request and may be requested by contacting the Firm’s Chief Compliance Officer, Charles Rogers, at (858) 225-8210 or via email at charles.rogers@azimuthwa.com.

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Item 4: Services, Fees & Compensation

- A. Description of our services, including the types of portfolio management services, provided under each program. We must indicate the wrap fee charged for each program, or, if fees vary according to a schedule, provide such schedule. Further, we are required to indicate whether fees are negotiable and identify the portion of the total fee, or range of fees, paid to portfolio managers.

Azimuth Wealth Advisors, LLC, (“Azimuth Wealth Advisors”), is the sponsor of the Azimuth Wealth Advisors Wrap Program, which this Wrap Fee Program Brochure describes. Our wrap fee accounts are managed on an individualized basis according to the client’s investment objectives, financial goals, risk tolerance, etc.

(i) Wrap Comprehensive Portfolio Management:

We take a holistic approach to investment management. Our comprehensive portfolio management service encompasses asset management as well as providing financial planning/financial consulting, and liability (debt) and risk management advice to clients. This service is designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. Generally, the investment portfolio recommended to clients, consists of exchange traded funds, individual stocks, bonds, and/or cash and cash equivalents (*e.g.*, money market funds). Depending on a client’s needs, we also can recommend other types of publicly traded securities.

We provide our portfolio management services only on a discretionary basis. Upon the client’s agreement to the proposed investment approach, we work with the client to establish or transfer investment accounts so that we can manage the client’s portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We monitor and periodically rebalance or adjust client accounts, as needed. If a client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client’s investments and determine if any changes are necessary.

Azimuth Wealth Advisors charges an annual wrap fee that is based upon a percentage of assets under management and includes all transaction costs. Our annual wrap fee ranges up to 2.5% and is calculated and assessed quarterly, in advance, based on the time weighted average market value of an account’s assets (including cash and cash equivalents) of the preceding calendar quarter.

Our wrap fees are negotiable and are based on the complexity of services provided to the client. In addition, we can, in our sole discretion, reduce our wrap fees.

Our wrap fees are automatically deducted from the client’s account by the custodian as soon as practicable following the end of each billing period. We provide an invoice to the custodian and send a copy of the invoice to each client. The invoice to the client will include the amount of the fee, how it was calculated and the amount of assets on which the fee is based.

As part of this process, please be aware of the following:

- a) Each wrap client's independent custodian sends statements at least quarterly to the client showing the market values for each security included in the account assets and all disbursements in the account including the amount of the advisory fees paid to us. Clients are encouraged to review all account statements for accuracy and it is the responsibility of the clients and not the custodian to confirm that fees are calculated correctly; and
- b) Clients provide written authorization via our wrap program agreement permitting us to invoice the client's custodian directly for payment of our wrap fees;

In rare cases, we will agree to direct bill clients.

Should a wrap client open an account during a quarter, the Firm's wrap fee will be prorated based on the number of days the account will be open during the quarter and will be billed accordingly.

Mr. Charles Rogers is the portfolio manager. He does not receive a portion of the wrap fee directly, but as principal owner he shares in the profits and losses of the firm.

- B. Explanation that a wrap fee program may cost you more or less than purchasing such services separately and description of the factors that bear upon the relative cost of the program, such as the cost of the services if provided separately and the trading activity in your account(s).

A wrap fee program allows our clients to pay one specified fee for investment management services and the execution of transactions. The wrap fees that clients pay us include the cost of commissions / trade execution costs that we pay the executing broker directly for trades executed in client wrap accounts. We do not charge our wrap clients higher management fees based on their trading activity. By participating in a wrap fee program, a wrap client could end up paying more or less than they would through a non-wrap fee program where a lower management fee is charged, but trade execution costs are passed directly through to you by Schwab, the executing broker / custodian. *Azimuth Wealth Advisors, LLC does not receive "soft dollars" from Schwab.*

- C. Description of any fees that you may pay in addition to a wrap fee, and description of the circumstances under which you may pay these fees, including, if applicable, mutual fund expenses and mark-ups, mark-downs, or spreads paid to market makers.

Wrap clients should understand that all custodial fees and any other charges and non-transaction based fees incurred in a client's account will be paid out of the assets in the account. These can include mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and taxes on brokerage accounts. Also, wrap clients will pay, as applicable, the following separately incurred expenses, which we do not receive any part of: charges imposed directly by an exchange traded fund, such as fund operating expenses and other related fees. These fees are disclosed in each fund's prospectus, which should be read carefully to fully understand all fees charged by exchange traded funds.

These fees and expenses described above are separate from and in addition to the fees charged by Azimuth Wealth Advisors. Accordingly, each wrap client should review the fees charged by any third party, exchange traded funds and other investment products in which the client's assets

are invested, together with the fees charged by us, to fully understand the total amount of fees to be paid and to thereby evaluate the advisory services being provided. *Azimuth Wealth Advisors, LLC does not receive "soft dollars" from Schwab.*

- D. If someone recommending a wrap fee program to you, receives compensation as a result of your participation in the program, we must disclose this fact. Further, we are required to explain, if applicable, that the amount of the compensation may be more than what the person would receive if you participated in our other wrap fee program or paid separately for investment advice, brokerage and other services. Finally, we must explain that someone recommending a wrap fee program may have a financial incentive to recommend the wrap fee program over other programs or services.

Azimuth Wealth Advisor's investment advisory representatives do not receive direct compensation as a result of your participation in this wrap fee program. However, as mentioned above, Mr. Rogers, as principal owner shares in the profits and losses of the firm.

Item 5: Account Requirements & Types of Clients

We impose the following requirement(s) to open or maintain an account:

- Generally, we require clients to maintain a minimum balance of \$1,000,000 in assets under management, but we do reserve the right to waive the minimum or decline a potential client for any reason in our sole discretion.

Types of clients we typically manage wrap fee accounts on behalf of, include:

- Individuals and High Net-Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Limited Liability Companies and Corporations
- Limited Partnerships
- Pension Plans

If a client's account is a pension or other employee benefit plan governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), Azimuth Wealth Advisors may be a fiduciary to the plan, depending on the circumstances. In providing our investment management and financial planning services, the sole standard of care imposed upon us is to act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. Azimuth Wealth Advisors will provide certain required disclosures to the "responsible plan fiduciary" (as such term is defined in ERISA) in accordance with Section 408(b)(2), regarding the services we provide, the direct compensation we receive, and any indirect compensation that we receive. Generally, these disclosures are contained in this Form ADV Part 2A, the client agreement and/or in separate ERISA disclosure documents, and are designed to enable the ERISA plan's fiduciary to: (1) determine the reasonableness of all compensation received by us; (2) identify any potential conflicts of interests; and (3) satisfy reporting and disclosure requirements to plan participants.

Item 6: Portfolio Manager Selection & Evaluation

- A. Description of how our firm selects and reviews portfolio managers, our basis for recommending or selecting portfolio managers for particular clients, and our criteria for replacing or recommending the replacement of portfolio managers for the program and for particular clients.

Our firm currently does not utilize outside portfolio managers. All accounts are managed by our in-house professionals.

- B. Disclosure of whether our firm or any related persons act as a portfolio manager for a wrap fee program described in the wrap fee program brochure. We must explain the conflicts of interest that we face because of this arrangement and describe how we address these conflicts of interest. Further, we must disclose whether related person portfolio managers are subject to the same selection and review as the other portfolio managers that participate in the wrap fee program. If they are not, we must describe how we select and review related person portfolio managers.

Only Mr. Rogers currently serves as the portfolio manager(s) for this wrap fee program.

- C. If our firm, or any of our supervised persons covered under or investment adviser registration, act as a portfolio manager for a wrap fee program described in the wrap fee program brochure, we must respond to Items 4.B, 4.C, 4.D (Advisory Business), 6 (Performance-Based Fees and Side-By-Side Management), 8.A (Methods of Analysis, Investment Strategies and Risk of Loss) and 17 (Voting Client Securities) of Part 2A of Form ADV (Firm Brochure).

Mr. Rogers currently serves as the portfolio manager(s) for this wrap fee program.

(1) Advisory Business:

Please see Item 4 above for information about our Wrap Comprehensive Portfolio Management service.

(2) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing our Wrap Comprehensive Portfolio Management service.

(3) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Wrap Comprehensive Portfolio Management service.

(4) Participation in Wrap Fee Programs.

Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

(5) Performance-Based Fees & Side-By-Side Management.

Our firm does not charge performance fees.

(6) Methods of Analysis, Investment Strategies & Risk of Loss

Description of the Methods of Analysis and Investment Strategies We Use In Formulating Investment Advice or Managing Assets

Methods of Analysis:

- Charting;
- Cyclical;
- Fundamental;
- Technical

Investment Strategies We Use:

- Long Term Purchases (Securities Held At Least a Year);
- Short Term Purchases (Securities Sold Within a Year);
- Trading (Securities Sold Within 30 Days);
- Hedging strategies.

Material Risks

Investing in securities involves risk of loss, including loss of the principal amount invested that clients should be prepared to bear.

We generally invest client's cash balances in money market funds, FDIC Insured Bank Deposits, high-grade commercial paper and/or government-backed debt instruments.

Typically, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Comprehensive Portfolio, as applicable.

It is important that clients understand the risks associated with their investments and that these risks and other factors may result in a decrease in the value of their account(s). Below is an outline of the main risks pertaining to the asset classes and securities utilized by Azimuth Wealth Advisors:

- **Market Risk:** The price of the security can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.
- **Equity Risk:** Historically, the equity markets have moved in cycles, and the value of equity securities can fluctuate significantly from day-to-day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies can suffer a decline in response. These factors contribute to price volatility.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then

refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Foreign Risk:** Investments in foreign securities pose special risks, including currency fluctuation and political risks, and such investments can be more volatile than that of a U.S. only investment. The risks are generally intensified for investments in emerging markets.
- **Currency Risk:** Foreign 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.
- **Political and Legislative Risk:** Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the United States or those companies who conduct a substantial amount of their business outside of the United States.
- **Credit Risk:** The risk that principal and/or interest on a fixed income investment will not be paid in a timely manner or in full due to changes in the financial condition of the issuer. Generally, the higher the perceived credit risk, the higher the rate of interest investors will receive on their investment.
- **Interest Rate Risk:** The risk that the value of an interest-bearing investment will change due to changes in the general level of interest rates in the market. The market value of a bond fluctuates inversely to the change in interest rates; that is, as interest rates rise, bond prices fall and vice versa. Interest rate risk is commonly measured by a bond's duration; the greater a bond's duration, the greater the impact on price of a change in interest rates. Investors can incur a gain or loss from bonds sold prior to the final maturity date. Many bonds are rated by a third party Nationally Recognized Statistical Rating Organization (NRSRO), for example, Moody's Investor Services or Standard & Poor's Inc. While ratings may assist investors to determine the creditworthiness of the issuer, they are not a guarantee of performance. U.S. Treasury bills, notes and bonds are guaranteed by the full faith and credit of the United States and therefore are generally deemed to carry virtually no risk of default.
- **Reinvestment Risk:** The risk that interest and principal payments from a bond will be reinvested at a lower yield than that received on the original bond. During periods of declining interest rates, bond payments may be invested at lower rates; during periods of rising rates, bond payments may be invested at higher rates.
- **Call Risk:** The risk that a bond will be called by its issuer. A callable bond has a provision which allows the issuer to purchase the bond back from the bondholders at a predetermined price. Generally, issuers call bonds when prevailing rates are lower than the cost of the outstanding bond. Call provisions allow an issuer to retire high-rate bonds on a predefined call schedule.
- **Prepayment Risk:** Some types of bonds are subject to prepayment risk. Similar to call risk, prepayment risk is the risk that the issuer of a security will repay principal prior to

the bond's maturity date, thereby changing the expected payment schedule of the bonds. Prepayment risk is particularly prevalent in the mortgage-backed bond market, where a drop in interest rates can trigger a refinancing wave. When investors in a bond comprised of the underlying pool of mortgages receives his or her principal back sooner than expected, they may be forced to reinvest at prevailing, lower rates.

- **Liquidity Risk:** The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in a wide bid-ask spread or large price movements. It also is a risk associated with an investment in private funds.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Opportunity Cost Risk:** The risk that an investor can forego profits or returns from other investments.

Some of the ETFs that we invest in for our clients employ alternative or riskier strategies, such as the use of leverage or hedging. Leverage is the use of debt to finance an activity. For example, leverage is used when one uses margin to buy a security. Hedging, on the other hand, occurs when an investment is made in order to reduce the risk of adverse price movements in a security. For example, hedging is used when one takes an offsetting position in a related security, such as an option or short sale. While leverage or hedging can operate to increase rates of return, it also increases the amount of risk inherent in an investment. Details on the risks pertaining to each ETF is outlined in its respective prospectus and statement of information and should be read carefully.

Prior to entering into an agreement with us, clients should carefully consider: (1) committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis, usually a minimum of three to five years, (2) that volatility from investing in the market occurs, and (3) that over time, the client's asset values fluctuate and at any time may be worth more or less than the amount invested.

(7) Voting Client Securities

- (i) If we have, or will accept, proxy authority to vote client securities, we must briefly describe our voting policies and procedures.

Our policy is to not vote proxies with respect to client securities holdings. Consequently, all proxy solicitations related to securities held in client accounts will be sent directly to the client for voting. In the event a proxy solicitation is sent to us on a client's behalf, it is our practice to forward the solicitation to the client's address of record immediately so that the client can cast the proxy vote

Item 7: Client Information Provided to Portfolio Manager (s)

We are required to describe the information about you that we communicate to your portfolio manager(s), and how often or under what circumstances we provide updated information.

Currently, Mr. Rogers is the only portfolio manager for this wrap fee program. As such, he has full access to all information regarding our wrap clients that we have on file.

Item 8: Client Contact with Portfolio Manager(s)

Clients are always free to directly contact Mr. Rogers with any questions or concerns they may have about their portfolios or other matters.

Item 9: Additional Information

A. We are required to respond to: (1) Item 9 (Disciplinary Information); and (2) Item 10 (Other Financial Industry Activities and Affiliations) of Part 2A of Form ADV.

1. We have determined that our firm and management have no disciplinary information to disclose.
2. We have the following financial industry activities and affiliations to disclose:

Mr. Charles Rogers, CEO, President, Managing Member and Chief Compliance Officer of Azimuth Wealth Advisors, is also a licensed insurance agent (California license # 0A66291); however, Mr. Rogers does not recommend or sell insurance at this time and has no plans to do so in the future.

3. We do not recommend or select other investment advisers for our clients.

B. We are required to respond to: (1) Items 11 (Code of Ethics or Interest in Client Transactions and Personal Trading); (2) Item 13 (review of Accounts); (3) Item 14 (Client Referrals and Other Compensation); and (4) Item 18 (Financial Information) of Part 2A of Form ADV, as applicable to our wrap fee clients.

1. Item 11 (Code of Ethics or Interest in Client Transactions and Personal Trading) - Brief description of our Code of Ethics and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client.

At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to certain transactions effected by our members, officers and employees for their personal accounts (as defined in our Code). In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all applicable federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

- a) If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

- b) If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest. However, our employees are permitted to buy and sell for their personal account(s) securities or investment products identical to those recommended to or already owned by clients. Also, the firm can purchase a security for clients in which one or more employees have an ownership position. Such recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client.

Nevertheless, such practices present potential conflicts of interest. To mitigate these conflicts, it is our policy that employees deemed an access person (as such term is defined in our Code of Ethics) must obtain prior approval from the CCO for certain securities transactions in personal accounts. Additionally, as part of our fiduciary duty to clients, we will endeavor at all times to put the interests of the clients first and at all times the firm and our employees are required to adhere to the Firm's Code of Ethics.

2. Item 13 (review of Accounts):

- a) Review of client accounts, along with a description of the frequency and nature of our review, and the titles of our employees who conduct the review

Charles Rogers, President and CEO, reviews accounts on at least a quarterly basis for our clients subscribing to our Wrap Comprehensive Portfolio Management service. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable.

- b) Review of client accounts on other than a periodic basis, along with a description of the factors that trigger a review.

Charles Rogers, President and CEO, may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

- c) Description of the content and indication of the frequency of written or verbal regular reports we provide to clients regarding their accounts.

We do not provide written account statements to clients. We may provide written performance reports to clients, if requested, and at our sole discretion. Verbal reports to clients take place on at least an annual basis when we contact clients who are receiving our Wrap Comprehensive Portfolio Management service.

3. *Item 14 - Client Referrals & Other Compensation:*

- a) If someone who is not a client provides an economic benefit to our firm for providing investment advice or other advisory services to our clients, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

Schwab also makes available to our firm certain products and services that benefit us, but may not benefit our clients' accounts. These benefits may include national, regional or investment adviser specific educational events organized and/or sponsored by Schwab. Other potential benefits may include occasional business entertainment of personnel of our firm by Schwab personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Some of these products and services assist our firm in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting.

Many of these services generally may be used to service all or some substantial number of our accounts, including accounts not maintained at Schwab. Schwab also makes available to our firm other services intended to help our firm manage and further develop our business enterprise.

These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance, and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to our firm by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm.

While, as a fiduciary, our firm endeavors to act in our clients' best interests, Adviser's recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost, or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

As a result of receiving such products and services for no cost, we may have an incentive to continue to place client trades through Schwab, which creates a potential conflict of interest. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Schwab and we have determined that the relationship is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution. *Azimuth Wealth Advisors, LLC does not receive "soft dollars" from Schwab.*

- b) If our firm or a related person directly or indirectly compensates any person who is not our employee for client referrals, we are required to describe the arrangement and the compensation.

We do not pay referral fees.

4. *Item 18 – Financial Information*

- a) If we require or solicit prepayment of more than \$500 in fees per client, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$500 in fees per client, six months or more in advance, therefore we have not included a balance sheet for our most recent fiscal year.

- b) If we have discretionary authority or custody of client funds or securities, or we require or solicit prepayment of more than \$500 in fees per client, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

We have nothing to disclose in this regard.

- c) If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

Item 10: Account Requirements for State Registered Advisers

A. Relationships or Arrangements with Issuers

Neither the Firm nor any of its management persons have any relationships or arrangements with any issuer of securities.