

# Item 1: Cover Page

## Open Wealth Network

1518 Cloverhill Rd.  
Pottstown, PA 19464

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

(610) 702-4083

Dated December 14, 2018

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

This Brochure provides information about the qualifications and business practices of M3L Business Development LLC d/b/a Open Wealth Network, “OWN”. If you have any questions about the contents of this Brochure, please contact us at (610) 702-4083. 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.

Open Wealth Network is registered as an Investment Adviser with the State of Pennsylvania. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about OWN is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 298943.

## Item 2: Material Changes

Since this is the first filing of the Form ADV Part 2A for OWN, there is nothing to report. In the future, any material changes during the year made will be reported here.

# Item 3: Table of Contents

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# Item 4: Advisory Business

## Description of Advisory Firm

M3L Business Development LLC d/b/a Open Wealth Network is a registered investment adviser based in Pottstown, Pennsylvania. We are organized as a limited liability company under the laws of the State of Pennsylvania and we have been providing investment advisory services since 2018. There are no subsidiaries nor is the firm controlled by another financial services industry entity.

Throughout this document M3L Business Development LLC d/b/a Open Wealth Network shall also be referred to as "OWN", "the firm," "firm," "our," "we or "us." The client or prospective client may also be referred to as "you," "your," etc., and refers to a client engagement involving a single person as well as two or more persons, and may refer to natural persons and legal entities. The term "advisor" and "adviser" are used interchangeably where accuracy in identification is necessary (e.g., internet address, etc.).

Michael J. Henzes is the firm's Owner and Chief Compliance Officer (supervisor). Mr. Henzes is also Managing Member and maintains controlling interest in the firm. Because OWN is a new entity, it currently reports no discretionary or non-discretionary Assets Under Management. Assets Under Management were calculated as of October, 2018.

Currently, we offer the following advisory services, which are personalized to each individual client:

- Financial Planning Services
- Investment Advisory Services
- Employee Benefit Plan Services
- Educational Seminars

The following paragraphs describe our services and fees. Please refer to the description of each advisory service listed below for information on how we tailor our advisory services to your individual needs.

## Types of Advisory Services

### Financial Planning

Financial planning services may be as broad-based or narrowly focused as you desire. The incorporation of most or all of the listed components allows not only a thorough analysis but also a refined focus of your plans so that the firm is able to assist you in reaching your goals and objectives. These areas may include, but are not limited to, the following:

#### Cash Flow and Debt Management

A review of your income and expenses will be conducted to determine your current surplus or deficit. Based upon the results, we will provide advice on prioritizing how any surplus should be used, or how to reduce expenses if they exceed your income. In addition, advice on the prioritization of which debts to

repay may be provided, based upon such factors as the debt's interest rate and any income tax ramifications. Recommendations may also be made regarding the appropriate level of cash reserves for emergencies and other financial goals. These recommendations are based upon a review of cash accounts (such as money market funds) for such reserves and may include strategies to save desired reserve amounts.

### **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").

### **Employee Benefits**

A review is conducted and analysis is made as to whether you, as an employee, are taking maximum advantage of your employee benefits. We will also offer advice on your employer-sponsored retirement plan and/or stock options, along with other benefits that may be available to you.

### **Personal Retirement Planning**

Retirement planning services typically include projections of your likelihood of achieving your financial goals, with financial independence usually the primary objective. For situations where projections show less than the desired results, a recommendation may include showing you the impact on those projections by making changes in certain variables (i.e., 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.

### **Education Planning**

Advice involving funding an education may include projecting the amount that will be needed to achieve post-secondary goals, along with savings strategies and the "pros-and-cons" of various college savings vehicles that are available. We are also available to review your financial picture as it relates to eligibility for financial aid or ways to contribute to family members' educations.

### **Tax Planning and Strategies**

Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, recommendations may be offered as to 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.

### **Estate Planning and Charitable Giving**

Our review typically 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. We may assess ways to minimize or avoid estate taxes by implementing appropriate estate planning and charitable giving strategies. We encourage you to consult with a qualified attorney when you initiate, update, or complete estate planning activities, and may provide you with contact information for attorneys who specialize in estate planning. We will participate in meetings or phone calls between you and your attorney with prior approval.

### **Investment Consultation**

Investment consultation services often involve providing information on the types of investment vehicles available, employee retirement plans and/or stock options, investment analysis and strategies, asset selection and portfolio design, as well as limited assistance if your investment account is maintained at another broker/dealer or custodian. The strategies and types of investments that may be recommended are further discussed in Item 8 of this brochure.

### **Business Consultation**

We are available to assist small businesses in a variety of ways to include practice management, general financial advice, debt management, accounting and tax preparation, as well as assisting you with matters involving coordination with your financial institution or outside counsel.

If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your short-term and long-term goals and objectives. Once we specify those objectives (both financial and non-financial), we will develop shorter-term, targeted action plans. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written or electronic plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change. If you have retained us separately to provide financial planning services, you are under no obligation to act on our financial planning recommendations and should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services.

### **Investment Advisory Services**

We offer discretionary and non-discretionary investment advisory services. Our investment advice is tailored to meet our clients' needs and investment objectives. If you retain our firm for investment advisory services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use the information we gather to develop a strategy that enables

our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our investment advisory services, we may customize an investment portfolio for you according to your risk tolerance and investing objectives. We may also invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances. If you participate in our discretionary investment advisory services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow our firm to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm or trading authorization forms. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

As part of our investment advisory services, we may recommend that you use the services of a third party money manager (TPMM) to manage all, or a portion of, your investment portfolio. After gathering information about your financial situation and objectives, we will recommend that you engage a specific TPMM or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the TPMM's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We assist clients in selecting an appropriate allocation model, completing the TPMM's investor profile questionnaire, interacting with the TPMM and reviewing the TPMM. Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. We currently utilize the services of SEI Investments (SEI) and XY Investment Solutions (XYIS) as third party money managers.

Fees pertaining to this service are outlined in Item 5 of this brochure.

### **Employee Benefit Plan Services**

Our firm provides employee benefit plan services to employer plan sponsors on an ongoing basis. Generally, such services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's defined contribution retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure, and participant education.

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

### **Educational Seminars**

We provide complimentary educational seminar sessions involving personal finance and investing. Topics may include issues related to general financial planning, education funding, estate planning, retirement strategies, implications involving changes in marital status, and various other current economic or investment topics. Our workshops are educational in nature and do not involve the solicitation of insurance or investment products.

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

We primarily offer advice on mutual funds and exchange traded funds. You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

## **Wrap Fee Programs**

We do not participate in wrap fee programs.

# Item 5: Fees and Compensation

Forms of payment are based on the types of services being provided, term of service, etc., and will be stated in the engagement agreement. OWN charges a flat advisory fee for all accounts which is payable monthly or quarterly in equal installments in arrears. OWN, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria (see “Fee Discretion” below). Initial charges will be pro-rated for the current period. OWN advisory fees may be paid by check or electronic funds transfer from US-based financial institutions. Fees may also be withdrawn directly from the Client’s account held by an independent custodian (e.g., TDAmeritrade, SEI). However, the following criteria must be met when the custodian makes payment:

- The Client must provide written authorization permitting the fees to be paid directly from the clients account held by independent custodian.
- The custodian agrees to send the client a statement directly, at least quarterly, indicating all the amounts disbursed from the account including the amount of advisory fees paid directly to OWN. The custodian of the account is advised in writing of the limitation on OWN’s access to the account. OWN does not and will not have custody of clients funds and securities
- OWN sends to the Client an invoice showing the amount of the fee, including any formulae used to calculate the fee, the time period covered by the fee and the amount of assets under management the amount of fee was based, if applicable. OWN advises the client that it is the clients responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated.
- OWN shall only utilize the custodial services of the “Qualified Custodian”.

All fees paid to Open Wealth Network for advisory services are completely separate and distinct from the fees and expenses charged by the mutual fund, ETF or third party money manager. These fees and expenses are described in each fund’s prospectus.

Our firm does not accept cash, money orders or similar forms of payment for its engagements.

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. Please review the fee and compensation information below.

### **Combined Financial Planning and Investment Advisory Services:**

Clients engaging our combined financial planning and investment advisory services are subject to a flat annual fee based on the level of complexity of your financial profile, the depth of services to be provided through the engagement, assets that comprise your overall portfolio, number of accounts comprising the portfolio, time involved in the engagement, among others. The flat annual fee is payable monthly or quarterly, in arrears, at the rate of \$300 - \$1,400 per month or \$900 - \$4,200 per quarter, depending on the complexity and the needs of the client. Following our presentation of your plan, we are available to assist you over the course of the year to ensure various planning action items are accomplished.

The annual fees are negotiable and are pro-rated and paid in arrears on a monthly or quarterly basis. 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 or electronic funds transfer. The fee is paid to our firm at the end of each month or quarter, and is due within the first 10 calendar days after each period of service, e.g. month or quarter. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account. Any earned but unpaid fees will be due upon termination.

### **Financial Planning Only**

Financial planning only clients are subject to a flat annual fee based on the level of complexity of your financial profile, the depth of services to be provided through the engagement, assets that comprise your overall portfolio, number of accounts comprising the portfolio, time involved in the engagement, among others. The flat annual fee is payable monthly or quarterly, in arrears, at the rate of \$225 - \$1,050 per month or \$675 - \$3,150 per quarter, depending on the complexity and the needs of the client. Following our presentation of your plan, we are available to assist you over the course of the year to ensure various planning action items are accomplished.

The annual fees are negotiable and are pro-rated and paid in arrears on a monthly or quarterly basis. 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. The fee is paid to our firm at the end of each month or quarter, and is due within the first 10 calendar days after each period of service, e.g. month or quarter. We will prorate the first fee based on the number of days remaining in the first month or quarter. Fees for this service may be paid by electronic funds transfer or check. This service may be terminated with 30 days' notice. Since fees are paid in

arrears, no rebate will be needed upon termination of the account. Any earned but unpaid fees will be due upon termination.

### **Investment Advisory Services Only**

Investment advisory services are subject to a flat annual fee based on the level of complexity of your financial profile, the depth of services to be provided through the engagement, assets that comprise your overall portfolio, number of accounts comprising the portfolio, time involved in the engagement, among others. The flat annual fee is payable monthly or quarterly, in arrears, at the rate of \$150- \$700 per month or \$450 - \$2,100 per quarter, depending on the complexity and the needs of the client. This service includes an annual check-up with our team and is the ideal solution for those who need to start investing but don't feel quite ready for an ongoing planning relationship.

The annual fees are negotiable and are pro-rated and paid in arrears on a monthly or quarterly basis. 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.

Third party money managers, XYIS and SEI, will debit their management fees and OWN's advisory fees will be debited separately.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check or electronic funds transfer. The fee is paid to our firm at the end of each month or quarter, and is due within the first 10 calendar days after each period of service, e.g. month or quarter. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account. Any earned but unpaid fees will be due upon termination.

### **Project-Based Financial Planning Hourly Fee**

Project-Based Financial Planning is available for clients who do not require or desire ongoing financial planning. This service typically covers 1-2 specific topics of your choice. Topics may include: late stage college funding, business start-up, when/how to draw social security or pension income, investment review, pre-retirement preparation, student loan repayment, etc. This service is billed at an hourly rate of \$300 per hour with a minimum of a 3-hour commitment. Prior to entering into an agreement with our firm you will receive an estimate of the overall cost based on your requirements and the time involved. Projects spanning more than three months will be billed quarterly. Fees are not collected for services to be provided more than 6 months in advance.

Payment is required at delivery of our invoice which coincides with the presentation of your plan. 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.

## **Employee Benefit Plan Services**

Clients engaging our Employee Benefit Plan services are subject to a flat annual fee based on the level of complexity of your financial profile, the depth of services to be provided through the engagement, assets that comprise your overall portfolio, number of accounts comprising the portfolio, time involved in the engagement, among others. The flat annual fee is payable monthly or quarterly, in arrears, at the rate of \$300 - \$1,400 per month or \$900 - \$4,200 per quarter, not to exceed \$16,800 per year. This does not include fees to other parties, such as RecordKeepers, Custodians, or Third-Party-Administrators. Fees for this service are either paid directly by the plan sponsor or deducted directly from the plan assets by the Custodian on a quarterly basis, and OWN's fee is remitted to OWN.

## **Termination of Investment Advisory Services**

Client may terminate OWN investment advisory services without penalty within (5) business days of signing the investment advisory agreement. In all other situations, the investment advisory agreement is effective for one year and shall be automatically renewed for successive one year terms unless terminated by either the Client or OWN within thirty (30) days written notice.

## **Fee Discretion**

OWN, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as having experience with the client from a prior firm, the level of complexity and work required, or the method of fee billing to which the client has grown accustomed. In no event will the fees charged to a customer's account exceed the limitations imposed by applicable laws and regulations prohibiting "excessive fees."

## **Additional Fees and Expenses**

In addition to the advisory fees paid to OWN, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions. These charges are the responsibility of the clients, and are not included in or deducted from the fees charged by OWN. The Firm's brokerage practices are described at length in Item 12, below.

We do not accept compensation for the sale of securities or other investment products including service fees from the sale of mutual funds.

## **Account Additions and Withdrawals**

Clients may make additions to and withdrawals from their account at any time. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to OWN, subject to the

usual and customary securities settlement procedures. However, OWN designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. OWN may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e., contingent deferred sales charge) and/or tax ramifications.

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

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

## Item 7: Types of Clients

We provide financial planning and investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. In general, we require a minimum of \$150,000 for investment advisory services. At our discretion, we may waive this minimum account size. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum. Third party money managers may have minimum account sizes. This disclosure will be made in the documents that are provided by the third party money manager.

There is no minimum for Financial Planning.

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

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

**Technical analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends

will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

**Cyclical analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Charting analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Use of Outside Managers:** We refer clients to third-party investment advisers ("outside managers"). Our analysis of outside managers involves the examination of the experience, expertise, investment philosophies, and past performance of the outside managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that He may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager's portfolio. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

## **Material Risks Involved**

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

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

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

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

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

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

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

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

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

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

## **Risks Associated with Securities**

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

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

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

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

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

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

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

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

**Investment Companies Risk.** When a client invests in open-end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by

losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

## Item 9: Disciplinary Information

### **Criminal or Civil Actions**

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

### **Administrative Enforcement Proceedings**

OWN and its management have not been involved in administrative enforcement proceedings.

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

OWN and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of OWN or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

No OWN employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No OWN employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

OWN does not have any related parties. As a result, we do not have a relationship with any related parties.

OWN only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

Michael J. Henzes is currently a licensed insurance agent, however, he no longer sells any insurance products, and is not affiliated with any insurance companies. He will not sell any insurance products to clients of OWN.

Michael J. Henzes is currently an Enrolled Agent for the IRS, and he provides tax planning as part of the firm's Financial Planning services. However, he does not provide tax preparation services, and he will not provide tax preparation services to clients of OWN.

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

As referenced in Item 4 of this brochure, OWN recommends clients to Third Party Money Managers (TPMM) to manage their accounts. In the event that we recommend a TPMM, please note that we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5) and will be described

to you prior to engagement. You are not obligated, contractually or otherwise, to use the services of any TPMM we recommend. Additionally, OWN will only recommend a TPMM who is properly licensed or registered as an investment adviser. The combination of fees for OWN and the TPMM will not exceed the industry standard of excessive fees, which is 3%.

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

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

### **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

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

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

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

Neither our firm, its associates or any related person is authorized to recommend to a client or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

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

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

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

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. This will usually occur when utilizing block trading a security or securities across client accounts and our firm or “related person” is included in the block trade. See below in Item 12 under “Aggregating (Block) Trading for Multiple Client Accounts” for details on our block trading practices.”

# Item 12: Brokerage Practices

## **Factors Used to Select Custodians and/or Broker-Dealers**

Open Wealth Network does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to the client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

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

We currently do not receive soft dollar benefits.

### **2. Brokerage for Client Referrals**

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

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

We do recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve most favorable execution of client transaction and this may cost clients money over using a lower-cost custodian.

## **The Custodian and Brokers We Use (TD Ameritrade and SEI)**

TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC. TD Ameritrade is an independent [and unaffiliated] SEC-registered

broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.)

SEI (NASDAQ:SEIC) is a leading global provider of investment processing, investment management, and investment operations solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of June 30, 2018, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages, advises or administers \$882 billion in hedge, private equity, mutual fund and pooled or separately managed assets, including \$331 billion in assets under management and \$545 billion in client assets under administration. For more information, visit [seic.com](http://seic.com).

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

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

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

## **Item 13: Review of Accounts**

Michael J. Henzes, Owner, Managing Member, and CCO of OWN, will work with clients to obtain current information regarding their assets and investment holdings and will review this information as part of our financial planning services. OWN does not provide specific reports to financial planning clients, other than financial plans.

Client accounts utilizing our Investment Advisory Services will be reviewed regularly on a quarterly basis by Michael J. Henzes, Owner, Managing Member, and CCO. The account is reviewed with regards to the client’s investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client’s needs.

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

OWN will not provide written reports to Investment Advisory Service clients.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for client referrals.

As disclosed under Item 12, above, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

## Item 15: Custody

OWN does not accept custody of client funds except in the instance of withdrawing client fees.

For client accounts in which OWN directly debits their advisory fee:

- i. OWN 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 OWN, 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 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

OWN offers investment advisory services on both a discretionary and non-discretionary basis. For client accounts managed on a discretionary basis, we maintain discretion over client accounts with respect to securities to be bought and sold, the amount of securities to be bought and sold, and OWN will not give advance notice or seek the Client's consent for any changes to the Portfolio. For client accounts managed on a non-discretionary basis, OWN will give advance notice or seek the Client's consent for any changes to the Portfolio.

Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client.

## Item 17: Voting Client Securities

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

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

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

# Item 19: Requirements for State-Registered Advisers

## Michael J. Henzes

Born: 1974

### Educational Background

- 2008 – CFP, College for Financial Planning
- 2004 – MBA Concentration in Finance, St. Joseph’s University
- 1996 – BS in Accounting, West Chester University of Pennsylvania

### Business Experience

- 10/2018 – Present, M3L Business Development LLC d/b/a Open Wealth Network, Owner, Managing Member, and CCO
- 12/2016 – 12/2018, Royal Alliance Associates, Inc., IAR
- 01/2015 – 10/2017, Retirement Advisory Services Corp, IAR/VP
- 03/2010 – 01/2015, Main Line Financial Advisors, LLC, IAR/RR
- 03/2010 – 12/2014, FSC Securities Corporation, RR
- 09/2008 – 04/2010, Sterling Financial Advisors, LLC, IAR
- 07/2008 – 01/2010, Reinsel Kuntz Leshner LLP, Principal

### Professional Designations, Licensing & Exams

**CFP (Certified Financial Planner)®:** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include

insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real-world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Enrolled Agent (EA):** Enrolled Agents are enrolled by the Internal Revenue Service, are authorized to use the EA designation and have earned the privilege of representing taxpayers before the Internal Revenue Service.

EA enrollment requirements:

- Successful completion of the three-part IRS Special Enrollment Examination (SEE), covering individual and business tax returns, or completion of five years of employment by the IRS in a position which regularly interpreted and applied the tax code and its regulations.
- Successfully pass the background check conducted by the IRS.
- Must obtain a minimum of 72 hours of continuing education per enrollment cycle (every three years). Additionally, they must also obtain a minimum of 16 hours of continuing education (including 2 hours of ethics or professional conduct) each enrollment year.

## Other Business Activities

Michael J. Henzes is not involved with outside business activities.

## Performance-Based Fees

OWN is not compensated by performance-based fees.

## **Material Disciplinary Disclosures**

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

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

Open Wealth Network, nor Michael J. Henzes, have any relationship or arrangement with issuers of securities, in addition to what is described in Item 10.

## **Additional Compensation**

Michael J. Henzes does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through OWN.

## **Supervision**

Michael J. Henzes, as Owner, Managing Member, and Chief Compliance Officer of OWN, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## **Requirements for State Registered Advisers**

Michael J. Henzes has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.

## Open Wealth Network

1518 Cloverhill Rd.  
Pottstown, PA 19464  
(610) 702-4083

Dated December 14, 2018

### Form ADV Part 2B – Brochure Supplement

*For*

**Michael J. Henzes [Individual CRD# 4032996]**

Owner, Managing Member,, and Chief Compliance Officer

This brochure supplement provides information about Michael J. Henzes that supplements the M3L Business Development LLC d/b/a Open Wealth Network (“OWN”) brochure. A copy of that brochure precedes this supplement. Please contact Michael J. Henzes if the OWN brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Michael J. Henzes is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 4032996.

# Item 2: Educational Background and Business Experience

## Michael J. Henzes

Born: 1974

### Educational Background

- 2008 – CFP, College for Financial Planning
- 2004 – MBA Concentration in Finance, St. Joseph’s University
- 1996 – BS in Accounting, West Chester University of Pennsylvania

### Business Experience

- 10/2018 – Present, M3L Business Development LLC d/b/a Open Wealth Network, Owner, Managing Member, and CCO
- 12/2016 – 12/2018, Royal Alliance Associates, Inc., IAR
- 01/2015 – 10/2017, Retirement Advisory Services Corp, IAR/VP
- 03/2010 – 01/2015, Main Line Financial Advisors, LLC, IAR/RR
- 03/2010 – 12/2014, FSC Securities Corporation, RR
- 09/2008 – 04/2010, Sterling Financial Advisors, LLC, IAR
- 07/2008 – 01/2010, Reinsel Kuntz Leshner LLP, Principal

### Professional Designations, Licensing & Exams

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insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real-world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Enrolled Agent (EA):** Enrolled Agents are enrolled by the Internal Revenue Service, are authorized to use the EA designation and have earned the privilege of representing taxpayers before the Internal Revenue Service.

EA enrollment requirements:

- Successful completion of the three-part IRS Special Enrollment Examination (SEE), covering individual and business tax returns, or completion of five years of employment by the IRS in a position which regularly interpreted and applied the tax code and its regulations.
- Successfully pass the background check conducted by the IRS.
- Must obtain a minimum of 72 hours of continuing education per enrollment cycle (every three years). Additionally, they must also obtain a minimum of 16 hours of continuing education (including 2 hours of ethics or professional conduct) each enrollment year.

## Item 3: Disciplinary Information

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

## Item 4: Other Business Activities

Michael J. Henzes is not involved with outside business activities.

## Item 5: Additional Compensation

Michael J. Henzes does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through OWN.

## Item 6: Supervision

Michael J. Henzes, as Owner, Managing Member, and Chief Compliance Officer of OWN, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

Michael J. Henzes has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.